UNIVERSAL REGISTRATION DOCUMENT 2024

comprising the annual report, the management report and the corporate governance report

CARBIOS

Biotechnology powering plastic and textile circularity

SUMMARY

CARBIOS

Société anonyme (public limited company) with capital of €11,791,941.00
Headquarters: Cataroux site - 8 rue de la Grolière - 63100 Clermont-Ferrand, France
Trade and Companies Register (RCS) Clermont-Ferrand 531 530 228

UNIVERSAL REGISTRATION DOCUMENT 2024

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AUTORITÉ DES MARCHÉS FINANCIERS AMF

This Universal Registration Document was filed on April 30, 2025 with the Autorité des Marchés Financiers (AMF), as the competent authority in respect of (EU) Regulation No. 2017/1129, without prior approval, in accordance with Article 9 of said regulation.

The Universal Registration Document may be used in support of a public offering of securities or the admission to trading of financial securities on a regulated market if it is supplemented by a transaction note and, if applicable, a summary note and all amendments made to the Universal Registration Document. The set of documents is approved by the AMF in accordance with (EU) Regulation No. 2017/1129.

Pursuant to Article 19 of (EU) Regulation No. 2017/1129, the following elements are included by reference in this Universal Registration Document:

- the separate financial statements for the fiscal year ended December 31, 2022 and the related Statutory Auditors' report as presented in sections 5.1 (pages 114 to 138) and 5.2 (pages 139 to 140) of the Universal Registration Document filed with the AMF on April 12, 2023 under the number D. 23-0263;
- the review of the Company's results and financial position for the fiscal year ended December 31, 2022, presented in section 2.1 (pages 48 to 52) of the Universal Registration Document filed with the AMF on April 12, 2023 under the number D. 23-0263; and
- the consolidated financial statements under IFRS for the fiscal year ended December 31, 2022 and the related Statutory Auditors' report as presented in sections 5.3 (pages 141 to 186) and 5.4 (page 187) of the Universal Registration Document filed with the AMF on April 12, 2023 under the number D. 23-0263;
- the separate financial statements for the fiscal year ended December 31, 2023 and the related Statutory Auditors' report as presented in sections 5.3 (pages 175 to 201) and 5.4 (pages 202 to 203) of the Universal Registration Document filed with the AMF on April 19, 2024 under the number D. 24-0305;
- the review of the Company's results and financial position for the fiscal year ended December 31, 2023, presented in section 2.1 (pages 56 to 59) of the Universal Registration Document filed with the AMF on April 19, 2024 under the number D. 24-0305;
- the consolidated financial statements under IFRS for the fiscal year ended December 31, 2023 and the related Statutory Auditors' report as presented in sections 5.1 (pages 122 to 172) and 5.2 (page 173) of the Universal Registration Document filed with the AMF on April 19, 2024 under the number D. 24-0305.

The information included in these two Registration Documents, other than those referred to above, is replaced or updated by the information included in this Universal Registration Document. These two Registration Documents are available at the Company's registered office and on its internet site **www.carbios.com**.

Copies of this Universal Registration Document are available free of charge at Carbios' registered office, Cataroux site - 8, rue de la Grolière - 63100 Clermont-Ferrand - France, the Company's website (**www.carbios.com**) and the AMF's website (**www.amf-france.org**).

In this document, the terms:

- "Carbios" or the "Company" refers to the Carbios company,
- "Universal Registration Document" refers to this document.

Forward-looking information

This Universal Registration Document contains statements regarding the Company's objectives and areas of development. These statements are sometimes identified by the use of the future and conditional tenses and terms of a forward-looking nature such as "consider," "envisage," "think," "aim," "expect," "intend," "should," "hope," "estimate," "believe," "wish," "may," or, as the case may be, the negative form of these same terms, or any other variant or similar terminology.

Readers should note that these objectives and areas of development depend on circumstances or facts whose occurrence or completion is uncertain.

These objectives and areas of development are not historical data and should not be interpreted as guarantees that the stated facts and data will occur, the assumptions be verified or the objectives achieved. By their nature, these objectives may not be achieved and the statements or information contained in this Universal Registration Document may prove to be incorrect, and the Company is not obliged in any way to update them, subject to the regulations in force, in particular the General Regulation of the *Autorité des Marchés Financiers*.

This Universal Registration Document also contains information relating to the Company's business activity as well as the market and industry in which it operates. This information comes from, among other places, studies conducted by internal and external sources (analyst reports, specialized studies, industry publications, all other information published by market research companies, companies and public bodies). The Company believes that this information gives a true and fair view of the market and industry in which it operates and accurately reflects its competitive position; however, although this information is considered reliable, it has not been independently verified by the Company.

Risk factors

Investors are also invited to take into account the risk factors described in Chapter 3 "Risk factors" in the Universal Registration Document before making their investment decision. The occurrence of one or more of these risks could have an adverse effect on the business, outlook, financial position, financial income and outlook of the Company. Other risks not yet identified or considered not to be significant by the Company may have the same adverse effect and investors may lose all or part of their investment.

Rounding

Some figures (including data expressed in thousands or millions) and percentages presented in the Universal Registration Document have been rounded. If applicable, the totals presented in the Universal Registration Document may differ slightly from those that would have been obtained by adding the exact (unrounded) values for these figures.

This is a translation into English of the Universal Registration Document of the Company issued in French and it is available on the Company's website (www.carbios.com)
In case of discrepancy between the French and the English version of this Universal Registration Document, the French version should prevail.


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1. PRESENTATION OF CARBIOS AND ITS ACTIVITIES

1.1 GENERAL PRESENTATION

1.1.1 CARBIOS: A GLOBAL PIONEER IN THE ENZYMATIC DEPOLYMERIZATION OF PLASTICS AND TEXTILES

The context:

A major global environmental challenge: 360 million metric tons of plastic waste are generated each year, of which 81 million metric tons escape the management systems(1).

However, only 9% of plastic waste was recycled worldwide in 2020(1).

If nothing changes, the global production of plastic waste is expected to almost triple by 2060[(1)].

Two target markets: PET (PolyEthylene Terephthalate) which represents over 90 million metric tons produced each year[(2)], whose market growth is expected to double in 25 years to 186 million metric tons by 2050[(3)]; and PLA (Polylactic Acid) with a production capacity expected to increase from 440,000 metric tons in 2022(4) to more than 700,000 metric tons in 2026.

Focus on Carbios and its technologies:

A core business, the marriage of biology and plastics to serve the circular economy.

Two proprietary technologies protected by 58 patent families.

International recognition of Carbios' innovation by the most prestigious scientific journals: Nature, Chemical Reviews, ACS Catalysis.

A unique industrial project in the world: to build the first PET biorecycling plant in France.

(1) Source: OECD 2024 (2) Source: IHS Markit in 2021 (3) Source: Carbios in 2023 (Outlook for this reference scenario based on McKinsey & Company's "Accelerating Momentum" scenario of 2023) (4) Source : IHS Markit in 2021

Carbios, a biotechnology company created in April 2011, develops and industrializes biological solutions to reinvent the life cycle of plastics and textiles. Through its unique approach combining biology and plastics for the first time, Carbios aims to address new consumer expectations and the challenges of the broader environmental transition faced by governments and industrial companies by taking up a major challenge of our time: reducing plastic and textile waste pollution, and accelerating the transition to a circular economy. Its two innovative technologies dedicated to the biorecycling of PET and the biodegradation of PLA are in the industrial and commercial scale-up phase internationally.

Through its biorecycling technology, Carbios provides an industrial solution to the recovery of PET (the dominant plastic in polyester bottles, trays and textiles), which is a market of over 90 million metric tons per year worldwide.

This technology converts all types of PET waste into its basic components (monomers). These can then be reused to manufacture new products from 100% recycled and 100% recyclable PET, without loss of quality.

Since July 2022, Carbios has operated a pre-industrial unit (the demonstration plant) at its Clermont-Ferrand site. This facility represents the final stage of development of the process and prefigures the design of future industrial units. The operation of this unit and the detailed engineering study for Carbios' plant project enabled the basic engineering and operational guidelines to be defined for the units that will be operated under license agreements by industrial companies that will build and operate their own plants.

Since October 2023, Carbios has initiated the construction of a PET biorecycling plant in Longlaville (54) in the Grand-Est region of France. On-site construction activities continued during the 2024 fiscal year, then the decision was made in December 2024 to postpone the continuation of construction work on this plant by six to nine months, in order to align on the expected schedule of public aid and the negotiation of the necessary additional financing[1].

This plant project, sized to process approximately 50,000 metric tons of PET waste per year, should make it possible to secure the production of the first industrial and commercial volumes of biorecycled PET and to consolidate the Company's business model, which consists of granting operating licenses for its technologies and know-how.

The Company has also developed a **biological biodegradation solution for PLA**, a plant-based polymer, with production capacities currently estimated at around 440,000 metric tons per year. Integrated into the heart of packaging during the plastic conversion processes, this enzymatic solution called CARBIOS Active, makes it possible to create a new generation of PLA products that are 100% compostable, even at room temperature, without leaving toxic residues or microplastics. Supported by a fully operational industrial tool, solid partnerships and the certifications necessary to address its primary target markets, Carbios and its subsidiary Carbiolice are undertaking the commercial deployment of this innovation.

[1] Please refer to the press release of December 19, 2024.

1.1.2 KEY DATES IN THE GROUP'S DEVELOPMENT

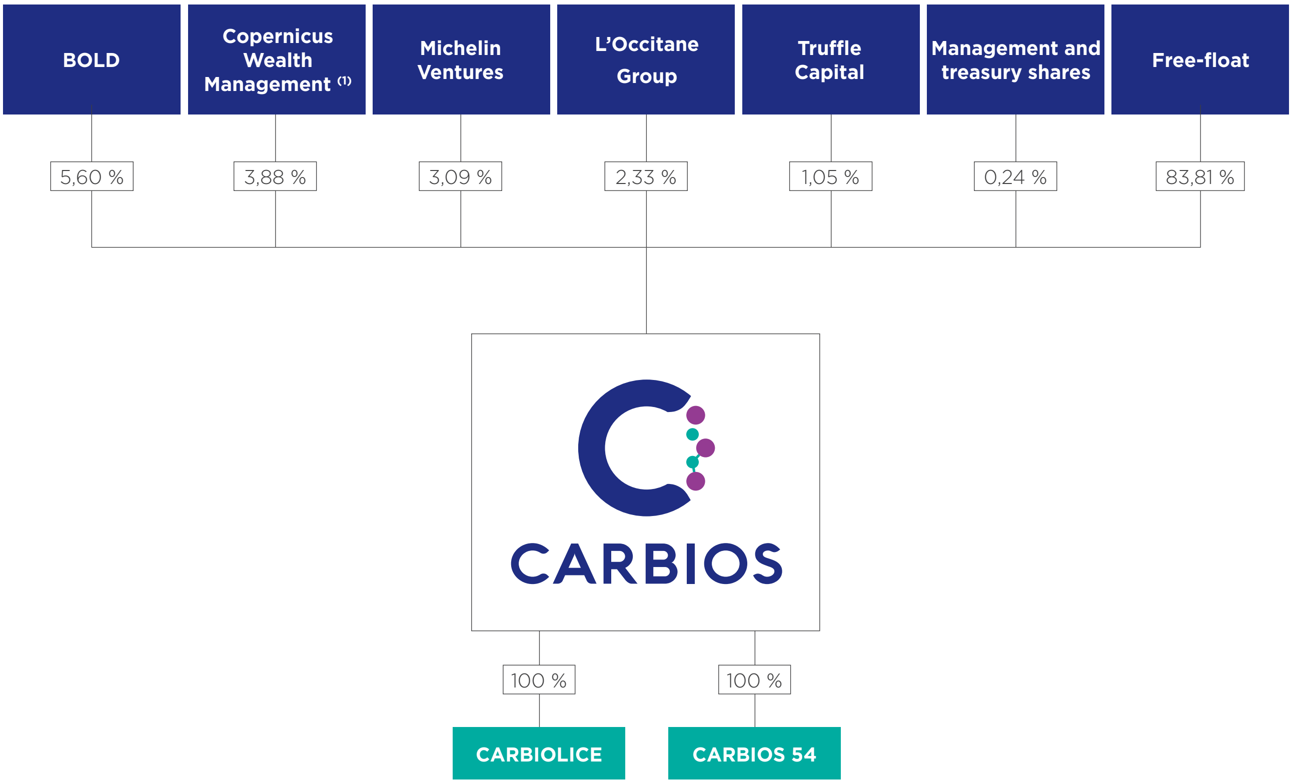
- **2011**: Creation of Carbios
- **2012**: Launch of the R&D project THANAPLAST™
- **2013**: IPO on Euronext Growth Paris
- **2016**: Creation of Carbiolice
- **2019**: Packaging Consortium founded with L'Oréal and joined by Nestlé Waters, PepsiCo and Suntory Beverage & Food Europe
- **2020**: Publication in the scientific revue Nature; Creation of the PoPLaB with INSA Toulouse
- **2021**: First food-grade biorecycled PET bottles; Commissioning of the Clermont-Ferrand pre-industrial unit
- **2022**: Fiber-to-Fiber Consortium with On, Patagonia, PVH, Puma and Salomon; Strategic alliance with Novonesis
- **2023**: Building permit and authorization to operate granted for the Longlaville plant; Inauguration of a textile preparation line
- **2024**: Laying of the foundation stone of the Longlaville plant and start of construction work; Signing of LOIs with Zhink Group, SASA and FCC Environment UK to install licensed industrial capacities; 2nd publication in the scientific revue Nature

1.1.3 A COMMITTED SHAREHOLDER BASE

Carbios' shareholding is based on committed investors:

- the BOLD fund (Business Opportunities for L'Oréal Development): a private equity fund created by L'Oréal to support the development of innovative start-ups;
- the Michelin Ventures fund, created by Michelin in order to materialize Michelin's open innovation approach and to invest in high-tech materials that include a sustainable development dimension;
- the L'Occitane Group, a major player in the natural cosmetics market and a shareholder of the Company since May 2021;
- Copernicus Wealth Management, an asset management company which invests on behalf of individual third parties in innovative sectors with high growth potential and a positive social or environmental impact; and
- Truffle Capital, a venture capital fund with a total of more than €500 million in assets spread over several investment vehicles.

The following organizational chart is based on the share capital held by each shareholder (excluding potential share capital) at the date of this Universal Registration Document:



(1) Shares held by funds and/or individuals with Copernicus Wealth Management SA as their management company.
Carbios 54: a wholly-owned subsidiary of Carbios for its industrial operations in Longlaville

The above percentages refer to share capital, not voting rights. The percentage of voting rights is not identical to the percentage of share capital. For more information on the Company's main shareholders and their percentage of voting rights, please refer to section 6.1 of this Universal Registration Document.

Carbios share data sheet

Market: Euronext Growth Paris

Mnemonic code: ALCRB

ISIN code: FR0011648716

LEI: 969500M2RCIWO4NO5F08

First day of trading: December 19, 2013

ICB Classification: Chemicals/Specialty chemicals

Indices: Euronext Growth All-share, Euronext Growth Bpifrance Innovation, Euronext Tech Croissance, Euronext Tech Leaders, CAC PME and Enternext PEA-PME 150

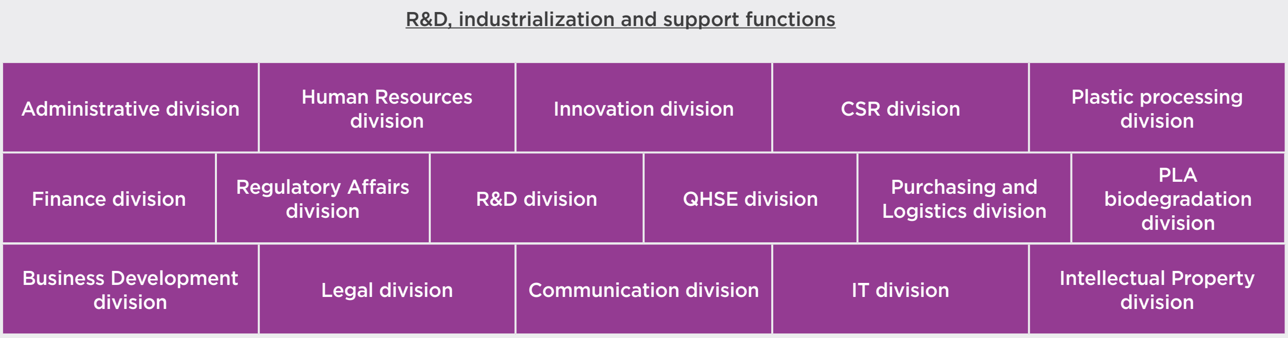
Number of shares at April21, 2025: 16,845,630

Fiscal year-end date: December 31

1.1.4 ORGANIZATION AND EMPLOYEES

The Company is organized around an industrial development division (pilot plant, industrial demonstration plant and plant project), an R&D, innovation and Intellectual Property division, a division dedicated to biodegradation activities and support functions (Business Development, Finance, HR, Purchasing, Logistics, Legal, QHSE, CSR, Communication, Public Affairs, etc.). All these activities are the responsibility of the members of the Executive Committee.

Functional organizational chart of Carbios on the date of this universal registration document



September 2, 2024[1], the Executive Committee was joined by Tommy MAUSSIN as Marketing Director.

Since March 20, 2025[2], Vincent KAMEL holds the position of Chief Executive Officer, replacing Philippe POULETTY, who held this position on a transitional basis since December 18, 2024[3].

As of the date of this Universal Registration Document, the Carbios Executive Committee has ten members.

At December 31, 2024, the Carbios Group employed 139 people, mainly at the Cataroux site in Clermont-Ferrand and at its Toulouse enzymatic engineering research center: ***PoPLab***[4].

In January 2025[5], the Company announced a reorganization project resulting in job cuts at Carbios and its subsidiary Carbios 54. This reorganization, in line with the readjustment of the construction schedule of the plant in Longlaville, should enable Carbios to continue the execution of its industrial and commercial strategy, as well as the prudent management of its cash flow.

For the 2024 fiscal year, the overall compensation and benefits plan in place for employees included:

- an incentive scheme aimed at rewarding the involvement of all Group employees in achieving defined CSR objectives, particularly in terms of safety, the environment and skills development;
- a value-sharing bonus (PPV); and
- a target bonus combining individual and collective performance criteria.

[1] Please refer to the press release of September 3, 2024.
[2] Please refer to the press release of March 21, 2025.
[3] Please refer to the press release of December 19, 2024.
[4] Plastic Polymers and Biotechnologies.
[5] Please refer to the press release of January 28, 2025.

This system was supplemented in early 2024 by the deployment of an employee shareholding plan for all Group employees who are members of the company savings plan. This employee shareholding plan was subscribed by 88.49% of the salaried workforce concerned. It contributes to bringing the employee shareholding of Carbios, within the meaning of Article L. 225-102 of the French Commercial Code, to around 0.08% of the share capital.

In order to provide individualized support to all its employees, the Company conducts annual assessments in the form of Individual Activity Interviews and proposes a continuous and tailor-made training offer, adapted to all moments in the life of each employee within the structure.

1.1.5 AN EXPERIENCED MANAGEMENT TEAM

The Carbios Executive Committee is a central body in the management of the Company's projects:

- it ensures and coordinates the development of activities;
- it manages operational matters and determines the actions to be taken;
- it coordinates the approach to cross-functional topics and projects;
- it ensures the development of academic, industrial and commercial partnerships; and
- it anticipates and prepares organizational and strategic changes for the Company.

Carbios executives ensure the implementation of its strategy and are responsible for the coordination and implementation of action plans within the Company.

Vincent KAMEL
CHIEF EXECUTIVE OFFICER

More than 35 years of experience in the management of chemical and recycling companies in Europe, Asia and the Americas

Chief Executive Officer of the Polyamide Division of **Solvay**, Director of the Coatis Business Unit and Asia Director for "Engineering Plastics"

Holder of an engineering degree from École Centrale de Lyon

Lionel ARRAS
INDUSTRIEL DEVELOPMENT DIRECTOR

More than 25 years of experience in process engineering and the chemical industry

Engineer graduated from ENSIC Nancy and holds an MBA from the Lyons School of Management

Sophie BALMARY
HR AND LEGAL DIRECTOR

More than 25 years of experience, including 6 years at Michelin and more than 20 years within Renault Group

Michelin: Director of Labor Relations
Renault: Head of Labor Relations France, Head of Renault Headquarters, Senior International Legal Officer

Lawyer graduated from the University of Grenoble in Business Law

Mathieu BERTHOUD
SVP BUSINESS DEVELOPMENT, FEEDSTOCK RECYCLING

More than 30 years of experience, including 10 years at Rhodia (now Solvay) and more than 20 years at Suez

Suez: Chief Executive Officer of subsidiaries, Chief Operating Officer North Europe, Chief Technology Officer of the Waste business at **Suez**

Scientific university studies and holder of an MBA from HEC Paris

Delphine DENOIZE
PUBLIC FUNDING AND REGULATION DIRECTOR

Innovation financing expert

Carbios: PET project manager - Responsible for innovation and regulations
Céréales Vallées competitiveness cluster: Innovation financing

Agricultural Engineer

Stéphane FERREIRA
CHIEF BIORECYCLING BUSINESS OFFICER

More than 20 years of experience in specialty chemicals. In-depth knowledge of the materials and life sciences markets

Dupont and Arkema in strategic and operational functions in several countries including France, Germany and Korea. Former Vice-President of Transformation for Arkema's business coatings entity

Holder of a Master's of Science in Life Sciences and Graduate of the "Institut Agro" of Montpellier

Bénédicte GARBIL
SVP CORPORATE AFFAIRS, SUSTAINABILITY AND COMMUNICATION

Expert in public policies and financing of innovative projects

Commissariat Général à l'Investissement: Deputy Director of Health and Biotechnologies
Direction Générale des Entreprises: Health Industries Bureau Manager

Graduate of Science-Po Lille, holder of a Master's degree in Health Law and Regulatory Affairs and a University degree in Pharmacoeconomics

Alain MARTY
CHIEF SCIENTIFIC OFFICER

International expert in enzymology and biological processes

INSA National Institute of Applied Sciences: Professor and Head of an Expert research group on behalf of the **AERES** French Agency for Research and Higher Education Assessment and ANR French National Research Agency

PhD in Biology, Biochemical Engineer, University of Toulouse.

Tommy MAUSSIN
CHIEF MARKETING OFFICER

Expert in the development of international marketing strategies. More than 17 years of experience in international business in several divisions of Michelin

Michelin: European Director and Vice-President of the lifestyle division. Previously Director of Marketing and Global Strategy for Automotive Brands

Engineering training at ICAM - Graduate of ESSEC in strategy and international business management

Antoine TRILLOT
CHIEF ADMINISTRATIVE AND FINANCIAL OFFICER

20 years of experience and expertise in corporate finance, mainly in chemicals

Solvay: responsibilities in financial management of business units or corporate finance

Graduate of IESEG School of Management, Lille

STRUCTURED CSR GOVERNANCE

Sustainable development is at the heart of Carbios' DNA, from its mission to its purpose, including the way it manages its activities and designs its business model. With this original character, Carbios has gradually integrated its CSR issues to the point of giving them a central place in the company strategy. This commitment is now fully integrated into the Company's governance bodies. Thus, the members of the Executive Committee and the Board of Directors are made aware of socio-environmental issues through regular training (eco-design, ISO regulations and certification, etc.) or through their respective professional experiences (energy transition, business ethics, creation of impact funds, reduction of CO2 emissions in industrial activities, etc.). Carbios has a Strategy and CSR Committee that meets several times a year. Its mission is to assist and make recommendations to the Board of Directors on the Company's CSR commitments, action programs and roadmap.

The effective implementation of this CSR strategy also relies on the full mobilization of all internal departments. Thus, the Company has a Steering Committee led by the CSR manager and composed of "ambassador" employees covering a wide range of expertise: Research & Development, Engineering, QHSE (Quality, Health, Safety, Security), Human Resources, Investor Relations, Communication.

In November 2024, Carbios published its third Sustainability Report confirming its commitment and desire for transparency in terms of environmental, social and governance initiatives.

1.2 MARKET CONTEXT AND OPPORTUNITIES

Every year in the world:

- 86% of packaging waste is not recycled(1).
- More than 450 million metric tons(2) of plastics are produced each year, including 90 million metric tons of PET with an estimated value of more than $100 billion (+4% per year)(3).
- At the current rate, the amount of plastic waste produced worldwide is expected to nearly triple by 2060(4).
- 360 million metric tons of plastic waste are generated(5).
- 55 million tons are collected and only 33 million tons are recycled(6).
- 500 billion units(7) of plastic bottles are produced and less than 50% are collected for recycling.

(1) Sources: Citigroup in 2018, Euromonitor in 2017. (2) (4) and (5) Source: OECD in 2024. (3) Source: IHS Markit in 2021
(6) Source: OECD 2019. (7) Source: Citigroup in 2018.

In light of the environmental consequences of the difficulties of controlling the end-of-life of plastics through conventional processes, turning plastic and textile waste into resources is essential and is currently one of the major focuses of the circular economy.

To meet these objectives, industries must make profound changes and take up new challenges that create industrial opportunities.

1.2.1 AN ENVIRONMENTAL CHALLENGE: RETHINKING THE END-OF-LIFE OF PLASTICS AND TEXTILES

Plastic must be used more carefully. The fact remains that this material is essential in a large number of applications, combining unrivaled properties and low cost. Plastics, which today are still mainly of fossil origin, take around 400 to 500 years[1] to degrade under natural conditions. With the development of our industrial societies, the generation of plastic waste has continued to grow and has led to an accumulation of plastic in the environment, including in the most remote and pristine regions of the world.

The OECD estimates that only 9% of the plastic waste generated each year worldwide is recycled and 19% is incinerated. The remainder, almost 72%, accumulates in landfills and in the environment where it contributes to polluting our soils, rivers and marine environments.[2]

Better management of the life cycle of plastics and textiles and limiting the use of fossil energies are not only major challenges of our time but also an unprecedented business opportunity to initiate a true transition towards a circular economy model, thanks to innovation.

1.2.2 GROWING REGULATORY PRESSURE

Decision-makers around the world are looking for effective regulatory and economic instruments to address the environmental pressures generated by the production, consumption and end-of-life management of plastics. In many countries, the implementation of new regulatory provisions is stepping up to work in favor of better management of the life cycle of plastics and the development of the circular economy.

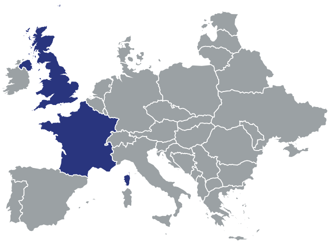
These changes make it possible to progress on three focuses representing the three principles of the circular economy and better known as the 3Rs:

1. reducing waste, by banning plastics that we do not need or by encouraging less consumption;
2. reuse; and
3. recycling, by promoting innovation to ensure that the plastics we need are designed and marketed in such a way that they can be reused.

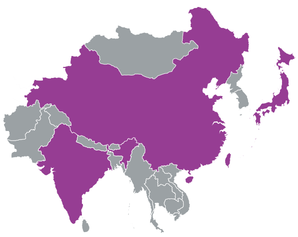
These measures, necessary to reduce the flow of plastic waste that ends up in the environment, require all players in the sector to adapt and create favorable conditions for the industrial and commercial deployment of Carbios technologies.

The main regulatory provisions relating to the business sectors of interest to Carbios are listed below.

[1] Source: World Wildlife Fund in 2018.
[2] Source: OECD in 2022.



Ban on single use plastic	10 types of plastic bags representing 70% of marine waste
	All single-use plastic bags by 2040
Compostability	Mandatory for a specific packaging list
	Mandatory for certain items
Extended Producer Responsibility (EPR)	Producers pay to cover end-of-life costs for packaging
	Producers pay to cover end-of-life costs for packaging
	Producers pay an EPR fee for the collection, sorting and recycling of packaging waste
EPR harmonization	Mandatory and harmonized EPR systems for textiles in all EU Member States from 2025
	Promotion of interoperability between England, Scotland, Northern Ireland and Wales
Reuse and refill system	Promote reuse and refill systems. Target: reduce waste production by 20%
	Promote recharging systems
EPR eco-modulation	Premium granted for eco-design and recycled content of packaging
	Discount for textiles made from recycled fibers
	Textile recyclability premium
Plastic tax	Tax on packaging containing less than 30% recycled plastic
	Tax on the virgin plastic content of non-reusable packaging
	Tax on the virgin plastic content of single-use (i.e. MACSI) and non-compostable packaging
Mandatory recycled content	Incorporation of recycled PET in packaging: 30% in 2030 and up to 60% in 2040
Recyclability	Require all packaging to be recyclable from 2030
	Require all packaging to be recyclable from 2025



Ban on single use plastic	19 single-use items
Compostability	Mandatory for certain items
Mandatory recycled content	Recycled plastic content in packaging increasing gradually over the years: 30% in 2025

EPR Harmonization	Harmonization of EPRs between provinces
Mandatory recycled content	**(CA, CT, ME, NJ, WA):** Recycled content of bottles, gradually increasing over the years: up to 50% in 2030
	Recycled content of bottles, gradually increasing over the years: up to 50% in 2030
	Recycled plastic content in packaging increasing gradually over the years: 25% in 2025
	Recycled plastic content in packaging increasing gradually over the years: 15% in 2025

"Circular Economy" legislative package

In 2018, the European Commission laid the foundations for the "Circular Economy" Package, of which some framework directives have emerged, while others are being revised.

Measures concerning plastics have been transcribed in the Single-Use Plastics Directive (SUPD) as well as in the PPWR (Packaging and Packaging Waste Regulation). The measures concerning textiles, which appear in the new European framework regulation on the ecodesign of sustainable products (ESPR), will be specified in a specific regulation expected in 2026, with an application scheduled between 2027 and 2028.

The Waste Framework Directive, currently under review, requires EU Member States to ensure the separate collection of textiles for reuse, preparation for reuse and recycling from January 1, 2025.

No-waste circular economy law (AGEC Law)

Presented in July 2019, the Law on the fight against waste and on the circular economy was definitively adopted by the French Senate on January 30, 2020. It focuses on four main areas: reinforcing consumer information, fighting against waste in order to preserve natural resources, mobilizing manufacturers to transform production methods and improving waste collection.

This Law provides, among others, for:

- the target of moving towards 100% recycled plastic by January 1, 2025;
- the obligation to reuse, reemploy or recycle unsold products;
- the establishment of environmental information for clothing;
- the ban on plastic tea and tisane bags and sachets unless they are biodegradable;
- the ban on the "compostable" labeling on products that may only be composted under industrial conditions; and
- the target of ending single-use plastic packaging by 2040.

Packaging and Packaging Waste Regulation

In November 2022, the European Commission presented a proposal to revise EU legislation on packaging and packaging waste entitled the "Packaging and Packaging Waste Regulation[1]". This regulatory provision will make it possible to harmonize the objectives between all EU member states by requiring that all packaging now be recyclable. The objective is to prevent and reduce the impact of any type of packaging and packaging waste on the environment and on human health, but also to promote the transition to a circular economy. This regulation, published in the Official Journal of the European Union on January 22, 2025, comes into force from August 12, 2026, giving companies an 18-month transition period.

Among other things, it provides for:

- an obligation that all packaging be recyclable;
- targets for the share of recycled PET in packaging and bottles: 30% r-PET in 2030 and up to 65% in 2040;
- an obligation to have reusable packaging;
- a target to reduce the quantity of packaging;
- an additional ban on certain types of single-use packaging;
- implementation of a return and collection system for packaging waste; and
- extended producer responsibility requirements.

This regulation incorporates and reinforces the objectives already mentioned in other directives (e.g. (EU) Single-Use Plastics No. 2019/904) with the aim of achieving carbon neutrality by 2050.

Transfer of waste

The European regulation on the transfer of waste strengthens the rules for exporting waste from the EU to third countries. The export of waste, even non-hazardous waste, to non-OECD countries will be prohibited as soon as the regulation comes into force. From November 2026, only non-OECD countries on the European list of authorized countries - because they have previously made a request and demonstrated their capacity to treat this waste - will be able to continue to receive non-hazardous waste (green list waste). Exports of waste to OECD countries will be subject to stricter conditions, including enhanced monitoring. Within the EU, the exchange of information and data on waste shipments will now be fully digitalized, via a central electronic hub, to improve reporting and transparency. Lastly, the transfer of waste for disposal in another EU country will only be authorized in exceptional circumstances.

[1] Source: https://environment.ec.europa.eu/publications/proposal-packaging-and-packaging-waste_en

Eco-design

Since 2009, the European Eco-Design Directive has set energy efficiency requirements covering different product groups (computers, refrigerators, water pumps, etc.).

On June 28, 2024, a new framework regulation on eco-design - known as ESPR - was published in the Official Journal of the European Union, repealing the 2009 Eco-Design Directive. This regulation imposes enhanced requirements on sustainability, reparability, reusability, recycled content, carbon and environmental footprint, as well as energy efficiency and resource use. It also aims to reduce the presence of hazardous chemicals in products. It also introduces a digital product passport to improve transparency. Its scope now extends to almost all physical assets, with a few exceptions. In 2025, the European Commission will establish a work plan to identify priority products, before adopting specific rules after impact assessments and consultations. The textile sector is one of the priorities.

Sustainable textiles strategy

The sustainable and circular textile strategy defines a vision for the transition of the textile industry. By 2030, the EU market will offer sustainable, recyclable, largely recycled and environmentally friendly textile products. Consumers will benefit from more sustainable and affordable textiles, moving away from fast fashion and benefiting from cost-effective and readily available reuse and repair services. Producers throughout the value chain will take responsibility for their products, even after they have become waste. The circular textile ecosystem will thrive through robust fiber-to-fiber recycling, minimizing the incineration and landfill of textiles.

The implementation of Extended Producer Responsibility (EPR) on textiles is essential to separate the production of textile waste from the growth of the sector. Some EU Member States are considering requiring an EPR for textiles in order to meet the EU waste legislation requirement for separate collection of textile waste from January 1, 2025. The Commission plans to propose harmonized EU EPR rules for textiles with flexible fees, as part of the revision of the Waste Framework Directive in 2023. The aim is to create a circular economy for the collection, sorting, reuse and recycling of textiles while encouraging the design of products that align with the principles of the circular economy.

Beyond the borders of Europe

Since January 1, 2018, China has banned the importation of certain plastic waste from third-party countries.[1] This ban, which has reduced global exports of plastic waste, is forcing waste-exporting countries to accelerate the implementation alternative solutions for the treatment of previously exported waste. In addition to these import restrictions, in its 13th five-year plan, China plans to initiate a transition towards a circular economy model for the collection and recycling of plastic waste. This approach is significant, given that the Chinese market represents 17% of the global consumption of PET.[2]

Since January 1, 2021, the Basel Convention on the control of transboundary movements of hazardous wastes and their disposal has incorporated unsorted plastic waste into its fold, which prohibits its export or import to or from a State not party to the Convention. The export of unsorted plastic waste must be authorized in writing by the importing State.

After Europe and China, the United States is committed to implementing measures to improve the collection and recycling of plastic waste. Currently, numerous US states aim to find a way to eliminate the waste that was previously partly exported to China. This situation is expected to continue, since the remaining countries that still accept plastic waste from abroad are in the process of closing their doors, including[3] Vietnam and Thailand.[4] In addition, US companies, non-profit organizations, government agencies and other stakeholders have made a commitment to work collectively within the U.S. Plastics Pact to promote the circular economy of plastics. Lastly, an American coalition that includes the plastics industry association, the American Council of Chemistry and waste recycling industrialists is putting pressure on the federal government so that $500 million in public funding is allocated to modernizing recycling infrastructures[5] over the next few years.

On March 2, 2022[6], the Heads of State, the Ministers of the Environment and other representatives of 175 countries approved, during the United Nations Environment Assembly (UNEA-5) held in Nairobi, an historic resolution aimed at ending plastic pollution and developing the first legally binding international treaty by end 2024.

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[1] Source: China Daily - July 21, 2017 edition.
[2] Source: IHS Markit in 2021, Transparency Market Research in 2015 and Pira International in 2012.
[3] Source: https://resource-recycling.com/recycling/2019/04/02/officials-say-vietnam-to-end-plastic-imports-in-2025/.
[4] Source: https://thethaiger.com/hot-news/plastics/thailand-to-ban-import-of-plastic-waste.
[5] Source: https://www.plasticsnews.com/article/20190307/NEWS/190305416/industry-coalition-eyes-500m-federal-push-for-domestic-recycling.
[6] Source: https://news.un.org/fr/story/2022/03/1115462.

1.2.3 STRONG INITIATIVES AND COMMITTED MANUFACTURERS

In addition to public action policies to combat plastic pollution, pressure from consumers and NGOs are encouraging industrial players to commit to a transition towards more sustainable solutions. They represent powerful backing for innovation in the fields of recycling and biodegradation, the core of the bioprocesses developed by Carbios.

As such, Carbios benefits from numerous supports, notably through its Packaging Consortium[1] with L'Oréal (co-founder of the Consortium), Nestlé Waters, PepsiCo and Suntory Beverage & Food Europe (Orangina-Schweppes in France) and more recently through a Fiber-to-Fiber Consortium[2], with the brands On, Patagonia, PUMA, Salomon, and the PVH Group[3] (the parent company of Tommy Hilfiger and Calvin Klein).

The Fashion Pact

A global initiative, dedicated to the fashion and textile industry, was launched in France in 2019, at the G7 organized by France in Biarritz. This Fashion Pact brings together more than 160 brands and 17 countries, representing nearly a third of the global fashion industry. This large-scale cooperation should make it possible to limit the sector's impact on the climate, biodiversity and the oceans via targets set for 2030 and 2050.

One Ocean Summit

The summit for the protection of the oceans, held in Brest in 2022 as part of the French Presidency of the Council of the European Union, led more than thirty States and economic players to commit themselves against plastic pollution of the oceans. The announcement by the shipowner CMA CGM that it would no longer transport plastic waste on any of its vessels from June 1, 2022 marks a positive step forward to accelerate the structuring of a new European collection and recycling channel for plastic packaging waste. More than 1.5 million metric tons of plastic waste were exported outside the EU in 2019.[4]

Global Tourism Plastic Initiative

The Global Tourism Plastics Initiative brings together industry players to tackle the root causes of plastic pollution (more than 200 signatories). It enables companies, public authorities and other tourism players to lead by example by switching to a circular economy for plastics. The signatories of the Global Tourism Plastics Initiative have made the following tangible commitments for 2025:

- eliminate problematic or unnecessary plastic packaging and items;
- move away from single-use plastic products/items;
- adopt 100% reusable, recyclable or compostable plastic packaging;
- increase the recycled content of all plastic packaging and items used;
- commit to cooperating and investing to increase plastic recycling and composting rates; and
- report publicly, on an annual basis, on the progress made in achieving these objectives.

[1] Please refer to the press release of April 29, 2019.
[2] Please refer to the press release of July 6, 2022.
[3] Please refer to the press release of February 18, 2023
[4] Source: https://www.eea.europa.eu/publications/the-plastic-waste-trade-in/the-plastic-waste-trade-in.

Industrial companies' commitments

Major manufacturers are going beyond the regulatory provisions by committing to incorporating 35 to 100% recycled materials in their packaging by 2025. In view of current recycling rates, achieving these objectives requires the development of new, more environmentally-friendly technologies that preserve the quality of recycled raw materials to enable them to be used in all original applications.

Packaging

Nov. 2018:
"By 2025, 50% of plastic used in our packaging will be recycled or bio-sourced" and "by 2025, 100% of our plastic packaging will be refillable, reusable, recyclable or compostable".

Jan. 2019:
"Nestlé Waters will increase the recycled PET content in its bottles to 35% by 2025".

Oct. 2016:
"Design 100% of its packaging to be recyclable, compostable or biodegradable by 2025".

Sept. 2019:
"Our ambition? Offer 100% sustainable plastic bottles made from recycled or bio-sourced materials for our entire beverage portfolio".

Textile

Key target:
"Polyester is the material we use more than any other. To reduce the environmental footprint associated with our use of this performance fabric, we are working to phase out virgin polyester and polyamide and use only 100% recycled Polyester (rPES)".

2021:
"As part of our 10FOR25 targets, PUMA has committed to scaling up the usage of recycled polyester to 75% by 2025. In 2021, we used 43% recycled polyester across all product categories".

Key target:
"Sustainably source 100% of PVH's cotton and viscose by 2025, and 100% of polyester by 2030".

"For the Fall 2022 season, 91% of our polyester fabrics were made with recycled polyester. As a result of not using virgin polyester, we avoided more than 12.3 million pounds of CO2e being emitted into the atmosphere".

Feb. 2019:
"The concept for a fully recyclable running shoe is the first step in Salomon's commitment to have 100 percent of its new products designed to one or several of the company's circular economy principles by 2025".

12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION
14 LIFE BELOW WATER

1.2.4 THE CIRCULAR ECONOMY: A TRANSITION SUPPORTED BY CONSUMER DEMAND

The circular economy aims to preserve the intrinsic value and quality of products and materials at every stage of their use. In contrast to the linear model of "producing, consuming, and disposing," the circular economy creates the conditions for the development of a virtuous system where use replaces consumption, while limiting the wasting of raw materials and sources of energy.

The circular economy involves, therefore, a more efficient use of fossil resources, reduction of waste and lower energy consumption, and guidelines for the strategic development of a new, efficient and sustainable industrial ecology.

Only new technologies can enable manufacturers to meet their sustainable development objectives and thus initiate a real transition towards greater circularity.

Today, consumers are at the heart of this movement. Wishing to adopt more responsible consumption patterns to combat plastic waste pollution, they expect companies to take concrete measures in favor of a more sustainable and less intensive model.

Conscious of new consumer expectations and the issue of sustainability in purchasing decisions, manufacturers have made strong commitments to meet these expectations and make their production methods more respectful of environmental issues and societal expectations.

1.3 STRATEGY

1.3.1 AMBITION: BECOME A GLOBAL LEADER IN THE CIRCULAR ECONOMY OF PLASTICS AND TEXTILES

In light of the environmental consequences of growing global production and consumption of plastics, turning these materials into resources is essential and is currently one of the major focuses of the circular economy.

Carbios is revolutionizing the life cycle of plastics and textiles through innovative biological processes based on the use of enzymes, thus contributing to a systemic change and a positive recovery of materials.

By offering reliable, sustainable and innovative solutions, Carbios brings plastics and textiles into the circular economy and aims to become a major player in the worldwide plastic, recycling and biodegradation markets to meet the environmental challenges of our time.

Carbios stands out for its ability to mobilize together the world of research, manufacturers, brands and committed organizations, to form an ecosystem of partners to serve a greener and more sustainable plastic and textile industry.

1.3.2 KNOW-HOW THAT IS UNIQUE IN THE WORLD

Enzymes are used in numerous applications (detergents, biofuels, food processing, textiles, paper), but using them for the biodegradation and recycling of polymers had never been considered.

The unprecedented alliance of enzymology and plastics, of which Carbios is a pioneer at the global level, is a real breakthrough capable of making a sustainable contribution to reducing the environmental impact of plastics and textiles. This innovative approach also provides a response to the new regulatory challenges related to their production.

Carbios has developed two biological solutions to reinvent the life cycle of plastics and textiles

These technologies use the remarkable catalytic properties of enzymes that have the power to deconstruct the existing bonds between plastic molecules. This unique know-how, known as enzymatic depolymerization, is now available through the development of two major innovations dedicated to the recycling and biodegradation of plastics.

1. ENZYMATIC RECYCLING: Carbios is the first company in the world to develop a biological technology to recycle plastics and textiles.

Unlike conventional recycling processes, the Carbios approach gives value to types of plastic waste that were not previously exploited by allowing them to be recycled after use. For the first time in the history of the plastics industry, the closed-loop recycling of plastic waste into new plastic materials, without any meticulous prior sorting, has become possible by taking advantage of the natural selectivity of enzymes.

Supported by the results of the operation of its pre-industrial unit located at Parc Cataroux in Clermont-Ferrand, the 2024 fiscal year was marked by several significant advances that will support the industrial and commercial development of this innovation.

These developments took the form of:

- the announcement, on April 25, 2024[1], of the laying of the foundation stone of the PET biorecycling plant project in Longlaville[2];
- the announcement, on June 27, 2024[3], of the signing of a letter of intent with Zhink Group, one of the 500 largest Chinese private companies, specializing in two global industries, PET and textiles, for the potential acquisition of a PET biorecycling technology license from Carbios;
- the announcement on August 1, 2024[4], of the signing of a letter of intent with the Turkish company SASA, one of the world's leading manufacturers of polyester, fibers, filament yarns, polyester-based polymers, specialty polymers and polymer intermediates, for the potential acquisition of a PET biorecycling technology license from Carbios; and
- the announcement on August 6, 2024[5], of the signing of a letter of intent with FCC Environment UK, one of the UK's leading recycling and waste management companies, for the potential acquisition of a PET biorecycling technology license from Carbios.

2. ENZYMATIC BIODEGRADATION: Drawing on its expertise at the frontiers of enzymology and polymer science, Carbios has designed a PLA plastics biodegradation solution called "CARBIOS Active". This product, which is in the form of granules incorporating encapsulated enzymes, can be added to the heart of PLA-rich (biosourced plastic) packaging during their manufacture to ensure their biodegradability, even at room temperature. These enzymated PLA packaging, integrated with bio-waste, degrade without leaving microplastics or toxic residues. This innovation is aimed at plastics and packaging applications which, by their nature, cannot be recycled. It is particularly suitable for fine plastics, which are too complex to recycle or are soiled by food (flexible films, trays, bags, capsules, wedging bubbles, etc.).

[1] Please refer to the press release of April 25, 2024.
[2] As of the date of this Universal Registration Document, construction work on the Longlaville plant has been suspended and should resume in the second half of 2025, subject to the necessary additional financing.
[3] Please refer to the press release of June 27, 2024.
[4] Please refer to the press release of August 1, 2024.
[5] Please refer to the press release of August 6, 2024.

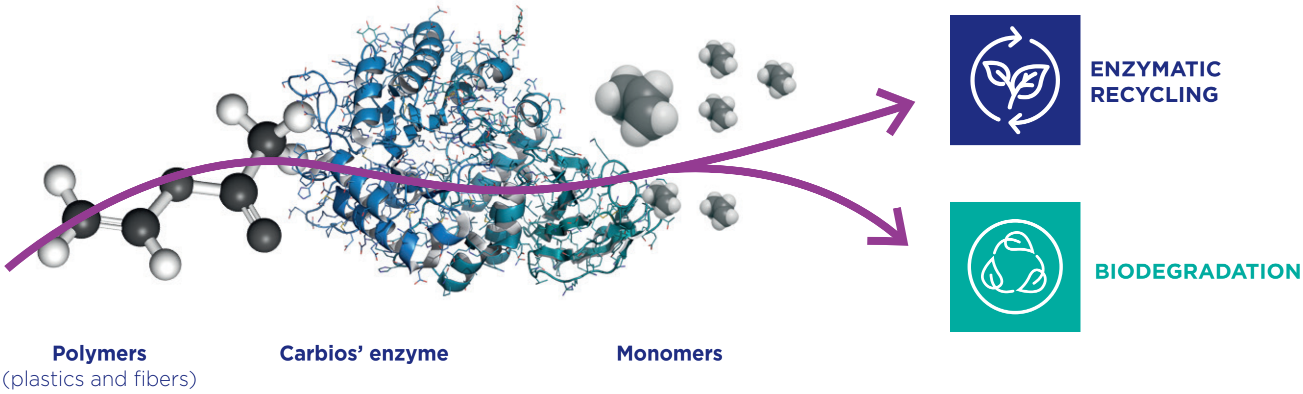
Focus on enzymes

In nature, microorganisms degrade more or less complex compounds present in their immediate environment and use them as a source of carbon for their growth. When the carbon sources present are comprised mainly of plastics, the only microorganisms able to survive in these complex environments are those that have developed the ability to degrade and assimilate the polymers that make up plastics.

To degrade these complex materials, micro-organisms produce biocatalysts called enzymes, which act like pairs of scissors to cut the links between the monomers of the material that they degrade.

In other words, an enzyme is a natural protein that accelerates the speed of chemical reactions. It is a catalyst consisting of a chain of amino acids in a specific and unique order.

When applied to industrial processes, enzymes make it possible to achieve complex chemical reactions in a highly selective manner. Using the potential of enzymes allows manufacturers to accelerate production processes, limit unwanted co-products and work under conditions that are less demanding and costly than chemical processes in terms of energy.



1.3.3 STRATEGIC APPROACH

1.3.3.1 An innovation strategy

Since its founding, Carbios has implemented an innovation strategy that focuses on the creation of economic and environmental value, to provide manufacturers with "turnkey" biological processes for specific areas of application.

The collaborative model set up by Carbios enables the mobilization of significant scientific and technical resources to ensure the best chances of success in the development of its industrial bioprocesses while providing the Company with world exclusivity for the results obtained as part of this work.

The bioprocesses developed by Carbios are based on a unique combination of biotechnology and plastics manufacturing. These innovative technologies rely on many fields of expertise such as microbiology, enzymology, polymer chemistry, micro-fluids, plastics engineering and process engineering.

From its creation, the Company set up several collaborative Research and Development programs, bringing together the best public (INRAE, TWB, INSA Toulouse through the TBI laboratory, CNRS) and private sector experts dedicated to the discovery and optimization of enzymes.

To safeguard its know-how and its advances in innovation, Carbios has a world-class research center dedicated to enzymatic engineering for the recycling and biosynthesis of plastics[1]. This laboratory, called *PoPLaB* in reference to Plastic Polymers and Biotechnologies, was created in partnership with INSA Toulouse through its TBI[2] laboratory. Its teams aim to optimize the catalytic properties and thermostability of the enzymes used in the processes developed by Carbios and to extend these technologies to other applications and polymers of interest to industry.

Carbios is also involved in multiple academic collaborations around innovation projects, notably with the École polytechnique de Paris, the Laboratoire de Génie Chimique de Toulouse, the Synchrotron SOLEIL (Paris), the University of Delaware, the University of Portsmouth, the University of Manchester, the University of Greifswald, the University of Hamburg, ProteraBio, Aminoverse (IA) and the laboratory of the Paul Pascal Research Center in Bordeaux (Microfluidics).

Carbios carries out the industrial development of its bioprocesses at its facilities and in particular at its Clermont-Ferrand site.

At the date of this Universal Registration Document, the Company has a research laboratory, a plastics pilot plant, a technical center dedicated to the development of its biorecycling technology for PET plastics and fibers, an industrial demonstration unit, a textile preparation line, an industrial and commercial production line for its enzymatic PLA[3] packaging biodegradation solution and a cooperative research center based in Toulouse. In October 2023, Carbios also began construction work on a plant dedicated to PET biorecycling at its Longlaville site in the Grand-Est region, France.[4]

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[1] Please refer to the press release of January 17, 2020.
[2] TBI = Toulouse Biotechnology Institute.
[3] PLA = Polylactic Acid
[4] For more information on the Longlaville project, please refer to the section 1.4.5.3 of this Universal Registration Document.

1.3.3.2 An industrialization phase

Carbios is now fully committed to the industrial and commercial deployment of its technologies.

The demonstration phase, initiated in 2021, ensured the successful development of the process and the production of recycled products (monomers from the depolymerization of materials) meeting the specifications of manufacturers. In line with the targets, this stage and the optimizations carried out within the pre-industrial unit in Clermont-Ferrand also made it possible to validate all the parameters required for an industrial-scale operation of this technology.

Building on the results obtained to date and the detailed engineering study for the Longlaville plant project, the Company is currently focusing its efforts on:

- the construction, subject to the conclusion of the necessary additional financing, of an industrial and commercial unit in Longlaville, with an estimated processing capacity of 50,000 metric tons of PET waste per year4; and

- the granting of the first operating licenses for its PET plastic waste and polyester fiber enzymatic recycling technology to potential licensees who will build and operate their own units.

1.3.3.3 A strong ecosystem of partners

The success of the Group's industrialization model is based, in particular, on its ability to forge strategic partnerships. Thanks to the robustness of its activities, Carbios has brought together an ecosystem of leading partners in the fields of research, business and industrialization, as well as consortiums with major brands in the packaging, cosmetics and textiles sectors.

Fiber-to-Fiber Consortium

Carbios works in collaboration with leading players in the textile industry, notably within a Consortium bringing together On, Patagonia, PUMA, Salomon and joined in February 2023 by PVH Group[1], the parent company of the Tommy Hilfiger and Calvin Klein brands. Launched in July 2022[2], this collaboration aims to develop solutions that increase the recyclability of their products and to accelerate the deployment of Carbios' biorecycling technology in the polyester fibers (PET) segment, which is a major challenge for the textile industry. Carbios and its partners also aim to conduct research on how products can be recycled, evaluate the development of collection solutions for used polyester items and test sorting and processing technologies. The shared ambition of the players in this Consortium is to establish true circularity in this industry by innovating to recycle "from fiber to fiber" and thus reduce the problem of textile waste in a collaborative approach.

Packaging Consortium

Carbios also works hand in hand with packaging players within a Consortium bringing together L'Oréal, Nestlé Waters, PepsiCo and Suntory Beverage & Food Europe. This cooperation aims, in particular, to set up an efficient supply chain for PET waste (validation of post-consumer recycled material flows) and to address regulatory issues related to food contact and the calculation of recycled content, in particular with concerted actions to participate in the updating of regulations on single-use plastics (SUP) and packaging and packaging waste (PPWR). The members of the Consortium have also updated the environmental impact of biorecycling compared to the production of virgin PET by updating the life cycle analysis of Carbios' technology with data from the Longlaville plant project.

Food-grade bottles from Carbios' proprietary enzymatic recycling technology (Photo credits: Jérôme Pallé).

[1] Please refer to the press release of February 18, 2022.
[2] Please refer to the press release of July 6, 2022.

Strategic alliance with Novonesis

To support the industrial and commercial deployment of its activities, in January 2023, Carbios concluded a strategic partnership with Novonesis[1]. This exclusive and long-term agreement provides that Novonesis will produce and distribute Carbios' PET degradation enzymes on an industrial scale, for the plants operated by Carbios or under license. This agreement grants exclusivity to both parties in the partnership.

De Smet Engineers & Contractors

In February 2024[2], Carbios announced a collaboration with the company De Smet Engineers & Contractors, a global provider of engineering, procurement and construction services in the biotechnology and agro-industry sectors, to complete the construction of the first PET biorecycling plant in the world. Under this agreement, De Smet was entrusted with project management and detailed engineering, including procurement assistance and management of Carbios' partners, in order to ensure the execution of the construction of the Longlaville plant (France). This collaboration aims to ensure the proper execution of the project while respecting strict quality, safety, health and environmental standards. As of the date of this Universal Registration Document, construction work has been suspended and should resume in the second half of 2025, subject to the necessary additional financing[3].

For more information on the strategy implemented by the Company for the industrialization of its PET biorecycling technology, please refer to section 1.4.5 of this Universal Registration Document.

Ellen MacArthur Foundation

Carbios has joined the Ellen MacArthur Foundation network[4], testifying to its commitment to accelerate the transition to a circular economy, particularly in the plastics and textile sectors. This membership enables Carbios to collaborate with a global network of leaders, including companies, policy makers and researchers, to promote circular economy solutions.

Paris Good Fashion

Carbios joined Paris Good Fashion[5] in March 2024, an association bringing together more than 100 French sustainable fashion players. Carbios is the first recycling technology supplier to join Paris Good Fashion. The Company will be particularly involved in the creation of a working group focused on the development of a fiber-to-fiber sector, one of the association's key priorities. While only 1% of textiles is currently recycled fiber-to-fiber, i.e. in a circular fashion, this working group will study ways to increase the recycling and circularity rates of textiles.

1.3.3.4 An active intellectual property protection policy

Safeguarding its know-how and its technological advances is a major challenge for Carbios: the Company's commercial success depends in particular on its ability to obtain patents in order to ensure the protection of its resulting innovations, products and processes.

To guarantee the exploitation of the results of its Research and Development, Carbios has, since its creation, pursued an active policy of securing and strengthening its innovations. This takes place through the protection of its results, starting from the upstream phase and consolidated by improvements made during development. It may be supplemented by the acquisition of know-how and rights from third parties up to the final phase during industrialization.

Carbios has thus ensured that it can guarantee a strategic competitive advantage in sizable markets over its current and future industrial partners.

Carbios is the owner or co-owner, with each of its partners, of the results obtained under the OPTI-ZYME, INTER-ZYME, CE-PET and ThanaplastTM programs, as well as those under the PoPLaB cooperative laboratory set up with INSA Toulouse. For all these results, Carbios holds the exclusive worldwide exploitation rights for the Company's areas of activity. Moreover, Carbios is the sole owner of the results of the services provided to it under the service provision contracts concluded by the Company and holds the exclusive worldwide exploitation rights in the Company's fields of activity. Carbios will also own the results that it will generate as part of the LIFE project and will benefit from exploitation rights in its field of the results generated by its partners. Carbios will also own the results it will generate as part of the WhiteCycle project, a consortium initiated in July 2022 by Michelin, whose main objective is to develop a circular solution to transform complex[6], textile-based plastic waste.[7]

The Company dedicates a significant share of its resources to protecting its innovations. At December 31, 2024, gross investments made by Carbios in patents amounted to €4,101 thousand, of which €657 thousand in 2024.

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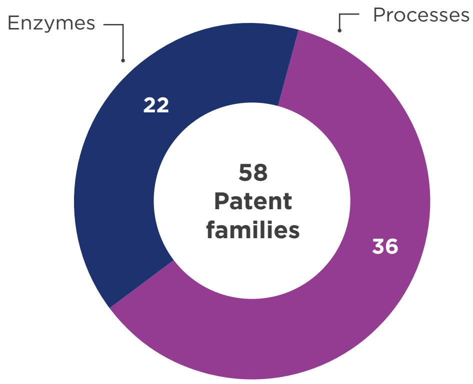
[1] Please refer to the press release of January 12, 2023.
[2] Please refer to the press release of February 15, 2024.
[3] Please refer to the press release of December 19, 2024.
[4] Please refer to the press release of March 6, 2023.
[5] Please refer to the press release of March 26, 2024.
[6] Complex waste: multi-material waste (rubber products, composites and multi-layer textiles).
[7] For more information on the CE-PET, OPTI-ZYME, INTERZYME and WhiteCycle projects, please refer to sections 1.4.2 and 1.4.5.1 of this Universal Registration Document.

Changes in the patent portfolio

Since January 1, 2024, the Carbios Group has filed a new family of own patents. This new family concerns an application of the Carbios Active masterbatch (application not published to date). In addition, one family of patents was abandoned as it was no longer one of the Group's priority subjects.

As of the date of this Universal Registration Document, the Group's intellectual property portfolio included 58 patent families (including one under exclusive worldwide license with the CNRS and the University of Poitiers), representing 502 patents (patent applications, patents granted, for European patents: patents with unitary effect and national validations), filed across the world's main regions and covering the Company's areas of development (biodiversity, enzymatic recycling process, biodegradable plastics production process and bioproduction). Of these 58 families, 13 patent families belong to the subsidiary Carbiolice and are directly related to the Company's activity, namely the production of biodegradable plastics, and more particularly those incorporating enzymes.

In 2024, 28 new patents were granted in all the Group's fields of activity in various countries or regions of the world (including the United States, Canada, Brazil, Chile, China, South Korea, Japan and Europe), bringing the number of patents granted to 218 (including the European patents with unitary effect and national validations) out of the 502 patents in the Group's portfolio. Of the 58 patent families in the portfolio, 36 families have at least one patent granted out of the titles filed in different countries or regions of the world.



Trademarks

The Company has registered the following trademarks:

• The "**Carbios**" word mark:

The French "**Carbios**" word mark filed on May 4, 2011, under number 3828679, for goods/services in classes 1, 16 and 17.

The French "**Carbios**" word mark filed on March 28, 2012, under number 3908795, for goods/services in classes 1, 5 and 42. The protection of this word mark was extended by the filing on September 13, 2012, of the international registration number 1149637, designating the European Union, Algeria and Morocco (goods/services in classes 1, 5 and 42) and China (goods/services in classes 1 and 42). Following Brexit, the designation of the European Union served as the basis for a designation of the United Kingdom.

The French "**Carbios**" word mark filed on September 14, 2022, under number 4897632, for goods/services in classes 1, 16, 17, 22, 40, 42, 45. This national trademark also designates French Polynesia. The protection of this word mark was extended by the filing on September 21, 2022, of the international registration number 1707682, designating Algeria, Australia, Brazil, Canada, Chile, Colombia, South Korea, Egypt, the United States, the United Arab Emirates, Indonesia, India, Israel, Japan, Malaysia, Morocco, Mexico, Monaco, New Zealand, the United Kingdom, Switzerland, the European Union and Vietnam, for goods/services in classes 1, 16, 17, 20, 21, 22, 40, 42 and 45. In 2023, the Company made subsequent designations for the following countries: Singapore, Norway, Russia, Pakistan, Belarus, Iran, Oman, Brunei, Turkey, Thailand, Tunisia and China.

To complete this protection, national "**Carbios**" trademarks were also filed for classes 1, 16, 17, 40, 42 and 45 in South Africa and Taiwan, and for classes 1, 16, 17, 21, 22, 40, 42 and 45 in Hong Kong.

In 2023, the Company continued to extend the "**Carbios**" word mark by registering it for goods/services in classes 1, 16, 17, 22, 40, 42 and 45 in Argentina, Bangladesh, Kuwait, Nigeria and Qatar.

In 2024, the Company continued to extend the "**Carbios**" word mark by registering it for goods/services in classes 1, 16, 17, 22, 40, 42 and 45 in Saudi Arabia.

• The “Carbios (7-point logo, in color)” figurative mark:

The French **“Carbios (7-point logo, in color)”** figurative mark filed on April 6, 2021, under number 4751992, for goods/services in classes 1, 16, 17 and 40. The protection of this figurative mark was extended by the filing on October 5, 2021, of the international registration number 1636545, designating the European Union, the United Kingdom, the United States, Indonesia, Japan, South Korea, Mexico (goods/services in classes 1, 16, 17 and 40) and China (goods/services in class 40). The protection of this figurative mark was also extended by the filing on October 6, 2021, of a national Taiwanese trademark, under number 110072188, for goods/services in classes 1, 16, 17 and 40.

•The semi-figurative brand “Carbios enzymes powering the circular economy”:

The French semi-figurative mark **“Carbios enzymes powering the circular economy”** filed on April 6, 2021, under number 4751995, for goods/services in classes 1, 16, 17 and 40.

•The “Carbios (5-point logo)” figurative mark:

The **“Carbios (5-point logo, in black and white)”** figurative mark filed on March 22, 2023, under number 4947772, for goods/services in classes 1, 16, 17, 22, 40, 42 and 45.

The **“Carbios (5-point logo, in color)”** figurative mark filed on March 24, 2023, under number 4948395, for goods/services in classes 1, 16, 17, 22, 40, 42 and 45.

•The “C-ZYME” word mark:

The French **“C-ZYME”** word mark filed on September 29, 2020, under number 4686549, for goods/services in classes 1 and 40. The protection of this word mark was extended by the filing on March 11, 2021, of the international registration number 1597043, designating the European Union, Mexico, the United States, the United Kingdom, Indonesia, Japan, South Korea, Thailand and the United States, for goods/services in classes 1 and 40. The protection of this word mark was also extended by the filing on March 23, 2021, of a Taiwanese trademark, under number 110019461, for goods/services in classes 1 and 40.

•The “Carbios Active” word mark:

The French **"Carbios Active"** word mark filed on December 6, 2023, under number 5011904, for goods/services in classes 1, 8, 16, 17, 20, 21 and 22.

•The word mark 嘉碧世 (Jia Bi Shi)”:

The word mark “ **嘉碧世 (Jia Bi Shi)**” has been registered in China on February 20, 2024, for goods and services belonging to classes 1 (under number 76874043), 16 (under number 76879920), 17 (under number 76879216), 22 (under number 76879930), 40 (under number 76877237), 42 (under number 76871660) and 45 (under number 76869626).

Carbiolice is the owner of the following trademarks:

- a word trademark **Biolice** No. 008338832 filed in the European Union on June 3, 2009 and renewed on June 3, 2019, in classes 1,16 and 17; and cloned in the United Kingdom;
- a French word trademark, **Carbiolice**, filed on November 22, 2018 with the INPI under number 18/4502311 in classes 1, 16 and 17;
- an international word trademark, **Carbiolice**, filed on May 16, 2019 in classes 1, 16 and 17 and applicable in the European Union, the United Kingdom, the United States, China, Mexico, Japan and India, with OMPI under number 1485245;
- a French figurative trademark, filed on November 22, 2018 with INPI under number 18/4502225 in classes 1, 16 and 17;
- an international figurative trademark filed on May 17, 2019 in classes 1, 16 and 17 and applicable in the European Union, the United Kingdom, the United States, China, Mexico, Japan and India, with OMPI under number 1498422; and
- a French word trademark, **Enzymeo** filed on November 22, 2018 with the INPI under number 18/4502351 in classes 1, 16 and 17.

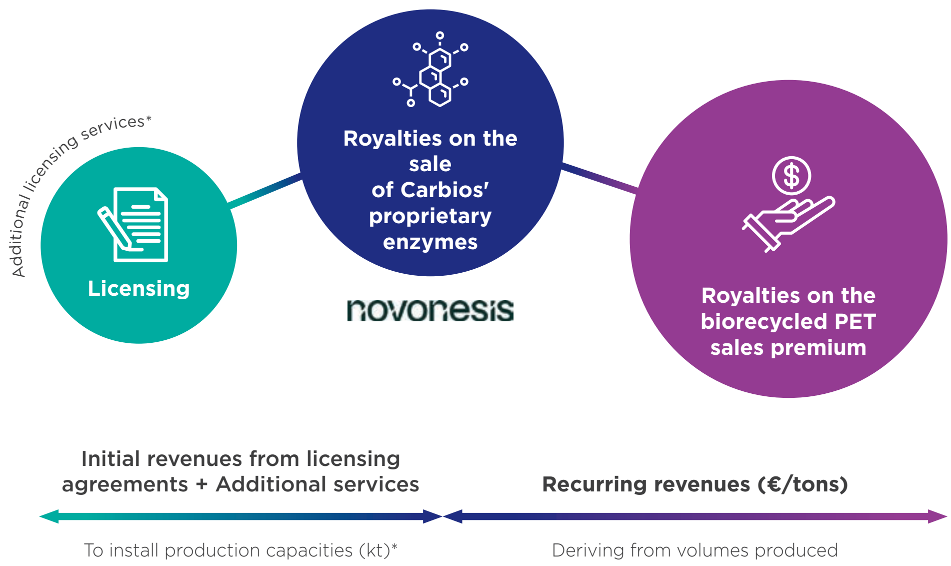
1.3.4 A VALUE-CREATING BUSINESS MODEL

Carbios' business model, based on the licensing of its PET biorecycling technology, is based on a rational approach to its capital expenditure and on three sources of income including upfront payments ("upfronts") and recurring income, the details of which are provided below.

(i) granting of licenses for the use of its know-how and intellectual property: they will generate income in the form of upfront payments ("upfronts") paid by the licensee on the basis of the installed capacity;

(ii) royalties from the sale by Novonesis of Carbios' proprietary enzymes directly to manufacturers using Carbios' technology. This income stream will result from a portion of the margin realized by Novonesis (under an exclusive and long-term partnership) on the sale of patented Carbios enzymes to the licensee. This revenue stream will be proportional to the volume of enzymes sold; and

(iii) royalties from the premium generated by manufacturers on the sale of biorecycled PET or biorecycled monomers.



** : Technical assistance services to licensees such as training and supervision during detailed engineering, construction, commissioning, start-up and performance testing of the industrial plants.*

1.3.5 DEVELOPMENTS AND OUTLOOK

The Company is now fully committed to the industrial and commercial deployment of its PET biorecycling technology.

The operation of its pre-industrial unit in Clermont-Ferrand over two full years has confirmed the robustness of this technology, as well as its industrial and commercial prospects.

Since its commissioning, this unit has made it possible to process, on a pre-industrial scale, significant volumes of PET waste and to prepare the engineering documents to build and operate, on its own behalf, a PET biorecycling plant (Longlaville project). It also made it possible to initiate the deployment of its model of granting licenses of this technology to manufacturers who will be able to build and operate their own units.

With regard to the core of the process, the depolymerization kinetics and the yields obtained at the Clermont-Ferrand unit on PET plastic waste confirmed the technological choices and sizing of the equipment required for industrial scale operation. At this stage, the main work carried out in 2024 focused on optimizing productivity, yields and the qualification of sources of raw materials for the Longlaville plant project and for future units operated under license agreements. As such, since October 2023[1], Carbios has operated a textile preparation line. This patented line includes all the preparation stages (shredding and extraction of hard spots such as buttons or closures), and provides Carbios with an efficient and scalable development tool. In 2024, this line enabled the validation of the main stages of the textile biorecycling technology at the pre-industrial scale, and provided Carbios with expertise with collection and sorting players to specify the quality of textiles and the necessary preparation stages to make them suitable for enzymatic recycling.

Construction of the world's first PET biorecycling plant

In 2023, the Company started the construction of the first PET biorecycling plant in the world, with an estimated processing capacity of 50,000 metric tons of PET waste per year. In February 2024, De Smet Engineers & Contractors was entrusted with project management and detailed engineering, including procurement assistance and management of Carbios' partners, in order to ensure the execution of the construction of the Longlaville plant (France). The 2024 fiscal year was marked by the takeover and execution of the first phases of the project in accordance with the strategy and budget. In December 2024, the Company announced the postponement of the construction of the plant for a projected period of six to nine months, pending and subject to the conclusion of the necessary additional financing. Although the construction of the plant would not be called into question, this decision enabled Carbios to slow down the cash burn rate related to the project and to continue its commercial discussions without liquidity pressure. It also aims to ensure the prudent execution of the Group's strategy and to protect its cash position by realigning the construction of the plant with the expected schedule of public aid and the negotiation of the necessary additional financing.

The main engineering project management activities for the 2024 period were:

- closure of technical process issues still open at the end of the previous phase;
- issuance of the detailed schedule for the completion of studies, purchases and construction;
- the purchase of equipment (specifications, consultations, analysis of offers) and monitoring of contract performance;
- detailed engineering studies, including 3D model reviews;
- contracts and the launch of the first works contracts (civil engineering); and
- upcoming works contract consultations.

The highlights of the 2024 fiscal year for the Longlaville plant project are as follows:

- official acquisition of the land by Carbios from Indorama Ventures on February 14, 2024;
- collaboration with De Smet Engineers & Contractors to ensure the construction of the plant;
- end of earthworks and soil remediation activities;
- water retention basin completed;
- deep foundations (piling) completed, civil engineering in progress;
- EPC contracts with Dalkia for the utility units and Saur for the treatment of water discharges;
- procurement of "process" equipment on budget;
- announcement, on December 19, 2024, of the postponement of construction work by 6 to 9 months[2] subject to the necessary additional financing; and
- activation of the clause suspending contracts for the purchase of goods and services.

For more information on the strategy implemented by the Company for the industrialization of its PET biorecycling technology, please refer to section 1.4.5 of this Universal Registration Document.

Other highlights of the 2024 fiscal year and post-closing:

<u>Business development: continued international development with a view to the granting of licenses</u>

In 2024, the teams continued work on the industrial and commercial development of Carbios worldwide. These advances have resulted in the signing of several Letters of Intent (LOIs) with a view to entering into contractual agreements for the creation of plant operated under licenses, particularly in China, Turkey and the United Kingdom.

- **June 2024:** Signature of an LOI with **Zhink Group**[3], one of the 500 largest Chinese private companies, specializing in PET and textiles.
  > Objective: potential acquisition by Zhink Group of a license for Carbios' PET biorecycling technology for the construction and operation of a plant in China with a processing capacity of approximately 50,000 metric tons per year.

- **August 2024:** Signature of an LOI with **SASA**[4], one of the world's leading polyester manufacturers.
  > Objective: potential acquisition by SASA of a license for Carbios' PET biorecycling technology for the construction and operation of a plant in Adana, Turkey, with a processing capacity of approximately 100,000 metric tons per year.

[1] Please refer to the press release of October 2, 2023.
[2] Please refer to the press release of December 19, 2024.
[3] Please refer to the press release of June 27, 2024.
[4] Please refer to the press release of August 1, 2024.

- **August 2024:** Signature of an LOI with FCC Environment UK[1], one of the leading recycling and waste management companies in the United Kingdom.
  > Objective: potential acquisition by FCC of a license for Carbios' PET biorecycling technology for the construction and operation of a plant in the United Kingdom.

For more information on the strategy implemented by the Company for the international deployment of its licensing offer for its PET biorecycling technology, see section 1.4.5.4 of this Universal Registration Document.

Collaborations:

- Partnership with L'Occitane en Provence

On May 30, 2024, Carbios and L'Occitane en Provence presented a bottle of shower oil from the Almond range, using transparent PET made entirely from enzymatic recycling[2]. In collaboration with the processor Pinard Beauty Pack, this bottle reflects a shared desire to build an efficient European sector to accelerate the transition to a circular economy for plastics and meet the commitments of brands for more environmentally friendly packaging solutions.

- Strategic partnership with Selenis

On September 24, 2024, Carbios and Selenis, one of the main suppliers of high-quality specialized polyester solutions, announced the signing of a letter of intent[3] to cooperate in the production of PETG. By leveraging Carbios' unique enzymatic depolymerization technology and Selenis' polymerization expertise, the two companies aim to develop a sustainable and high-quality PETG material from PET waste for the cosmetic and health packaging sectors in Europe and the United States. This partnership comes in the wake of a two-year collaboration between the two companies and represents a significant breakthrough in the plastics recycling industry.

- First 100% "fiber-to-fiber" biorecycled garment in the world unveiled by CARBIOS, On, Patagonia, PUMA, PVH Corp. and Salomon

On October 29, 2024, Carbios and its "fiber-to-fiber" Consortium partners On, Patagonia, PUMA, Salomon, and PVH Corp, unveiled the world's first enzymatically recycled polyester garment[4] from 100% textile waste with Carbios biorecycling technology. While today most recycled polyester comes from PET bottles and only 1% of fibers are recycled into new fibers, this technological achievement is helping to advance the circularity of the textile industry. This collective success marks an important milestone in the achievement of the Consortium's ultimate objective, which is to demonstrate the viability of a "fiber-to-fiber" closed loop.

ESG:

- Further improvement to the EthiFinance non-financial rating

Carbios' constant efforts to integrate strong values of social and environmental responsibility, and to improve and document its processes in line with sustainable development at each stage of its growth, have led to a further improvement of its ESG rating. In September 2024, Carbios received a non-financial rating by EthiFinance of 83/100, up 2 points compared to the previous year, which highlights a significantly higher level of maturity than observed for comparable companies comprising the EthiFinance benchmark (166 companies).

- Validation of double ISO 9001 and 14001 certification

In November 2024, Carbios obtained double ISO 9001 and ISO 14001 certification from AFNOR. This important step in the Group's development illustrates its commitment to guarantee the continuous improvement of the Company's processes and the quality of its products in a sustainable performance approach that meets its stakeholders' requirements.

✔ **ISO 9001 - Quality management system:** The ISO 9001 standard defines the requirements necessary for the implementation of an effective quality management system, aimed at continuously improving customer satisfaction, reducing costs and increasing competitiveness. It demonstrates Carbios' ability to provide its customers and partners with products and services that comply with its commitments and regulatory requirements.

✔ **ISO 14001 - Environmental management system:** The ISO 14001 standard certifies that Carbios takes into account environmental issues, and involves a continuous improvement approach in terms of sustainable development. Recognized internationally, the standard incorporates the requirements of the Sustainable Development Goals (SDGs) formulated by the United Nations (UN) around three pillars: social, economic and ecology.

- B Corp™ certification

In February 2025, Carbios obtained the **B Corp™ certification**. This international label recognizes companies that integrate social, societal and environmental objectives at the heart of their mission and their economic model. Recognized for its high standards, it is based on a rigorous assessment process covering five main areas of impact: Governance, Employees, Community, Environment and Customers. Thanks to this certification, Carbios joins a global community of companies that share the same vision and seek to create a more equitable, inclusive and regenerative economy.

Awards:

- 1st prize at the "So French So Innovative" Awards

On April 16, 2024, Carbios announced that it had obtained first prize in the "So French So Innovative[5]" Awards organized by Business France, the Hong Kong Committee of French Foreign Trade Advisors (CCEF), La French Tech and its partners at InnoEX 2024 (which took place in Hong Kong from April 13 to 16). This award recognizes French innovations to promote and support French Tech in the Asia-Pacific region.

[1] Please refer to the press release of August 6, 2024.
[2] Please refer to the press release of May 30, 2024.
[3] Please refer to the press release of September 24, 2024.
[4] Please refer to the press release of October 29, 2024.
[5] Please refer to the press release of April 16, 2024.

1.4 ENZYMATIC RECYCLING OF PET: AN INNOVATION FOR THE CIRCULARITY OF PLASTICS AND TEXTILES

Global PET market: nearly 90 million metric tons produced each year(1)

A market for recycled PET supported by a powerful trio: governments, consumers and brands

Enzymatic recycling: the first technology for the infinite recycling of PET plastics and polyester fibers

Global partners: L'Oréal, Nestlé Waters, PepsiCo, Suntory Beverage & Food Europe, On, Patagonia, PUMA, PVH Group, Salomon, Michelin, L'Occitane, Novonesis, De Smet Engineers & Contractors.

(1) Source: IHS Markit in 2021.

1.4.1 THE PET PLASTICS AND POLYESTER FIBERS MARKET

Since its creation, Carbios has chosen to focus on PET recycling, which is a promising market today that is both growing and accessible. The revolution that has begun within the plastics industry to promote recycling and to set up true innovative circular economy solutions supports the potential of the innovations designed and developed by the Company.

SIZE OF TARGETED MARKETS

Description of virgin PET markets* (excluding recycled PET)	Production		Growth rate	Target markets (waste)	
	World	Europe		World	Europe
PET packaging (bottles, trays and other containers)	27 MT	3.2 MT	2.2%	27 MT	3 MT
PET textiles (clothing, technical fibers, rugs, carpets, etc.)	60 MT	0.2 MT	6.2%	60 MT	10 MT

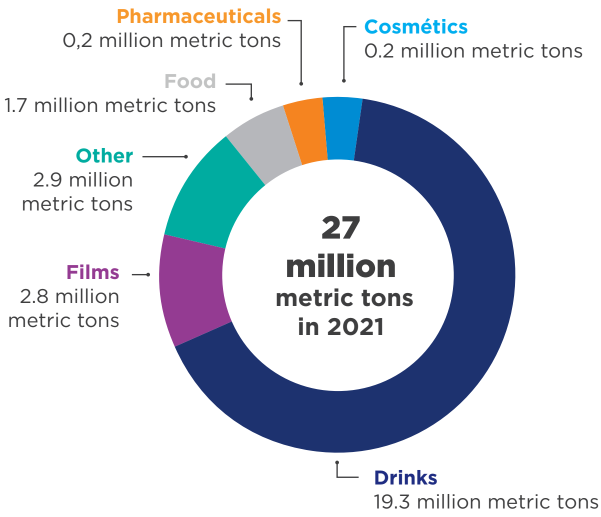
**Source: IHS Markit in 2021*

PET recycling

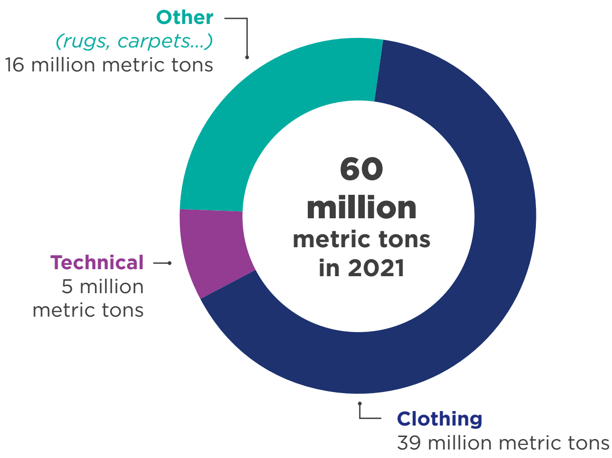
The market for resins and films made of PET (bottles, packaging, etc.) – a polyester of fossil origin widely used by manufacturers – represented estimated global production of 27 million metric tons in 2021 with an annual growth rate of 2.2%. This production could reach over 31 million metric tons in 2026. The market for PET fibers (textiles, rugs, carpets, pillows, duvets, etc.) represented an estimated global production of 60 million metric tons in 2021 with an annual growth rate of 6.2%, which would take the market to 75 million metric tons in 2026.[1]

[1] Source: HIS Markit in 2021.

BREAKDOWN BY APPLICATION OF VIRGIN VIRGIN RESIN PET CONSUMPTION



BREAKDOWN BY APPLICATION OF VIRGIN PET CONSUMPTION

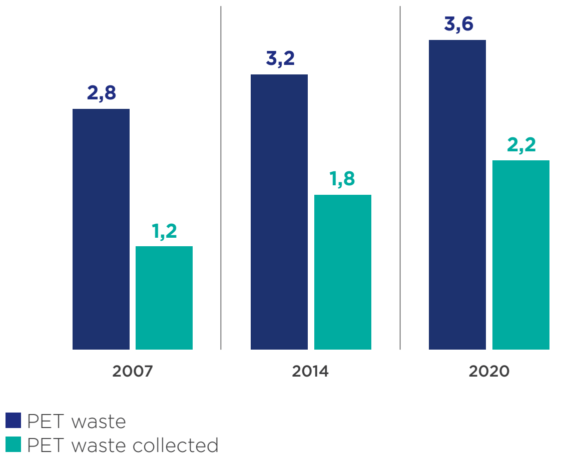


Almost all PET products marketed, whether resins or fibers, turn into waste. PET, which offers significant advantages (weight, cost, durability and flexibility) compared to alternative materials, is therefore a priority target for recycling. However, the recycling rates for this waste vary considerably and are greatly hindered by current techniques, which are limited to pure deposits of PET, mainly consisting of transparent bottles.

As a result of its activity, the Company believes that it can generate positive environmental outcomes, in particular by opening up recycling to a larger fraction of packaging, which would otherwise be sent to landfill and incineration. Studies conducted in 2024 made it possible to estimate that the enzymatic PET recycling technology developed by Carbios would allow potential savings of 90% of CO_2 emissions compared to the production of virgin PET in Europe (Ecoinvent 3.10), taking into account the avoidance of a conventional end-of-life (landfill and incineration) for three quarters of the waste entering the process.

In Europe, the demand for resin-grade PET used to manufacture bottles and trays was estimated at 5.1 million metric tons in 2020, including 3.0 million metric tons of virgin PET, 1.3 million metric tons of r-PET and 0.8 million metric tons of imports,[1] and the share of collected waste that they generate corresponds to 2.2 million metric tons, just over 43%.1 Carbios' PET enzymatic recycling process has the potential to treat 100% of resin-grade PET waste, representing an additional source of 1.4 million metric tons in Europe, which is currently incinerated or goes into landfills as it cannot be recycled.[2]

HISTORICAL QUANTITIES OF PET WASTE (BOTTLES) PRODUCED AND COLLECTED IN THE EUROPEAN UNION (IN MILLIONS OF METRIC TONS)[3]



Average annual growth rate of PET waste:[4] 2% between 2007 and 2022.

Average annual growth rate of PET waste[4] collected: 4% between 2007 and 2020.

In Europe, the collection of PET waste is increasing at a rate twice that of PET consumption (and therefore the production of PET waste). However, it is necessary to intensify collection efforts to achieve the objectives set by the European Union and meet the growing demand for recycled PET from players in the plastics and textile industries.

[1] Source: Natural Mineral Waters Europe, Petcore Europe, Plastics Recyclers Europe and Unesda in 2022.
[2] Source: Carbios.
[3] Sources: PlasticsEurope in 2015, PetCore Europe in 2015.
[4] Sources: PlasticsEurope in 2015 and Natural Mineral Waters Europe, Petcore Europe, Plastics Recyclers Europe and Unesda in 2022.

Price trends for virgin PET and recycled PET (r-PET) [1]

The price of virgin PET, which stood at around €1,150/t in January 2024, is strongly correlated with that of oil. However, the price of r-PET is currently uncorrelated with the oil price, due to strong demand from market players and a limited supply in terms of both quantity and quality. At around €1,400/t in early 2019, the price of r-PET steadily increased until September 2022 when it peaked at €2,570/t. Since this high of 2022, the price of r-PET has fallen and is now at around €1,260/t in January 2024.

The r-PET market is strongly supported by a powerful trio combining government policies, consumer expectations and the commitments of brands that use PET, and in particular the beverage industry. However, these manufacturers are encountering increasing difficulties in obtaining r-PET: both quantitative and qualitative difficulties related to the low level of clear PET, the only one currently usable by thermomechanical recycling to obtain clear, food-grade r-PET, so much so that several groups have asked the European Commission to set up a regulatory framework guaranteeing them access to food-grade r-PET. This tension on the supply of r-PET, and thus the price, is expected to intensify over time in view of the new regulatory provisions and the commitments of market players.

The incorporation rate of r-PET in bottles was estimated, on average, at 17% in 2023, while the new PPWR regulation, which came into force in February 2025, now imposes an incorporation rate of r-PET of 25%.

Thanks to its biorecycling technology for plastics and textiles, Carbios allows the return to monomers with a quality equivalent to virgin petrochemical monomers. The industrial use of this technology should make it possible to considerably increase the share of bottles and other vials produced from PET waste, and thus reduce the share of secondary applications (such as fibers) which are the main destination of r-PET today.

The ability of Carbios' technology to process all PET waste (jars, trays, clear, colored, opaque bottles, PET polyester fibers, etc.) should significantly increase the PET recycling rate and promote the implementation of new flows perfectly adapted to enzymatic recycling. Carbios intends to offer that market a competitive process compared with the chemical and thermomechanical recycling processes by enabling the reintroduction of the monomers stemming from the depolymerization of all types of PET waste into the PET production chain.

In this respect, Carbios has made its technology applicable to the recycling of PET polyester fibers with, in particular:

- the production in November 2020[2] of the first transparent bottles made from PET polyester textile waste recycling;
- the production in March 2022[3] of a white PET fiber that is 100% enzymatically recycled from colored textile waste; and
- the production, in October 2024[4], of the first 100% "fiber-to-fiber" biorecycled garment with the partners of its textile consortium.

During the 2024 fiscal year, Carbios continued its developments in the field of PET polyester fiber recycling with the full year operation of an automated textile preparation line[5] integrating all the steps to transform textile waste into resources for enzymatic recycling.

These advances confirm the potential of Carbios' enzymatic recycling process, which makes it possible to produce a wide variety of products from any PET waste, including textiles, with a quality equivalent to those of petro-sourced origins.

The results obtained by the Company in the area of PET plastic and polyester fiber waste recycling are a real technological breakthrough, allowing the Company to envisage the rapid industrial and commercial deployment of this innovation in high value-added markets.

1.4.2 INNOVATION

The recycling process developed by the Company is a biological process which makes it possible to recycle PET plastics and polyester textiles by going back to the initial monomers, which can be reused in all applications of the original material.

This proprietary technology uses an enzyme capable of specifically depolymerizing the PET contained in the various plastics or textiles to be recycled. At the end of this stage, the monomers that result from the depolymerization are filtered, purified and repolymerized into PET of equivalent quality to virgin PET. For the first time in the industry's history, it has become possible to create a true circular economy system that enables the recycling and production of new 100% recycled and 100% recyclable PET products, without loss of quality.

MAIN STAGES OF CARBIOS' PET ENZYMATIC RECYCLING PROCESS

Depolymerization of PET plastic waste to form terephthalic acid (TA) and monoethylene glycol (MEG) in a hydrolysis reactor and the repolymerization of these monomers into food quality PET, 100% recycled and 100% recyclable (credit: Carbios).

In the recycling process designed and developed by Carbios, as illustrated above, plastic waste or PET polyester fibers are pretreated (extrusion, size reduction, etc.) and then enzymatically depolymerized in an aqueous medium at low temperature (approx. 65°C). After the depolymerization phase, the two constituent monomers of the original polymer, PTA and MEG are recovered by downstream processes (filtration, decoloration, purification, AT crystallization, MEG distillation, etc.). These monomers can then be repolymerized to produce a food-grade PET, 100% recycled and 100% recyclable.

[1] Source: ICIS between 2018 and 2021.
[2] Please refer to the press release of November 19, 2020.
[3] Please refer to the press release of March 10, 2022.
[4] Please refer to the press release of October 29, 2024.
[5] Please refer to the press release of October 2, 2023.

Progress on the main collaborative R&D projects

OPTI-ZYME project

In June 2024, Carbios received €1.2 million in respect of the validation of the first key stage in the OPTI-ZYME project, carried out in partnership with INRAE[1], INSA[2] and the CNRS[3] via the mixed TWB[4] service and TBI[5] research units, a project co-financed by the French State as part of France 2030 operated by ADEME. As a reminder, the Company received an initial payment of €1.2 million in December 2023[6], i.e. a total amount of €2.4 million since the start of the project. The OPTI-ZYME project provides for total financing of €11.4 million, of which €8.2 million directly for Carbios (€3.2 million in subsidies and €5 million in repayable advances) and €3.2 million for its academic partners INRAE, INSA and CNRS (via the mixed TWB service and TBI research units).

This four-year project, led by Carbios, aims to investigate the scientific and technical levers to increase the competitiveness of the PET plastic and polyester fiber biorecycling process, optimize the necessary investments and reduce its environmental footprint.

The optimizations, the new developments planned and the exploration of innovative solutions should lead to reinforced flexibility in the technology with respect to incoming waste and allow optimal adaptation to various sources of raw materials for which there is currently little or no recovery, in particular food and textile trays, or mixtures of input materials. The project aims to optimize and continuously improve the enzymatic recycling technology developed by Carbios, as well as the exploration of new disruptive solutions to help maximize the economic profitability and competitiveness of the process. Thus, the project aims for an overall improvement in performance, combining efficiency, quality and environmental sustainability, for the benefit of the Longlaville plant, for which construction has started, and future licensed plants.

The OPTI-ZYME project began on January 2, 2023 for a period of 48 months, i.e. until December 31, 2026.

INTER-ZYME project

In May 2023,[7] Carbios announced that it had obtained €30 million in financing under the France 2030 Plan , in response to the national “Plastic recycling” call for projects operated by ADEME, as well as €12.5 million from the Grand-Est region. In this respect, in February 2025, the European Commission granted the authorization for a French State aid scheme, “Circular Economy”[8], intended to promote the chemical recycling of plastic waste. This authorization paves the way for the signing of agreements with the Grand-Est region and ADEME and the implementation of this financing. Filed on July 3, 2022 with ADEME, the Carbios project entitled INTER-ZYME was selected to industrialize its unique PET biorecycling process. The objectives of this project, which began in July 2022, are the engineering, construction and commissioning up to production of the first volumes at the Longlaville plant in the Grand Est region. This plant will offer the possibility of launching production in France of the two basic components of PET, PTA and MEG[9], both from the Carbios process.

CE-PET project

As a reminder, the CE-PET research project[10] was successfully closed in 2023. It demonstrated the ability of Carbios to recycle complex waste enzymatically to produce new bottles and fibers and proved the robustness of its recycling process.

For the validation of the whole of this project, co-financed by the French State as part of France 2030 operated by ADEME[11], Carbios will have received a total amount of €4.1 million (€1 million in subsidies and €3.1 million in repayable advances) and its partner INRAE-TWB €3.4 million.

1.4.3 SUMMARY OF THE STAGE OF DEVELOPMENT

Carbios	Enzymatic recycling of PET plastic waste and polyester fibers	
Target polymer	PET (plastics)	PET (textiles)
Applications	Packaging (bottles, flasks, trays, films)	Clothing, linens and furnishings (duvets, pillows, etc.)
Development stage	Operation of a pre-industrial unit in Clermont-Ferrand (The Demonstration Plant)/Work initiated at the end of 2023 for the construction of a PET biorecycling plant in Longlaville[12]	
Main development partners	L'Oréal, Nestlé Waters, PepsiCo, Suntory Beverage & Food Europe, L'Occitane, On, Patagonia, PUMA, Salomon, PVH Group, Novonesis and De Smet Engineers & Contractors	

[1] France’s National Research Institute for Agriculture, Food and Environment.
[2] Institut National des Sciences Appliquées (National Institute of Applied Sciences).
[3] Centre National de la Recherche Scientifique (National Center for Scientific Research).
[4] Toulouse White Biotechnology.
[5] Toulouse Biotechnology Institute.
[6] Please refer to the press release of December 20, 2023.
[7] Please refer to the press release of May 31, 2023.
[8] Source:https://ec.europa.eu/commission/presscorner/detail/en/ip_25_387
[9] PTA = terephthalic acid; MEG = monoethylene glycol
[10] Please refer to the press release of February 3, 2023.
[11] Agence de l'Environnement et de la Maîtrise de l'Energie (French Environment and Energy Management Agency)
[12] In December 2024, the decision was made to postpone the continuation of construction work on this plant by six to nine months in order to align with the expected schedule of public aid and the negotiation of the necessary additional financing. Please refer to the press release of December 19, 2024.

1.4.4 COMPETITIVE ADVANTAGES

Recycling as it is practiced today does not provide a satisfactory response to market needs, either in terms of volumes and quality.

Indeed, only a small portion of PET waste can be recycled by conventional technologies today. Thermomechanical recycling, which is currently the only industrial process, has limitations, as only clear plastic may be recycled in closed loops (Bottle-to-Bottle), with a loss of quality in each cycle, making it difficult to obtain new products from 100% recycled PET. Moreover, conventional recycling processes do not allow textile waste to be recycled in a closed loop, unlike the Carbios process, which makes it possible to truly return to the original materials for an identical use.

Thanks to Carbios' technology, it is now possible to:
- recycle all PET plastic waste and fibers, without the need for meticulous sorting, including multi-layered, colored and/or opaque plastics and polyester fibers mixed with other fibers;
- produce recycled PET of equivalent quality to the original polymer that can be used for all applications, even the most demanding.

Positioning of Carbios' technology vis-à-vis conventional or competing recovery technologies

The PET recycling technology designed and developed by Carbios differs from other technologies by its selectivity and high tolerance

with respect to waste that it can recycle. Unlike thermomechanical recycling, it makes it possible to process a much wider typology of PET waste while maintaining an optimal level of quality, making it possible to satisfy all original applications, including food contact.

Thermomechanical recycling

Thermomechanical recycling is a simple and relatively inexpensive secondary plastic production process. In this approach, plastic waste is simply collected, sorted, cleaned, chopped into shavings and remelted to produce r-PET granules. However, some impurities remain after the cleaning step, in particular additives used to obtain certain properties. These impurities and the deterioration of the mechanical properties of the mechanically recycled polymer, inherent in the grinding phase, result in lower performance of the recycled materials compared to their virgin equivalent. This process only allows a limited number of cycles, which results in fine in plastics that become waste that must be incinerated or landfilled. In the absence of a return to the original raw material, thermomechanical processes are simply not completely circular and do not make it possible, for example, to produce transparent r-PET from colored PET waste.

Gasification

Gasification of waste consists of heating it to temperatures between 900°C and 1,200°C in the presence of a small quantity of oxygen (which can be supplied by the air, air enriched in O2, pure dioxygen [O2], carbon dioxide [CO2] or steam). Apart from the mineral fraction of the waste and a small amount of unconverted fixed carbon that make up the solid residue, all of the waste is converted into synthesis gas called syngas. This energy-intensive technology makes it possible to treat heterogeneous waste, but only a fraction of the gases resulting from the reaction can be converted into monomers and then into polymers. Despite the advantage of this technology being suitable for heterogeneous waste, gasification products that may contain various impurities (tars, halogens, particles, heavy metals and alkali compounds) are mainly intended for combustion, and therefore for the production of energy. It is therefore more energy recovery than recycling.

Pyrolysis

The pyrolysis of waste consists of heating it to temperatures generally between 350 and 650°C in the absence of oxygen. This results in the production of a fuel gas, a pyrolysis oil and a by-product that contains the mineral fraction of the input waste, as well as the "fixed carbon," i.e. the carbon present in the waste that has not been transformed into gas or liquid. When mixed with virgin petroleum (mass balance), this pyrolysis oil can be transformed into virgin plastic. As with gasification, the use of high temperatures makes the pyrolysis unsuitable for oxygenates such as PET.

Chemical recycling (or organic solvolysis)

Chemical recycling, based on the use of organic solvents and/or organic catalyzers such as methanol or glycol, is today subject to numerous developments that should enable the industrial-scale exploitation of these technologies in the short term.

Methanolysis breaks down PET waste into monomers called DMT (di-methyl terephthalate) and MEG (mono-ethylene glycol). Globally, less than 5% of PET production plants use DMT as a feedstock. These units are mainly used to produce specialty polyesters.

Glycolysis makes it possible to produce BHET, an intermediate product of the esterification of PET from its initial monomers (PTA or DMT and MEG). Few data are available on the acceptability of complex PET waste by the glycolysis process (color, presence of polyolefins, textile). On an industrial scale, although BHET can technically be introduced as a mixture on existing polymerization lines, many new skills and operational capabilities must be developed for its use: regulatory (product stewardship), quality control, supply chain, industrial processes.

Carbios biological recycling (enzymatic hydrolysis)

Carbios' biological technology makes it possible to obtain PTA and MEG from PET plastic or textile waste. These monomers, resulting from the enzymatic depolymerization of PET, are compatible with more than 95% of the industrial capacities installed by PET producers worldwide. Thus, the Carbios technology does not require the creation of additional plastic production capacity, but instead replaces the use of fossil resources by the use of PET waste. Furthermore, this process, unique in the world, also operates under mild conditions, with hydrolysis in an aqueous medium, at low temperature (approx. 65°C) and at atmospheric pressure. The proprietary enzyme used by Carbios is also highly selective and particularly tolerant of impurities, while producing very high purity monomers. This approach makes it possible to restore all the use properties of the recycled polymer and therefore its use in all the original applications, including food, according to a true circular economy principle.

Panorama of technologies for the revalorisation and recycling of plastics

			ORGANIC SOLVOLYSIS		
	GASIFICATION	**PYROLYSIS**	**METHANOLYSIS**	**GLYCOLYSIS**	**ENZYMATIC HYDROLYSIS**
Description	• Decomposition at high temperature, in the presence of a gasification agent, to produce diesel, kerosene and naphta. • Conversion into monomers and polymers	• Decomposition at high temperature, in the absence of oxygen, to produce a pyrolysis oil • Conversion of the oil into monomers and polymers	• PET is treated with methanol to produce two monomers : DMT and MEG • The combination of both monomers enables the production of virgin-like r-PET	• PET is treated with glycol to produce an oligomer: BHET • BHET combined with PTA and MEG enables the production of virgin-like PET	• Water-based enzymatic depolymerization of PET to produce two monomers : PTA and MEG • The combination of both monomers enables the production of virgin-like r-PET
Pros	✓ Technology adapted to various flows of organic materials (products derived from wood, organic waste) and to rubber and plastic (e.g. tires)	✓ Possible to produce « virgin plastics » from pyrolysis oil ✓ Technology adapted to polyolefins ✓ Tolerance to waste (excl. PVC)	✓ Produces monomers registered for food contact applications ✓ Accepts blends of PET and other polymers	✓ Only one compound to isolate: BHET	✓ Accepts all kind of PET plastics and fibers ✓ Works at low temperature (around 65°Celsius) and atmospheric pressure ✓ Produces monomers registered for food contact applications ✓ More than 95% of the world's PET production capacities uses PTA + MEG
Development stage	Industrial	Industrial	Preindustrial	Industrial	Preindustrial
Cons	× Highly energy intensive × A small fraction of these gases can be converted into polymers × Emits significant amounts of GHG	× Energy intensive × Transformation of pyrolysis oil requires mixing with virgin fuel (mass balance) × Not suitable for organic compounds such as PET	× Does not accept certain organic compounds (elastane fibers, pigments…) × Less than 5% of the world's PET production capacities uses DMT + MEG × High industrial constraints for the use of DMT (SEVESO classification)	× Only works with high quality PET waste (clear or slightly colored) × BHET is not an imput for PET production × BHET is not registered in Europe to manufacture food-grade plastics	× Pretreatment of PET plastics and polyester fibers required to accelerate the hydrolysis × Purification of PTA complex

HIGH ← **Energy intensity** → LOW

For information on Carbios' potential competitors in PET recycling, the reader is invited to consult section 3.2.1.4 "Risks related to the emergence of competing technologies" in this Universal Registration Document.

1.4.5 INDUSTRIALIZATION STRATEGY

Within its facilities, Carbios carries out the development of its biorecycling technology through the operation of its pre-industrial unit dedicated to the enzymatic depolymerization of PET plastic waste into monomers. The operation of this small plant based in Clermont-Ferrand and the optimizations carried out as part of its operation have made it possible to validate all the parameters required for an industrial-scale operation of this technology and to prepare the licensing documentation and the detailed engineering study defining the operational guidelines for the operation of industrial and commercial units owned or under license agreements.

PILOT UNIT

1. Transposition of R&D results from the laboratory to the Pilot scale
2. Process development and optimization of the various steps

1 M³ reactor
Launched: July 2018

CLERMONT-FERRAND PRE-INDUSTRIAL UNIT

1. Transposition of the Pilot process to the pre-industrial scale
2. Tests on different waste streams and adaptation of the process to the specificities of the collection systems
3. Preparation of complete engineering documents for the process (Process Design Package) for the construction of future plants

20 M³ reactor
Production: > 100 tons
Start of operation: September 2021

INDUSTRIAL AND COMMERCIAL DEPLOYMENT

1. Construction of an industrial and commercial PET biorecycling unit in Longlaville, France
2. Deployment of Carbios' business model through licensing of its technology and know-how

1.4.5.1 Industrial pilot phase of the technology

Within its pilot unit, the Company carries out parametric studies aimed at improving the robustness of each of the process operations. This unit optimizes the various stages ranging from the pre-treatment of plastic and textile waste, to the depolymerization of PET, and the purification of monomers. Validation of the quality of the monomers obtained is then achieved by r-PET re-polymerization tests, transformation into products (bottles, trays and fibers), and tests to characterize the mechanical and food-contact properties of these finished products. The work carried out has made it possible to produce the first prototypes of food-grade bottles made entirely from enzymatically recycled plastic[1]. It is also thanks to its pilot unit that Carbios and the partners of its textile consortium were able to manufacture the first 100% "fiber-to-fiber" biorecycled garment[2].

The work carried out at the pilot scale made it possible to meet three objectives:

1. ensure the development of the pilot-scale process for PET plastic waste;
2. adapt and optimize the process for recycling PET textile waste; and
3. ensure the competitiveness of the process.

In December 2023[3], Carbios announced that it is continuing to optimize its PET depolymerization process as part of the OPTIZYME project conducted in partnership with INRAE[4], INSA[5] and CNRS[6] via mixed TWB[7] service and TBI[8] research units, a project co-financed by the French State as part of France 2030 operated by ADEME. This four-year project focuses on the technical and economic optimization of the process steps while preserving the quality of the monomers obtained. Optimizations, new developments planned and the exploration of innovative solutions are explored at the pilot scale. They aim to strengthen the flexibility of the technology with regard to incoming waste and allow optimal adaptation to various sources of raw materials for which there is currently little or no recovery, in particular food trays and textiles, or to mixtures of incoming materials. The OPTIZYME project also aims to support the optimization of enzymes to help maximize the economic profitability and competitiveness of the process. Work is also underway to better define the specifications of textile waste that can be recycled and to assess the impact of contaminants present in the textile waste on the enzymatic biorecycling process.

Reactor for the depolymerization of plastic waste and PET textiles into monomers at the Carbios pilot unit.

[1] Please refer to the press release of June 21, 2021.
[2] Please refer to the press release of October 29, 2024.
[3] Please refer to the press release of December 20, 2023.
[4] France's National Research Institute for Agriculture, Food and Environment.
[5] Institut National des Sciences Appliquées (National Institute of Applied Sciences).
[6] Centre National de la Recherche Scientifique (National Center for Scientific Research).
[7] Toulouse White Biotechnology.
[8] Toulouse Biotechnology Institute.

1.4.5.2 The Clermont-Ferrand pre-industrial unit: from project to operation

Since July 2022, Carbios has been operating a fully operational pre-industrial unit (the demonstration plant) at Parc Cataroux in Clermont-Ferrand. The choice of this site allows Carbios and Michelin to pool the utilities and services necessary for the operation of this state-of-the-art facility while securing access. This equipment represents the final stage in the development of the biorecycling process designed and developed by Carbios and prefigures the design of future industrial and commercial plants.

It includes storage areas for raw materials and finished products (terephthalic acid and monoethylene glycol), the pre-treatment of PET waste, a hydrolysis reactor with a capacity of 20 m3 and equipment for the purification of monomers (terephthalic acid and monoethylene glycol) enabling the production of high-purity batches. Since the end of 2023, this equipment has been supplemented by an automated textile preparation line that was operated for a full year during the 2024 fiscal year. The facility is operated by a team of around 20 people (production, processes, maintenance/new works).

In 2024, Carbios worked on three priorities: volumes, technology improvement and Quality:

- Production of batches of recycled monomers for commercial activation and prospect sampling, from feedstock representative of supplies from the Longlaville plant. Subcontracting of monomer repolymerization campaigns in r-PET.

Developments:

- Modification of the MEG purification to be as close as possible to the design of the Longlaville plant and improvement of product quality.
- Launch of a process water treatment module to improve the quality of water discharges into the environment and test internal water recycling strategies. This technology is intended to be used in Longlaville.
- Pretreatment tests on various textile feedstocks: from the “waste” bales to their engagement in the enzymatic depolymerization step for the specification of the feedstocks, the pre-treatment technology specific to textiles, the operating conditions of the Carbios process stages for these feedstocks in order to guarantee stability, quality and yields.

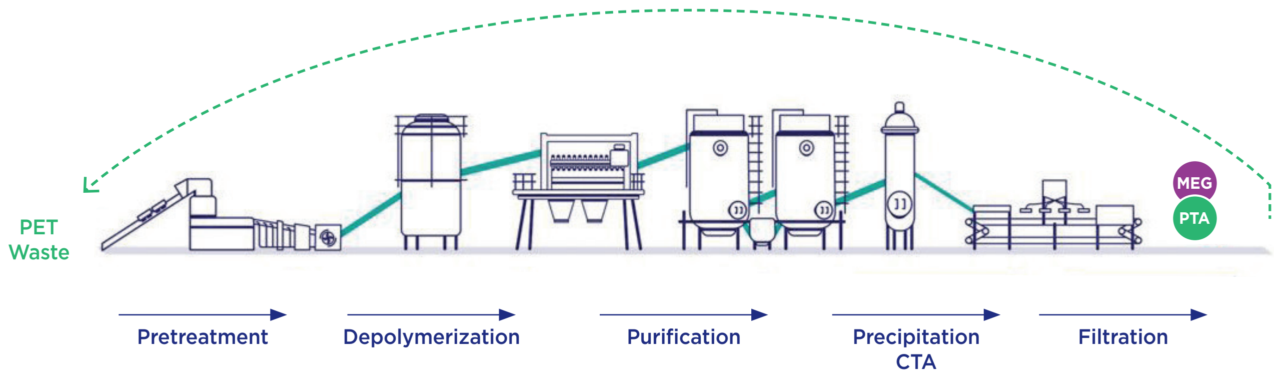
Management:

- Double ISO 9001 and 14001 certification with the audited scope of Production, Maintenance and Quality Control processes. Continued development of the CMMS (digital maintenance process) and launch of an ERP (purchasing, inventory management)

In 2025, the demonstration plant program is mainly focused on textile development and the continued production of volumes (e.g. packaging feedstock for packaging customers).

- In the first quarter, campaign with mixed textile and packaging feedstocks. Characterization of the quality of finished products and stage performance (stability, yield, productivity).
- From the second quarter, 100% textile campaign on post-production flows that will produce volumes for sampling and testing of textile applications. By the end of 2025, the performance measurements will be used to design the adaptations of Carbios' technology for “Textile-to-Textile” plant projects.

At the date of this Universal Registration Document, the industrial scale-up of this biorecycling technology is supported by the results obtained in the demonstration plant since its commissioning.

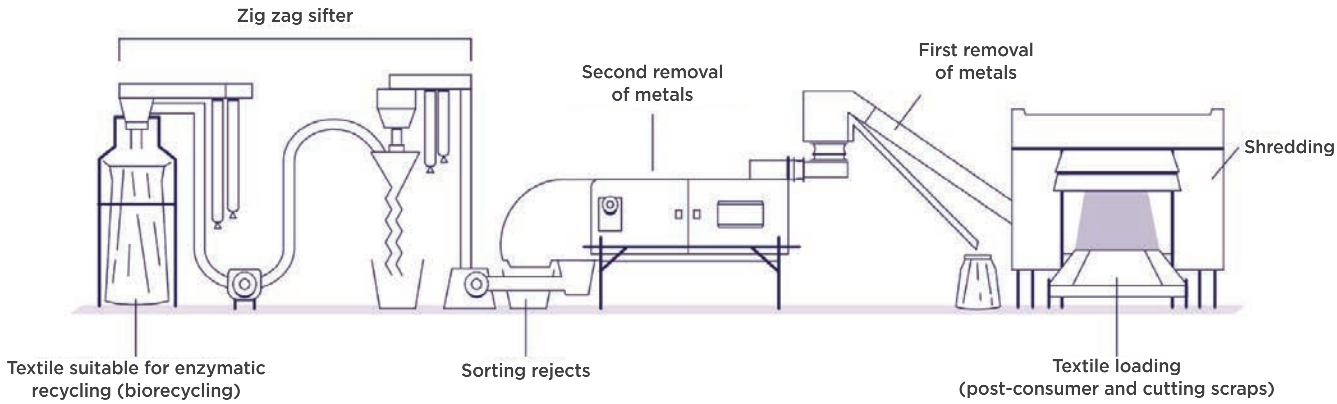


Modeling of the main stages of the process of enzymatic depolymerization of PET waste into monomers, as used at the industrial demonstration plant

Pre-industrial unit dedicated to the depolymerization of PET plastic and textile waste into monomers. (Carbios)

Textile preparation line

Since the end of 2023[1], Carbios has operated a textile preparation line at its facilities in Clermont Ferrand. To streamline the textile preparation stage, downstream of the sorting stages (polyester vs other fibers) which are generally carried out by hand or on several lines, Carbios has designed an integrated and automated line that makes it possible to use used clothing or production waste, to produce textile waste suitable for depolymerization with its enzymatic biorecycling process. This patented line includes all the preparation stages (shredding and extraction of hard spots such as buttons or closures), and provides Carbios with an efficient and scalable development tool. The operation of this line helps to validate the biorecycling technology of textiles on a pre-industrial scale and gives Carbios expertise with collection and sorting players to specify the quality of textiles and the stages of preparation for recycling. In 2024, an approach study for a 25,000 metric ton/year preparation line project was carried out based on the measurements and results obtained. Carbios' expertise in the mechanical preparation of textiles will also be valuable for brands in the eco-design of their products.



Modeling of the main stages of textile waste preparation (from right to left), as implemented in the industrial demonstration plant (Carbios)

Loading of the textile waste preparation line. (Credit: Carbios)

[1] Please refer to the press release of October 2, 2023.

1.4.5.3 Plant project in Longlaville: construction of the first plant in the world dedicated to PET biorecycling

In order to ensure the industrial deployment of its proprietary PET biorecycling technology, the Company has embarked on a plant construction project in the Grand-Est region of France. This first industrial and commercial unit aims to consolidate Carbios' business model, which consists of granting operating licenses for its technologies and know-how to its licensees, who will build their own PET biological recycling production units.

This project, supported by the French State and the Grand-Est region, confirms the opportunity to set up the world's first PET enzymatic recycling unit in France, with an estimated processing capacity of 50,000 metric tons of PET waste per year, representing the equivalent of 2 billion bottles or 2.5 billion trays.

After obtaining, at the end of 2023, the building permit and the environmental authorization from the administration, construction activities began on the Longlaville site in October 2023 and continued during the 2024 fiscal year.

3D modeling of the Carbios industrial unit for the depolymerization of PET plastic and textile waste into monomers (credit: Technip Energies)

Following a call for tenders for the execution phase (detailed engineering, purchasing management and construction supervision), Carbios signed a partnership with **De Smet Engineers & Contractors**.[1]

On the date of the announcement of the project postponement of 6 to 9 months[2] on December 19, 2024, the estimated construction cost for the project was confirmed at €230 million for equipment, turnkey packages and units, bulk supplies and works contracts. No significant contingencies (modification, supplier default, etc.) had generated a proven or projected additional cost, whereas 50% of the expenses have been incurred. Discussions with all suppliers following the announcement of the postponement resulted in postponement protocols signed by the two parties concerned with facilitating the restart of the project and the effective completion of the necessary financing. These protocols limit the financial impacts of the postponement to additional storage costs and discounting of costs on the restart date for the remaining work to be done. Overall, the risk of additional costs for the project is considered extremely low.

The impact on the project schedule depends, above all, on the time required to obtain sufficient comfort in the closing of the financing and the timing of the release of funds. As of the date of this Universal Registration Document, the Company estimates that it will take between 2 and 3 months to re-engage the project players following the decision to relaunch.

As part of its construction project for a plant in Longlaville, Carbios benefits from solid financial support from the French government and local public authorities. On May 31, 2023[3], Carbios announced the State's selection of its project with a view to obtaining €30 million in financing by the French State as part of France 2030, as well as €12.5 million by the Grand-Est region. Building on France's ambitions in terms of the circular economy and the confirmation, in February 2025, of the European Commission's support for the French State aid scheme intended to promote the chemical recycling of plastics4, the plant project in Longlaville would be the first PET biorecycling plant in the world, thus helping to relaunch production in France of the two basic components of PET, PTA and MEG, both from the Carbios process.

Procurement

To support the industrial and commercial deployment of its activities, Carbios is working to gradually secure the volumes of raw materials needed to supply the start-up and ramp-up of the future Longlaville plant.

From 2023, Carbios secured a first supply contract with **Citeo**[4], as part of a Consortium formed with the companies Valorplast and Wellman Neufchateau Recyclage. This long-term contract covers the supply of PET waste of the single-layer and multi-layer trays and their recycling by enzymatic depolymerization in the future Longlaville plant.

For the 2024 fiscal year, Carbios continued its partnership with a view to securing new supply contracts for post-consumer PET waste for the Longlaville plant. This progress has resulted in the signing of several memoranda of understanding or collaboration agreements with major players in the collection and recycling of plastics and textiles, in particular:

- **Landbell Group**

In February 2004, Carbios and Landbell Group[5], a global operator of more than 40 producer responsibility organizations (PROs) and a leading provider of closed-loop recycling solutions, announced the signing of a memorandum of understanding with a view to reaching a contractual agreement for the supply, preparation and recycling of 15,000 metric tons per year of post-consumer PET waste.

[1] Please refer to the press release of February 15, 2024.
[2] Please refer to the press release of December 19, 2024.
[3] Please refer to the press release of May 31, 2023.
[4] Citeo: Company with a mission created by businesses in the mass consumption and distribution sectors to reduce the environmental impact of their packaging and paper by offering them reduction, reuse, sorting and recycling solutions.
[5] Please refer to the press release of February 29, 2024

• **Hündgen**

In April 2024, Carbios and Hündgen Entsorgungs GmbH & Co. KG (Hündgen), a specialist in waste management in the fields of logistics, sorting services and the recycling of recyclable materials contained in waste mixtures, announced the signing of a memorandum of understanding with a view to reaching a contractual agreement for the supply, preparation and recycling of 15,000 metric tons per year of post-consumer PET waste.

• **Tomra Textiles**

In June 2024, Carbios and Tomra Textiles[1], a technology company created by the leader in sorting technology TOMRA (Oslo Stock Exchange: TOM.OL), announced the signing of a collaboration agreement to set up an efficient network in Northern Europe for the collection, sorting, preparation and recycling of textile waste up to their enzymatic recycling.

• **Nouvelles Fibres Textiles (NFT)**

In July 2024, Carbios and Nouvelles Fibers Textiles[2] (NFT), a French company specializing in textile recovery, announced the signing of a memorandum of understanding with a view to reaching a contractual agreement for the supply of polyester textiles (post-consumer or post-industrial) prepared in France by NFT for the future Longlaville plant.

The feedstock Sourcing teams were strengthened in 2024 with the recruitment of a Packaging Sourcing Manager Europe and a Textile Sourcing Manager Europe. These recruitments allow for in-depth relationships with numerous prospects and facilitate a perfect understanding of the market

(volumes, quality, price) with a view to additional contracts during the first half of 2025.

These advances confirm the Company's ability to secure the raw materials necessary to support the start-up and ramp-up of the future Longlaville plant.

Plant financing

The investment for the construction of this plant is estimated at €230 million and should be financed by:

- **A portion of the Company's available cash** amounting to €90 million at December 31, 2024, plus €18 million in pledged investments (classified as Financial assets).
- **Funding of €30 million by the State** as part of France 2030 operated by ADEME, as well as €12.5 million by the Grand-Est region[3]. In this respect, the European Commission granted in February 2025 the authorization of a French State aid scheme, "Circular Economy"[4], intended to promote the chemical recycling of plastic waste. This authorization paves the way for the signing of agreements with the Grand-Est region and ADEME and the implementation of this financing for the Longlaville plant.
- **Additional financing, particularly non-dilutive**, for which the Company has initiated discussions with private partners and public players, likely to provide financing under good conditions. As such, Carbios obtained, at the end of 2024, the confirmation from the French State, including Bpifrance, of its potential support to activate the examination of its request for the granting of debt hedging in the amount of €86 million under the **Strategic Projects Guarantee** (GPS) scheme for which the Company has obtained eligibility[5]. Bpifrance's GPS scheme aims to support projects of strategic interest to the French economy, by offering debt hedging for 80% of the amounts due to the beneficiaries of the guarantee.

Project milestones:

2022	✔ Filing of construction permit.
2023	✔ First orders of equipment with lengthy lead times; ✔ Receipt of the building permit and operating permits; and ✔ Start of construction of the Plant[6].
2024	✔ Detailed studies, purchases of equipment, supplies and works contracts, Equipment manufacturing. ✔ On-site construction: foundations, civil engineering.
2025	• Objective of restarting construction work on the plant in the second half of 2025, subject to obtaining the necessary additional financing.
2026	• Objective of Unit commissioning. Pre-production tests.
2027	• Target for delivering products to customers.

[1] Please refer to the press release of June 18, 2024.
[2] Please refer to the press release of July 25, 2024.
[3] Please refer to the press release of May 31, 2023.
[4] Source:https://ec.europa.eu/commission/presscorner/detail/en/ip_25_387
[5] Please refer to the press release of December 19, 2024.
[6] Please refer to the press release of October 26, 2023.

1.4.5.4 Industrialization and licensing model

The success of Carbios' industrialization model lies in its ability to build strategic industrial partnerships.[1] To facilitate the implementation of such agreements, from the upstream phases of its technology development, the Company initiated international prospecting work which resulted in the signing of several Letters of Intent (LOIs) combining R&D cooperation, competitiveness analysis, technological and economic due diligence and studies for the establishment of industrial and commercial units operated under licenses by third parties in various regions. Building on its developments, in the near future, Carbios aims to grant the first operating licenses for its proprietary enzymatic recycling technology for plastic waste and PET polyester fibers to manufacturers who will build and operate their own units.

Carbios' licensing model is based on the operation, by third parties (PET producers, chemical manufacturers, waste management companies, etc.), of licensed industrial units fed by both plastic and textile waste. Indeed, the possibility of treating PET waste in plastic or textile form, alone or as a mixture, in the same recycling unit would not only diversify the sources of supply and regulate the PET content of incoming waste, but also massify incoming waste streams and make it possible to adapt to available supplies depending on the geographical location of the units.

The size of the units may vary depending on the geographical areas where they operate. Carbios' biorecycling process makes it possible to consider two complementary location options: either in areas that already produce PET, or in areas that consume PET products and therefore generate waste. The main target regions are Europe and Asia, followed by the United States. The two predominant criteria taken into account in future choice of location are, on the one hand, the availability of waste and the efficiency of the collection and sorting network in the country where the licensee is located and, on the other hand, the choice of countries with high per capita GDP (e.g. Europe, South Korea, USA, etc.) because the consumption of plastic packaging and textiles is significant and consumers are more aware of circularity and sustainable development factors.

Carbios' business development model is based on three types of revenue:

- **granting of licenses for the use** of its know-how and intellectual property: the licenses granted will generate revenue in the form of upfront payments paid by the licensee on the basis of the installed capacity;
- **royalties** from the sale by Novonesis of Carbios proprietary enzymes directly to manufacturers using Carbios technology; and
- **royalties** from the premium generated by manufacturers on the sale of biorecycled PET or biorecycled monomers.

As part of the technological licensing, Carbios will thus derive the value of its innovation through income from upfront payments and royalties from the granting of licenses, as well as from engineering assistance services and technical assistance until the start-up of the units.

The Process Book resulting from the work carried out at the pre-industrial plant in Clermont-Ferrand should enable Carbios to license its enzymatic recycling process to PET producers (or other industrial players) who will build and operate their own units and repolymerize the monomers produced on their existing lines, of which more than 95% currently use PTA and MEG for the production of PET.

This license will also be accompanied by the provision of technical support services to the licensees, such as training and supervision during the detailed engineering, construction, commissioning, start-up and performance tests of the units.

At the same time, the enzymes intended to feed the PET producer units will be produced by Novonesis, in accordance with the strategic agreement signed between Carbios and Novonesis in 2023[2].

Developments in international prospecting for the industrial deployment of the technology.

The results from the operation of the pre-industrial unit in Clermont-Ferrand (the demonstration plant) and the detailed engineering study for Carbios' first commercial plant define the basic engineering and operational guidelines for the units that will be operated under license agreements. These elements made it possible to prepare documentation for the international marketing of Carbios' PET biorecycling technology. From technology promotion with the Technical Information Summary (TIS) to project development with a specific Process Design Package (PDP) and Process Book, future Carbios licensees will be handed all necessary process documentation to reliably engineer, procure, construct and operate their PET biorecycling plants under stringent HSE[3] standards and with high product quality.

To ensure the international deployment of its activities, the Company has set up a licensing offer and structured its organization to support the international promotion and commercial deployment of its biorecycling technology. This licensing offer is based in particular on the Intellectual Property portfolio guaranteeing the protection of this Carbios proprietary technology and also on the freedom to operate study. It is also based on engineering and design documentation (choice of equipment, unit operations, operating methods, etc.) as well as specifications of inputs (characteristics of incoming waste) and outputs (characteristics of finished products) for the process.

[1] For more information on the strategic partnerships related to the PET project, please refer to section 2.5 of this Universal Registration Document.
[2] Please refer to the press release of January 12, 2023.
[3] HSE = Health, Safety and Environment

The licensing strategy is broken down into three main stages:

- **Identification of prospects:** the priority target includes PET producers, specialty chemical producers as well as waste management companies. The expanded target includes consumer product brands, public entities and sovereign wealth funds.
- **Activation of prospects:** this is based on an initial contact and one or more non-confidential presentations of the technology.
- **Qualification of prospects:** this begins with the signing of a confidentiality agreement allowing the disclosure of detailed technical and economic information and quantified environmental benefits. It is generally accompanied by visits to R&D and pre-industrial facilities and may be supplemented by the transmission of product samples under a material transfer agreement.

Targeted profiles for Carbios PET biorecycling technology

CORE TARGET

PET Producers
- Sustainable offer with highest value

Chemicals Groups
- Production diversification with highest value

Waste Management Companies
- Downstream integration
- Feedstock valorization

ENLARGED TARGETS

Brand owners
- Upstream integration
- Feedstock securization

Public Entities municipalities& sovereign funds
- Investment opportunities

In 2024, the teams continued work on the industrial and commercial development of Carbios worldwide via this licensing offer. These advances have resulted in the signing of several Letters of Intent (LOIs) to enter into contractual agreements for the creation of plants operated under licenses, particularly in China, Turkey and the United Kingdom.

- **Zhink Group in China**

On June 27, 2024, Carbios and Zhink Group, one of the 500 largest Chinese private companies, specializing in two global industries, PET and textiles, announced the signing of a letter of intent[1] for the construction of a biorecycling plant in China using Carbios' revolutionary enzymatic depolymerization technology to serve the global market. This agreement would enable Zhink Group to construct and operate under license an enzymatic depolymerization plant in China, with an annual capacity of 50,000 metric tons of prepared PET waste. China, the world's leading producer of PET, is a key market for Carbios, and this agreement could enable it to establish a presence in this major market.

- **SASA in Turkey**

On August 1, 2024, Carbios and SASA, one of the world's leading manufacturers of polyester, fibers, filament yarns, polyester-based polymers, specialty polymers and polymer intermediates, announced the signing of a letter of intent[2] for the potential acquisition by SASA of a license for Carbios' PET biorecycling technology. This agreement would enable SASA to construct and operate under license an enzymatic depolymerization plant in Adana, Turkey, with an annual processing capacity of 100,000 metric tons of prepared PET waste, and would provide access to circular recycling technology, enabling the production of polyester pellets, fibers and textiles from various waste sources, including polyester textile waste. SASA aims to diversify its offering to meet the growing global demand for sustainable materials in the textile industry, targeting mainly the European market.

- **FCC Environment UK in the United Kingdom**

On August 6, 2024, Carbios and FCC Environment UK ("FCC"), one of the leading recycling and waste management companies in the United Kingdom, announced the signing of a letter of intent[3] in order to install a PET biorecycling plant in the United Kingdom with a license for Carbios' technology. Carbios' biorecycling technology is essential to support FCC's ambition to contribute to the circular economy by exploring new processes and technologies to produce recycled PET from PET plastics and textiles. For Carbios, this letter of intent confirms the interest of the waste management sector, in addition to that of plastic producers, and could enable the Carbios technology to gain a foothold in the United Kingdom.

Each of these projects is being examined with the aim of concluding, in the short or medium term, licensing agreements in the targeted regions.

Other projects are also being examined and the cooperation offers structured in the Asian region, which shows a strong match between market needs, investment capacity and Carbios' technological offer.

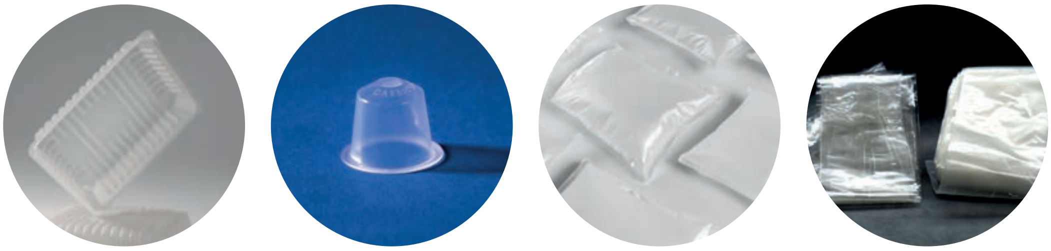
[1] Please refer to the press release of June 27, 2024.
[2] Please refer to the press release of August 1, 2024.
[3] Please refer to the press release of August 6, 2024.

1.5 CARBIOS ACTIVE: AN INNOVATIVE PRODUCT DEDICATED TO THE BIODEGRADATION OF PLA-BASED PLASTICS

CARBIOS Active: the first biological solution that allows plastics with a high PLA content to achieve OK Compost HOME certification by TÜV AUSTRIA Group

A solution approved by the FDA and included in the inventory of food contact substances

Technology labeled Efficient Solution by the Solar Impulse Foundation[1] and GreenTech Innovation by the French Ministry for the Ecological Transition.[2]



Compostable products in PLA incorporating CARBIOS Active - Trays, coffee capsules, wedging bubbles, flexible films - (Credit: SkotchProd)

1.5.1 ACCESSIBLE MARKETS

The development of biosourced plastics (i.e. made from natural resources such as corn or sugar cane) started over 20 years ago through the development of green chemistry and the desire to market products stemming from renewable resources as an alternative to products derived from petrochemicals, in order to address (i) the dwindling of oil resources, (ii) the greenhouse gas issue and (iii) the preservation the environment.

Even though they have been around for a long time, biosourced plastics currently account for less than 1% of global plastic production[3] but offer strong growth prospects. In 2021, global production capacity for biosourced plastics[4] was estimated at 0.9 million metric tons and should reach 2.7 million metric tons by 2026.

Among these biosourced plastics, Carbios, via its subsidiary Carbiolice, is particularly interested in PLA (PolyLactic Acid), whose market is both promising and growing strongly.

PLA is a biosourced and biodegradable plastic polymer according to the EN13432 standard (industrial compost environment) which is also biocompatible.

It is currently used for the following applications:[5]

- rigid packaging, mainly for food (35% of the market);
- flexible packaging, mainly for food (27% of the market);
- non-woven textiles: tea bags, diapers, wipes, filters (19% of the market);
- consumer products in cosmetics, 3D printing and automotive (13% of the market); and
- agricultural or horticultural uses: mulching films, clips and pots (6% of the market).

		Estimated global production		
Processes	**Description of markets**	**2021**	**2026**	**Growth rate**
Global PLA production capacities	Flexible or rigid packaging, textile fibers and medical applications for which the biodegradability of PLA is sought. PLA is also an excellent substitute for PET, PE, PS or PP.	440 kT (1)	790 kT (2)	28% (1)
Global biosourced plastics production capacity		742 kt (3)	2,66 MT (3)	29,1%

(1) Source: IHS Markit in 2021. (2) Sources: European Bioplastics, nova-institute in 2022. (3) Source: Plastics Europe in 2021.

[1] Please refer to the Carbiolice press release of January 20, 2021.
[2] Please refer to the Carbiolice press releases of January 20, 2021 and May 3, 2021.
[3] Source: World plastics production 2021, PlasticsEurope in 2022.
[4] Source: European Bioplastics, nova-institute in 2023.
[5] Source: Global Polylactic Acid Market Size Report, 2021-2028 (grandviewresearch.com) and Biopolymers facts and statistics, IfBB 2020, p43.

Growing global production supported by mature markets

Globally, PLA production capacity was estimated at around 440,000 metric tons per year[1] in 2021.

In recent years, many investments have been made and capacity expansions have been implemented on the sites of major producers such as NatureWorks LLC in the United States[2], TotalEnergies Corbion in Thailand[3] and BBCA in China. New investments announced or in progress make it possible to estimate the installed production capacity at more than 790,000 kT by 2026.

Major projects for the production of PLA include:

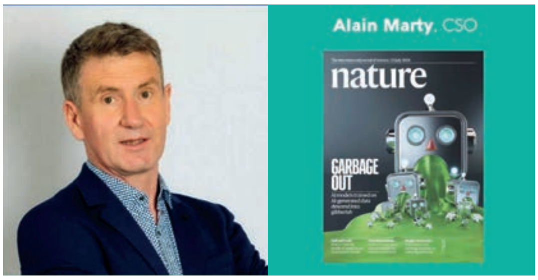
- the construction by NatureWorks of a second unit in Thailand with a capacity of 75 kT per year, which will be fully integrated with the production of lactic acid for an estimated investment of $600 million[4] (commissioning expected for 2025);
- an extension of BBCA capacity in China to reach a capacity of 100 kT per[5] year;
- Futerro's investment in France at the Port-Jérôme site in Normandy for a new production capacity of 75 kT of PLA from the fermentation of wheat and the construction of an adjoining recycling unit with an announced investment of more than €500 million[6];
- the investment by Emirates Biotech for a 160 kT unit in the United Arab Emirates[7]; and
- an estimated investment of €273 million by Balrampur Chini Mills for the establishment of a unit in India[8].

Demand for PLA is currently supported by mature markets such as the United States, and the strongest growth rates are observed in Asia and mainly in China, India, Japan and Korea.

A suitable solution for many uses

Carbiolice is performing technical validation tests of CARBIOS Active with several manufacturers in various applications, both technical such as wedging bubbles, tamper-evident seals and for flexible or rigid food packaging (trays and films). To address the food packaging markets, it is essential to obtain food contact approvals. In this respect, a favorable opinion was issued by the Food and Drug Administration (FDA) in the United States[9], on February 29, 2024, allowing CARBIOS Active to be included in the FDA's inventory of food contact substances (FCS), with the food contact notification (FCN 2325). Thanks to this step, CARBIOS Active can be marketed for food contact uses in the United States and in countries that recognize the FDA recommendations. In December 2024, a similar approval application was filed with the European Food Safety Authority (EFSA).

For the 2024 fiscal year, industrial qualifications continued, mainly in the United States. Thus, more than three metric tons of CARBIOS Active Masterbatch were shipped, sold and tested for industrial validation, validating the commercial outlook for 2025.



In November 2024, at the PACKEXPO trade fair in Chicago, Professor Alain Marty, Chief Scientific Officer of Carbios, gave a presentation of the enzymology research underlying the development of CARBIOS Active, showcased in July 2024 through the publication of a new article in the prestigious scientific journal *Nature*[10].

During this event, more than 20 partner companies representing Carbiolice's value chain highlighted their experience with the use of CARBIOS Active on their industrial lines.

The success of these industrial qualification steps confirms the opportunity to commercially deploy CARBIOS Active among many players and for multiple applications.

A first contract in Europe with SLEEVER®

In Europe, in September 2024, Carbiolice signed an exclusive and long-term contract[11] with SLEEVER® to jointly develop Home Compost biodegradable mono-oriented cross-directional heat-shrinkable films. This partnership includes a framework supply agreement for CARBIOS Active, integrated directly during the manufacturing process to make Home Compost films. These films will make it possible to develop the use of "sleeves" in applications as diverse as the labeling, wrapping and securing of packaging for the luxury goods and mass retail markets, offering an eco-designed solution for packaging with no dedicated value chain.

Through this partnership, new uses in the field of wines and spirits should emerge in 2025 thanks to SEELCAP® ONEGO, the first Home Compost tamper indicator biodegradable concept[12] on the global market.

[1] Source: IHS Markit in 2021.
[2] Source: NatureWorks in 2020.
[3] Source: Total Corbion in 2021.
[4] Source: NatureWorks in 2021.
[5] Source: Carbios in 2022.
[6] Source: Futerro in 2022.
[7] Source: https://www.plasteurope.com/news/EMIRATES_BIOTECH_t257041/
[8] Source: https://www.bioplasticsmagazine.com/en/news/meldungen/20240220-PLA.php
[9] Please refer to the press release of March 5, 2024.
[10] Please refer to the press release of July 17, 2024.
[11] Please refer to the press release of September 25, 2024.
[12] SEELCAP® ONEGO is currently being certified OK Compost HOME from TÜV Austria.

1.5.2 INNOVATION

The innovation of the biodegradation process developed by Carbios for PLA-based plastics consists of introducing enzymes into plastic materials to make them biodegradable and 100% compostable, including at ambient temperature. These enzymes enable PLA-rich plastics to be 100% compostable under aerobic (industrial composting, domestic composting, in soil) and anaerobic (methanization) conditions.

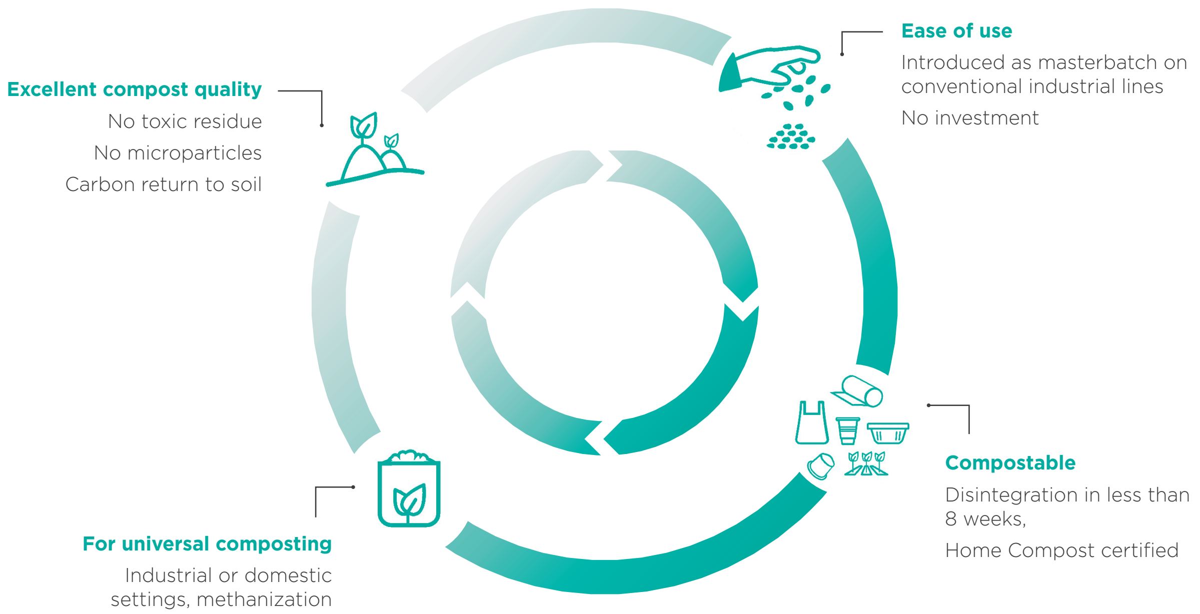
This technology is now used on an industrial scale in the form of an enzymed Masterbatch called CARBIOS Active that is integrated into the core of the plastics and packaging during their manufacture in conventional plastics processes (blow film extrusion, calendering extrusion, injection, etc.).

The enzymes, specifically optimized for the degradation of PLA, are firstly integrated into a polymer matrix, which protects them from high temperatures. The encapsulated enzyme thus obtained is then integrated, up to 5%, as a mixture with PLA or compounds with a high level of PLA, on traditional plastics processing tools in order to shape finished products (flexible films, sheets, etc.).

In order to extend the application field of this technology and make the enzymed Masterbatch even more efficient in the most critical processes of plastics manufacturing (i.e. injection, fiber extrusion, etc.) and very thick applications, Carbiolice has, in addition to its industrial and commercial production line, an R&D workshop and pilot tools. This equipment makes it possible to test formulations and manufacturing processes for the additive and then to shape different types of finished products. A pilot extruder, single-layer and multi-layer inflation and calendering extruders as well as an injection molding machine are thus available to the Carbiolice teams. A laboratory equipped for the needs of materials characterization and enzymology also makes it possible to validate the developments carried out for the extension of this technology to new applications with high added value.

Internationally, this technology is currently protected by 28 patent families belonging to Carbios or Carbiolice or licensed to Carbios, and which cover the enzyme, the formulation and the process for preparing the enzymed Masterbatch, as well as the finished products in which it can be introduced.

ENZYMATIC SOLUTION TO MAKE PLA COMPOSTABLE
AT AMBIENT TEMPERATURE



1.5.3 SUMMARY OF THE STAGE OF DEVELOPMENT

PLA plastics biodegradation process for which Carbios has granted an operating license to its subsidiary Carbiolice:

Commercial product	CARBIOS Active Masterbatch
Target polymer	PLA
Applications	Flexible packaging, mulching films, methanizable bags, sachets, industrial films, trays, rigid and flexible food packaging, coffee capsules, etc.
Development stage	Industrial
First licensing revenues for Carbios	2016(1)
Marketing to end customers	2024 - 2025
Development partners	Carbios and Novonesis

(1) Fixed royalty of €8 million received in 2016 under a patent and know-how license agreement signed with Carbiolice SAS.

The enzymatic biodegradation of PLA-based bioplastics (made from natural resources such as corn or sugar cane) makes it possible to create a new generation of plastics that are 100% compostable, including at ambient temperature, thanks to the integration of enzymes into the core of these plastics. The introduction of the CARBIOS Active solution in the manufacture of PLA-based plastic products allows them to fully biodegrade in industrial or domestic composts, or in methanization units. The first proofs of concept with CARBIOS Active were initiated in December 2020 for the purpose of conducting tests with a few processors. It is the first biological solution that allows plastics with a high PLA content (flexible films and rigid plastic packaging) to achieve OK Compost HOME certification from TÜV Austria Group.[1]

In addition, Carbiolice has conducted several series of end-of-life tests on packaging incorporating CARBIOS Active to assess the benefits when it is processed in industrial composting or methanization. Tests in an industrial composting station were successfully carried out in collaboration with the Copack Chair (AgroParisTech) and demonstrated good biodegradation performance in real conditions. Similar results were obtained in the United States with the Compost Manufacturing Alliance (CMA). Tests in a mesophilic methanization unit - i.e. at a temperature of 38°C - have demonstrated the ability of CARBIOS Active to degrade PLA at low temperatures and increase the quantity of green biogas produced, both in France and in South Korea through a test carried out with the compliance laboratory, KCL. These results make the use of PLA packaging enzymated with CARBIOS Active perfectly compatible with the treatment of bio-waste by composting or methanization.

1.5.4 COMPETITIVE ADVANTAGES

The introduction of CARBIOS Active into PLA packaging makes it possible to guarantee compostability at room temperature, without residue and without ecotoxicity and to obtain the OK Compost Home certification from TÜV AUSTRIA in accordance with the NFT 51-800 standard.

This innovative and eco-friendly alternative offers a positive response to some disadvantages of the biodegradable plastics currently on the market, namely:

- a real capacity for biodegradation under domestic conditions, whatever the temperature, unlike the majority of currently so-called biodegradable products that only biodegrade under industrial conditions (temperature above 60°C); and
- new plastics designed to be competitive, and which can replace fossil-based plastics in the most common applications, for which no recycling or recovery solution is suitable.

For example, the use of one metric ton of CARBIOS Active will reduce the amount of plastic waste generated when replacing fossil-based polymers by 20 metric tons

With its technological offering, Carbiolice should be able to exploit this competitive advantage in high value-added application markets.

For information on Carbiolice's potential competitors in PLA plastic biodegradation, the reader is invited to consult section 3.2.1.4 "Risks related to the emergence of competing technologies" in this Universal Registration Document.

[1] Please refer to the Carbiolice press release of December 1, 2020 and of September 2, 2021.

1.5.5 CARBIOLICE: AN INDUSTRIAL AND COMMERCIAL COMPANY

Created in 2016, Carbiolice is a French company resulting from a tripartite agreement between Carbios, the SPI ("Sociétés de Projets Industriels – Industrial Project Companies") investment fund managed by Bpifrance Investissement and Limagrain Ingrédients.

Following the purchase of all of the equity interests of Limagrain Ingrédients and the SPI fund in the capital of Carbiolice, which took place respectively in October 2020[1] and June 2021,[2] Carbios holds 100% of the share capital and voting rights of Carbiolice.

Established since 2023 on the Cataroux site in Clermont-Ferrand, the Carbiolice teams benefit from a fully operational industrial and commercial tool that includes a laboratory, pilot equipment and an industrial line dedicated to the production of its CARBIOS Active Masterbatch.

With these facilities and multidisciplinary teams (industrial research and development, production, quality, applications, etc.) and dedicated salespeople, Carbiolice continues to market CARBIOS Active. The favorable opinion issued by the FDA in February 2024 made it possible to remove the obstacles to marketing in the United States and in markets recognizing the FDA. To secure CARBIOS Active's supply chain across the Atlantic and ensure a satisfactory level of service to customers, Carbiolice has set up an advanced stock in Miami (Florida) in order to be able to deliver its products in less than five days and avoid incurring high logistics costs, which could affect the competitiveness of the product.

The production and marketing of CARBIOS Active are secured by a joint development agreement signed with Novonesis[3], in which the latter agrees to become, in the long term, the exclusive supplier of Carbiolice, and to produce on an industrial scale the proprietary enzyme developed by Carbios for the biodegradation of PLA.

Through its production unit, Carbiolice intends to address specific areas of application, namely the flexible film markets (bags and sachets, industrial films and food packaging), all rigid applications in the agriculture and horticulture sectors and rigid food packaging (food containers for fast-food outlets, trays, etc.).

1.5.5.1 Licensing

On August 30, 2016, Carbios granted an exclusive worldwide license to Carbiolice for the operation of the enzymatic biodegradation technology for all mixes (plastic compositions and masterbatches) based on certain specific biodegradable polyesters, and notably PLA, for certain specific applications (the "Field"). In an amendment to the license agreement dated June 28, 2018, the scope of the license to Carbiolice was extended to new patent families, applications and products.

On August 30, 2016, for the granting of patent licenses and know-how by Carbios to Carbiolice, Carbios recorded non-monetary operating income of €8 million, of which the counterparty was a receivable from Carbiolice, subsequently converted into an equity interest in that company.

This license agreement and its amendment, signed in 2018 in exchange for the extension of the number of patent families and new applications, also provide for:

- the payment of royalties on the sales of products incorporating Carbios' patented enzymatic biodegradation technology; and
- the payment to Carbios of a lump sum subject to the achievement, by Carbiolice, of a defined income.

Following the purchase of the shares of the SPI fund in the capital of Carbiolice which took place on June 3, 2021, Carbiolice, as an affiliate of Carbios, now directly holds the exclusive worldwide operating license for the patent family owned by the CNRS and the University of Poitiers. In this respect, Carbiolice may pay royalties to the joint owners with the revenues generated by Carbiolice's exploitation of this family of patents. For the 2024 fiscal year, no fees from Carbiolice to the co-owners were recognized given that the income recorded for the fiscal year corresponds to the sale of samples, covered by "Material Transfer Agreements", for the performance of tests and industrial validation trials.

[1] Please refer to the press release of October 8, 2020.
[2] Please refer to the press release of June 4, 2021.
[3] Please refer to the press release of January 29, 2019.

CARBIOS Active production line (Credit: Carbiolice)

1.5.5.2 Funding of Carbiolice and change in capital structure

Funding of Carbiolice

Since its creation in 2016, Carbiolice's historical shareholders have invested €18 million, which was released in four phases over four years according to the achievement of predefined milestones. These investments in the capital of Carbiolice were made as detailed below:

- the first tranche of funding of €4 million (of which €1.5 million was provided by Carbios), took place on the business start-up in September 2016;
- a second tranche of funding of €3.35 million released in July 2018 (including €1.1 million provided by Carbios);
- a third tranche of funding of €3.35 million released in July 2019 (including €1.1 million provided by Carbios); and
- a fourth tranche of funding for an amount of €7.3 million (including €2.8 million from Carbios and the balance by the SPI fund) was released in October 2020.

Since 2021 and the purchase of the SPI fund's share in the share capital of Carbiolice, Carbios has continued to finance the activities of Carbiolice, and has set up a partner current account, amounting to €8.8 million as of December 31, 2024.

Acquisition of the stake of the Bpifrance Investissement SPI funding the capital of Carbiolice

In 2021[1], Carbios acquired the entire stake of the Bpifrance Investissement SPI fund of 37.29% of Carbiolice's share capital. This acquisition, which took place on June 3, 2021 for a price of €17.9 million, ended 5 years of structuring collaboration with the SPI fund. Since this acquisition, which was paid in cash, Carbios now holds 100% of the share capital and voting rights of Carbiolice. This operation followed the acquisition, in October 2020, of the entire stake of Limagrain Ingrédients in the share capital of Carbiolice.

[1] Please refer to the press release of June 4, 2021.

HISTORY OF EQUITY CONTRIBUTIONS IN CARBIOLICE

(In euros)	Carbios	Limagrain Ingrédients	SPI
Creation of the entity	1	-	-
Incorporation of the Company	98	1	-
Distribution of share capital at inception	**99**	**1**	-
Distribution of share capital at inception (in %)	**99.00%**	**1.00%**	**0.00%**
Carbios cash contribution	1,499,901	-	-
Conversion of Carbios receivables into Carbiolice equity securities	8,000,000	-	-
Partial contribution of Limagrain Ingrédients assets	-	3,499,999	-
SPI cash contribution	-	-	2,500,000
Distribution of share capital at December 31, 2016	**9,500,000**	**3,500,000**	**2,500,000**
Distribution of share capital at December 31, 2016 (in %)	**61.29%**	**22.58%**	**16.13%**
Distribution of share capital at December 31, 2017	**9,500,000**	**3,500,000**	**2,500,000**
Distribution of share capital at December 31, 2017 (in %)	**61.29%**	**22.58%**	**16.13%**
Cash contribution 2nd installment	1,100,000	250,000	2,000,000
Distribution of share capital at December 31, 2018	**10,600,000**	**3,750,000**	**4,500,000**
Distribution of share capital at December 31, 2018 (in %)	**56.23%**	**19.90%**	**23.87%**
Cash contribution 3rd installment	1,100,000	250,000	2,000,000
Distribution of share capital at December 31, 2019	**11,700,000**	**4,000,000**	**6,500,000**
Distribution of share capital at December 31, 2019 (in %)	**52.70%**	**18.02%**	**29.28%**
Acquisition of the stake of Limagrain Ingrédients	4,000,000	(4,000,000)	-
Cash contribution 4th installment	2,800,000	-	4,500,000
Distribution of share capital at December 31, 2020	**18,500,000**	**-**	**11,000,000**
Distribution of share capital at December 31, 2020 (in %)	**62.71%**	**0.00%**	**37.29%**
Acquisition of the stake of the SPI fund of Bpifrance Investissement	11,000,000	-	(11,000,000)
Distribution of share capital at December 31, 2021	**29,502,000**	**-**	**-**
Distribution of share capital at December 31, 2021 (in %)	**100.00%**	**0.00%**	**0.00%**
Distribution of share capital at December 31, 2022	**29,502,000**	**-**	**-**
Distribution of share capital at December 31, 2022 (in %)	**100.00%**	**0.00%**	**0.00%**
Distribution of share capital at December 31, 2023	**29,502,000**	**-**	**-**
Distribution of share capital at December 31, 2023 (in %)	**100.00%**	**0.00%**	**0.00%**
Distribution of share capital at December 31, 2024	**29,502,000**	**-**	**-**
Distribution of share capital at December 31, 2024 (in %)	**100.00%**	**0.00%**	**0.00%**

1.5.5.3 Collaborations and developments

Collaborations

Novonesis

As a reminder, in January 2019, Carbios and Carbiolice signed a co-development agreement with Novonesis for the production and supply of PLA degradation enzymes on an industrial scale. During fiscal year 2024, this collaboration continued, in particular for the preparation of the Food Contact approval files for Masterbatch with the EFSA in Europe.

AgroParisTech – Copack Chair

The CoPack Chair is a sponsorship partnership chair led by the AgroParisTech Foundation, an institution recognized as being of public utility in the development of projects with solutions for the future. Launched in 2021 for a period of five years, its mission is to contribute to reducing the environmental footprint of the food packaging sector, while respecting the evolution of society. In collaboration with players from all parts of the packaging sector, from raw material producers to end-of-life waste management agents, the CoPack Chair implements scientific projects with the aim of proposing new packaging solutions. CARBIOS Active is an integral part of the test system under real composting conditions and the pursuit of biodegradation under soil conditions.

Other collaborative projects

Carbiolice is also involved in 2 European collaborative projects aimed at developing compostable packaging and bringing together several university and industrial partners. These projects, entitled PRESERVE and SISTERS, continued during the 2024 fiscal year. They should make it possible to accelerate the evaluation of the Carbiolice Masterbatch for applications in compostable flexible packaging with improved properties.

Developments

"*OK Compost HOME*" Certification

Since September 2021[1], PLA-based rigid packaging (up to 70%) containing the CARBIOS Active solution produced by Carbiolice are certified OK Compost HOME by TÜV Austria Group. New requests for OK Compost HOME certification have been filed with TÜV Austria for flexible 100% PLA films up to a thickness of 90 µm and 100% PLA sheets of up to 800 µm in order to highlight the significant advances in disintegration speed. They also aim to confirm the performance of CARBIOS Active by a third-party organization and to accelerate the certification process of the finished products of future customers.

BPI certification and FDA approval

In March 2024, Carbios announced that its CARBIOS Active enzymatic solution, dedicated to the biodegradation of PLA, was included in the inventory of food contact substances (FCS) of the US **Food and Drug Administration** (FDA) with the food contact notification (FCN) 2325, in force since February 29, 2024. Thanks to this step, CARBIOS Active can be used to manufacture food contact packaging in the United States (rigid and flexible packaging, and other applications). CARBIOS Active was also **certified by the Biodegradable Products Institute** (BPI), the leading North American authority on compostable products and packaging. Food contact notification and BPI certification guarantee the quality of CARBIOS Active, offering brands and industrial composters a reliable solution for the design and marketing of fully biodegradable packaging, in line with circularity commitments.

All of these certifications will accelerate the marketing process and give Carbiolice's future customers the opportunity to build on the results of tests already carried out.

Publication of a second article in the scientific journal Nature

On July 17, 2024[2], Carbios announced the publication in the scientific journal Nature, of an article entitled "An engineered enzyme embedded into PLA to make self-biodegradable plastic", co-authored with its partner Toulouse Biotechnology Institute. PLA plastic incorporating the enzyme can fully and quickly degrade under domestic composting or methanization conditions. The article describes the optimization work carried out to develop an enzyme capable of withstanding the 170°C required for its introduction into the molten PLA during the plastic products manufacturing process. It has been proven that the new material incorporating the enzyme fully disintegrates and biodegrades at a much faster rate than the 26 weeks required for home composting certification. It also helps to produce more biomethane, another source of waste recovery. In addition, the material remains intact during long-term storage, as the enzyme is only activated under composting or methanization conditions, thus guaranteeing its compatibility with commercial PLA-based applications, such as flexible packaging (sauce sachets, cling film) and short-life items (food containers, yoghurt pots, coffee capsules).

This new publication in Nature, widely considered to be the most influential scientific journal, complements the 2020 publication on the enzymatic depolymerization of PET[3], confirming Carbios' lead in enzymatic engineering.

[1] Please refer to the Carbiolice press release of September 2, 2021.
[2] Please refer to the press release of July 17, 2024.
[3] Please refer to the press release of April 8, 2020.

Distinctions

Since 2021, Carbiolice Masterbatch has been certified ***Efficient Solution*** by the Solar Impulse Foundation. This distinction is awarded on the basis of criteria combining technical feasibility, environmental impact and potential for economic profitability.

The technology driven by Carbiolice also received the label "***Greentech Innovation***" from the French Ministry for the Ecological Transition. This recognition attests to the innovative nature of the enzymatic biodegradation technology of plastics implemented by Carbiolice and its ability to make a significant contribution to the environmental transition. Carbiolice thus joins the network of 290 start-ups labeled[1] Greentech Innovation since the creation of this eco-label.

PLA-based plastics decomposition stages integrating the CARBIOS Active solution (Credit: SkotchProd)

[1] Source: The Greentech innovation initiative | French Ministry for the Ecological Transition (ecologie.gouv.fr).

1.6 OTHER AREAS OF DEVELOPMENT

As part of its research and development work, Carbios has identified several opportunities to extend its recycling and biodegradation processes to other polymers and other applications of interest to industry. Building on its experience in developing these two PET or PLA technologies, Carbios can draw on the technical resources put in place to accelerate future projects for the degradation of other polymers.

1.6.1 RECYCLING OF POLYAMIDES

Considering the technical accessibility (strength of the bonds and presence of heteroatoms in the polymer) and the size of the market, priority is now given to the **development of a polyamides (PA) recycling process**, including PA6 (global market of 5.3 million metric tons valued at €14.6 billion[1]) and PA6.6 (global market of 3.0 million metric tons estimated at €15 billion)[2]. Work is underway, in particular with the TBI laboratory (Toulouse Biotechnology Institute) as part of the collaboration set up with INSA.

The polyamides are present in the packaging and textiles sectors, such as PLA and PET, and also in other sectors, in particular the automotive sector where an extended producer responsibility chain exists in France, but where end-of-life recovery methods are still very limited.

The enzymatic recycling of polyamide waste is a process allowing the PA to be depolymerized and returned to its original monomers. The monomers obtained can then be purified and repolymerized to produce new recycled PA products of the same quality as those obtained from virgin PA, according to the same principle as that developed by Carbios for PET.

Some technologies for the chemical recycling of PA6 already exist on the market and make it possible to return to monomers under acidic conditions. However, current global capacities remain very low (around 40 to 50 thousand metric tons). These technologies mainly recycle fishing nets, one of the post-consumer products with a high level of PA6 and easily collectable.

There is currently no chemical recycling technology for PA6.6. Some projects are at the demonstration stage.

1.6.2 OTHER POLYMERS

For the 2023 and 2024 fiscal years, work was also carried out by the Company on the degradation of:

- **polyolefins** of which polyethylene PE (global market of 107 million metric tons[3]) and polypropylene PP (global market of 72 million metric tons[4]). Work is currently underway with the BBF (Fungi Biodiversity and Biotechnology) laboratory at INRAE in Marseille, specializing in the study of the ability of filamentous fungi to degrade complex polymers.
- **elastomers** of which natural rubber (global market of 13.8 million metric tons[5]).

These polymers have particularly resistant chemical structures, which are therefore less accessible to enzymes. Being able to recover them is therefore a long-term project for Carbios.

The chemical inertia of these polymers that give them their unique properties, in particular their strength and durability, is at the same time the problem, due to their lack of degradability. It appears interesting today to develop methods, to reintegrate synthetic polymers into the carbon cycle. In this context, the possibility of degrading/depolymerizing polymers by a biocatalytic process is still in its infancy and large areas of the field must be explored. At present, there are no effective biological solutions for the degradation of C-C polymers, due to their chemical inertia. To meet these challenges, we can draw inspiration from the tricks developed by nature. Fungi, in particular, have had millions of years of coevolution with plants and insects to develop strategies to deal with the resistance of biopolymers (for example, lignocellulose, waxes, cuticle) and have developed an arsenal of ad hoc enzymatic weapons, and particularly oxidoreductase. We believe that these filamentous fungi, and their enzymes, can be exploited/adapted for the degradation of synthetic polymers.

A collaboration with the BBF laboratory was carried out to research enzymatic activities on elastomers and polyolefins via the exploration of fungal biodiversity.

A collaboration with the TBI laboratory was also carried out to work on the optimization of the expression and purification of two rubber oxygenase enzymes previously identified as having activities on natural rubber.

The enzymes developed for the degradation of PLA and the enzymatic recycling process of PET could also serve as a basis for the development of the **enzymatic recycling of PLA** waste, thus making it possible to depolymerize the PLA and return to the starting monomer, lactic acid. As part of its research and development work, Carbios has already demonstrated its ability to depolymerize PLA to obtain lactic acid. These results were confirmed by the success of the depolymerization of the PLA to 90% in 24 hours. This progress has made it possible to prove the concept of closed-loop recycling with the production of recycled PLA from lactic acid stemming from the PLA enzymatic recycling process. Carbios has thus demonstrated the circularity of the PLA recycling process and its applicability to commercial items (flexible and rigid packaging). However, for the enzymatic recycling of PLA, Carbios is targeting a nascent market, since the availability of PLA waste is still too low. At the date of this Universal Registration Document, the Company does not intend to launch the industrial or commercial utilization of this technology.

Lastly, Carbios could also consider adapting its enzyme incorporation process developed for PLA to other biosourced polymers such as PHAs (Polyhydroxyalkanoates) or other polyesters.

[1] Sources: Research and Markets in 2020, Straits Research in 2021 and Icis in 2022.
[2] Sources: Paaler Mats in 2019, Transparency Market Research in 2018, ReportsnReports in 2023, Maximize Market Research in 2021 and Icis in 2022.
[3] Source: Mordor Intelligence in 2020 and Icis in 2019.
[4] Source: Precedence Research relayed by GlobeNewswire in 2020.
[5] Source: Association of Natural Rubber Producing Countries relayed by Tire Business in 2019.


2

2.
COMMENTS ON THE BUSINESS

Section 2.1 focuses on the presentation of the Group's results and financial position based on its audited consolidated financial statements prepared under IFRS for the fiscal years ended December 31, 2023 and December 31, 2024, each lasting 12 months.

Section 2.3 focuses on the Company's results and financial position based on the audited separate financial statements for the fiscal years ended December 31, 2023 and December 31, 2024, each lasting 12 months.

This chapter should be read in the light of the Universal Registration Document as a whole. In particular, please read the description of the Company's operations presented in Chapter 1 of this Universal Registration Document. Likewise, please refer to the financial statements for the fiscal years ended December 31, 2023 and December 31, 2024, as well as the notes thereto, presented in Chapter 5 of this Universal Registration Document. The Company's separate financial statements were prepared in accordance with the accounting standards applicable in France for companies registered under French law.

2.1 ANALYSIS OF THE GROUP'S BUSINESS AND RESULTS

The consolidated financial statements of the Company as of December 31, 2024 and December 31, 2023, are presented in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB) and adopted by the European Union.

For the 2024 fiscal year, these IFRS consolidated financial statements include the financial statements of Carbios, the parent company, and the financial statements of its fully integrated subsidiaries Carbiolice and Carbios 54[1] at December 31, 2024.

The 2023 data includes the Carbios, Carbiolice and Carbios 54 full-year financial statements.

Consolidated income statement *(in thousands of euros)*	**Notes**	**12/31/2024**	**12/31/2023**
Income	16	136	24
Research and development expenses	17	(14,285)	(10,958)
Research and development expenses	*17*	*(21,726)*	*(18,830)*
Subsidies and other income from activities	*17*	*4,278*	*5,385*
Capitalization of development costs	*17*	*3,164*	*2,487*
Sales and marketing expenses	17	(7,611)	(5,809)
General and administrative expenses	17	(15,747)	(12,134)
Operating income/(expenses)		**(37,507)**	**(28,878)**
Financial income	20	**4,394**	**1,655**
Share of net income of equity-accounted companies		-	-
Income/(expenses) before taxes		**(33,113)**	**(27,224)**
Income tax	21	-	-
Net income/(loss) for the period		**(33,113)**	**(27,224)**
Basic earnings per share (in euros)	*22*	*(1.97)*	*(1.96)*
Diluted earnings per share (in euros)	*22*	*(1.97)*	*(1.96)*

[1] A wholly-owned subsidiary of Carbios for its industrial operations in Longlaville.

2.1.1 KEY FACTORS SIGNIFICANTLY AFFECTING THE GROUP'S REVENUE

2.1.1.1 Key factors significantly affecting the Group's operating revenue

The Group is made up of three companies. Carbios is an innovative green chemistry company whose goal is to accelerate the green revolution in chemistry for our everyday lives by re-thinking the life cycle of plastic and textile polymers. Its main activity thus consists in searching for innovative industrial bioprocesses to optimize the technical, economic and environmental performance of polymers by exploiting the biological properties of enzymes and developing these bioprocesses to license them to industrial partners for their commercial use and marketing.

Carbiolice is a French company resulting from a tripartite agreement between Carbios, the SPI investment fund, whose management company is Bpifrance Investissement, and Limagrain Ingrédients. Following the purchase of all of Limagrain Ingrédients' and SPI fund's stakes in the capital of Carbiolice, which took place respectively in October 2020[1] and June 2021[2], Carbios holds almost 100% of the share capital and voting rights of Carbiolice, and since that date has fully integrated the company in its consolidated financial statements under IFRS. With its operational industrial facilities and multidisciplinary teams (industrial research and development, production, quality, applications, etc.) and dedicated salespeople, Carbiolice is continuing to market its PLA biodegradation solution for tests with manufacturers.

The Group's operations and results are mainly impacted by the R&D expenses for the projects it undertakes. The Group also dedicates a large part of its resources to the protection of its intellectual property by filing patent applications at an early stage.

The Group's original business model is based on the industrialization and marketing of its products and/or enzymes, its technologies and its bioprocesses through the concession of operating licenses for its know-how and its intellectual property to major manufacturers in the sectors concerned by the innovations of Group companies. The Group thus intends to identify one or more leading manufacturers offering the best potential for the use of the innovation on an industrial and commercial scale.

The subsidies granted for the OPTI-ZYME program were released according to the project's progress and the submission of reports to ADEME regarding the completion of each key stage stipulated in the signed framework agreement. The payment of the subsidies is conditional upon the completion of each key stage under the relevant conditions, depending on the deliverables:

(In euros)	KS1 (50%)	KS2 (30%)	KS3 (0%)	KS4 (20%)	Total
Planned payment year	**2023**	**2024**	**2025**	**2026**	
Subsidy	€1,559,238	€935,543	€0	€623,695	€3,118,476
Repayable advance	€2,521,538	€1,512,923	€0	€1,008,615	€5,043,076
TOTAL	**€4,080,776**	**€2,448,466**	**€0**	**€1,632,310**	**€8,161,552**

The creation of Carbios 54 in June 2022 should enable the Group to generate its first commercial revenues on an industrial scale and to be in a position to become profitable.

Carbios and Carbiolice are eligible for the Research Tax Credit (CIR), a scheme that offers a refundable tax credit to companies investing in R&D. The impact of operating expenses on the Group's net income can thus be reduced by the recognition of the CIR as a deduction from the related expenses. All R&D expenses are recognized as operating expenses in the fiscal year in which they are incurred, with the exception of certain expenses for the Company's industrial demonstration plant, which are capitalized and recognized under "Capitalized production".

Research Tax Credit (CIR) *(In euros)*	**2024**	**2023**
Observed	3,540,459	3,199,963
Cashed	3,218,811	3,176,838

[1] Please refer to the press release of October 8, 2020.
[2] Please refer to the press release of June 4, 2021.

2.1.1.2 Government, economic, budgetary, monetary or political factors that have materially affected or could materially affect, directly or indirectly, the Group's operations

Recent regulations on waste, such as the Energy Transition Law for Green Growth, the "France 2030" investment project and the "Circular Economy" package adopted by the European Commission (section 1.2.2 of this Universal Registration Document) can also present opportunities for the Group, particularly in terms of revenue.

2.1.2 INCOME

For the fiscal years 2023 and 2024, income accounted under IFRS 15 is related to feasibility studies, tests and research services with performance obligations, as well as deliveries of raw materials and samples of CARBIOS Active by Carbiolice.

At December 31, 2024, the Group's income stood at €136 thousand, compared to €24 thousand at December 31, 2023.

2.1.3 RESULTS

2.1.3.1 OPERATING EXPENSES

The Company's operating expenses mainly consist of R&D costs and salaries. For the past two fiscal years, they break down as follows:

Consolidated income statement *(In thousands of euros)*	**12/31/2024**	**12/31/2023**
Income	**136**	**24**
Research and development expenses	(14,285)	(10,958)
Research and development expenses	*(21,726)*	*(18,830)*
Subsidies and other income from activities	*4,278*	*5,385*
Capitalization of development costs	*3,164*	*2,487*
Sales and marketing expenses	(7,611)	(5,809)
General and administrative expenses	(15,747)	(12,134)
Operating expenses	**(37,643)**	**(28,902)**
Other operating income and expenses	-	-
Operating income/(expenses)	**(37,507)**	**(28,878)**

With regards to the presentation of its IFRS consolidated statements, the Group shows a statement of income by destination. As such, recurring operating expenses are categorized and presented in the income statement as: Net research and development expenses, Sales and marketing expenses and General and administrative expenses.

For 2024, operating expenses stood at €37,643 thousand, compared to €28,902 thousand for 2023.

To support the growth of its activities, the average number of employees within the Company increased from 134 in 2023 to 165 in 2024.

Net Research and Development expenses: The Group pursued its research and development efforts on all its proprietary pipeline of innovations and notably on its PET biorecycling technology. Net research and development expenses amounted to €14,285 thousand in 2024 compared to €10,958 thousand in 2023.

- Research and development expenses amounted to €21,726 thousand. The increase in expenses is explained by the continuation of the OPTI-ZYME project financed by ADEME launched in 2023, but also by the increase in personnel expenses, a direct effect of the strengthening of the teams in the previous fiscal year.

- Subsidies and other income from the Group's activity amounted to €4,278 thousand in the 2024 fiscal year. The balance is mainly composed of the amount of the research tax credit ("CIR") to be received for €3,033 thousand for Carbios, and €505 thousand for Carbiolice, as well as grant received during the year with the launch of the OPTI-ZYME project financed by ADEME.

- Lastly, the Group continued to capitalize Development costs related to the PET enzymatic recycling project for €3,164 thousand.

Sales and marketing expenses: For the 2024 fiscal year, sales and marketing expenses amounted to €7,611 thousand compared to €5,809 thousand at 12/31/2023. The increase in these expenses is mainly due to the efforts made by the Company to target the market and sell its licenses in the near future. The Group is also continuing its structuring work with a reinforcement of its teams in order to be able to achieve its development objectives and secure market opportunities.

General and administrative expenses: In respect of the 2024 fiscal year, general and administrative expenses stood at €15,747 thousand compared to €12,134 thousand for the previous fiscal year. Carbios continues to structure itself, in particular with the construction of the plant, which explains the increase in general expenses, more specifically in personnel expenses. Fee items also increased sharply, partly due to the ERP and digital transformation project for around €2.8 million, and also to a significant increase in HR fees related to the increase in headcount and recruitments made.

2.1.3.2 Financial income and expenses

Financial income includes:
- expenses related to the Company's financing: interest paid and accretion of repayable advances and financial liabilities;
- income related to interest on term deposits and the capitalization contract;
- income related to repayable advances.

NET FINANCIAL INCOME/(EXPENSES) *(Amounts in thousands of euros)*	**12/31/2024**	**12/31/2023**
Foreign exchange gains	6	3
Other financial income	5,213	3,781
Financial income	**5,219**	**3,784**
Cost of borrowing	(2,851)	(2,838)
Monetary interest expenses	*(1,613)*	*(1,644)*
Non-monetary interest expenses (EIR)	*(1,069)*	*(1,030)*
Interest expense on lease liabilities	*(159)*	*(155)*
Interest expense on employee benefit obligations IAS 19	*(11)*	*(10)*
Capitalization of borrowing costs (1)	2,053	721
Net cost of borrowing	(798)	(2,118)
Other financial expenses	(28)	(11)
Financial expenses	**(826)**	**(2,129)**
Net financial income/(expenses)	**4,394**	**1,655**

(1) Capitalization of borrowing costs related to the PET biorecycling plant (IAS 23 Borrowing costs - non-monetary item) - See Section 5.1.5 Note 5.2.

The Company's financial income consists of interest on money-market investments and term account deposits. All available cash is placed in risk-free money market products. The significant increase in financial income is mainly due to the increase in liquidity following the capital increase during the fiscal year.

Financial expenses come from interest expenses on loans and repayable advances.

2.1.3.3 Net income

Consolidated income statement *(In thousands of euros)*	**12/31/2024**	**12/31/2023**
Operating income/(expenses)	**(37,507)**	**(28,878)**
Financial income	**4,394**	**1,655**
Share of net income of equity-accounted companies	-	-
Income/(expenses) before taxes	**(33,113)**	**(27,224)**
Income tax	-	-
Net income/(loss) for the period	**(33,113)**	**(27,224)**

The Group's companies have not distributed any dividends or other income (Art. 243a of the French General Tax Code) during the last three fiscal years.

2.2 CASH FLOW AND FINANCIAL STRUCTURE OF THE GROUP

Consolidated statement of financial position *(In thousands of euros)*	**12/31/2024**	**12/31/2023**
ASSETS		
Goodwill	20,583	20,583
Intangible assets	21,352	21,874
Property, plant and equipment	107,624	49,199
Right-of-use assets	5,159	6,175
Non-current financial assets	21,691	1,219
Total non-current assets	**176,407**	**99,049**
Trade receivables and related accounts	97	6
Inventories	1,538	511
Other current assets	8,826	-
Current financial assets	3,346	10,621
Cash and cash equivalents	89,767	191,821
Total current assets	**103,574**	**202,960**
Total assets	**279,981**	**302,009**
EQUITY AND LIABILITIES		
Share capital	11,792	11,786
Share and Contribution premium	276,703	276,569
Consolidated reserves	(4,564)	(2,900)
Retained earnings	(51,142)	(23,917)
Net income – share attributable to equity holders of the parent company	(33,113)	(27,224)
Share capital	**199,675**	**234,314**
Non-current provisions	345	216
Current and non-current borrowings and financial liabilities	37,204	39,226
Non-current lease liabilities	3,904	4,639
Other non-current liabilities	98	449
Deferred tax liabilities	1,694	1,694
Total non-current liabilities	**43,244**	**46,224**
Current provisions	-	-
Current borrowings and financial liabilities	3,518	3,524
Current lease liabilities	1,048	1,232
Trade payables and related accounts	4,577	4,829
Other current liabilities	27,919	11,888
Total current liabilities	**37,062**	**21,472**
Total liabilities and equity	**279,981**	**302,009**

2.2.1 CAPITAL

Consolidated financial statements *(In thousands of euros)*	**12/31/2024**	**12/31/2023**
Share capital	199,675	234,314
Loans and financial liabilities	45,674	48,621
Cash and cash equivalents	89,767	191,821
Debt (Cash) – Net position	(44,093)	(143,200)
Net financial debt to equity	N/A	N/A

2.2.2 CASH FLOW STATEMENT

Consolidated cash flow statement *(In thousands of euros)*	**12/31/2024**	**12/31/2023**
Cash and cash equivalents at beginning of period	**191,821**	**100,556**
Cash flow from operating activities	(30,195)	(22,589)
Cash flow from investing activities	(70,578)	(22,391)
Cash flow from financing activities	(1,281)	136,246
Change in cash position	***(102,055)***	***91,265***
Cash and cash equivalents at end of period	**89,767**	**191,821**

In 2024, the Group's activity consumed €102 million in cash, which went from €192 million at the end of 2023 to €90 million at December 31, 2024.

Cash flows from operating activities absorbed €30.2 million, mainly corresponding to the accounting loss recognized for the Group.

Investment flows absorbed €70.6 million mainly in the context of investments related to the PET biorecycling plant project (mainly engineering and various studies), and these flows also include €19.5 million in financial assets for investments made by the Company.

Financing activities consumed €1.3 million in cash, mainly due to loan repayments and lease liabilities.

At December 31, 2024, the Group had financial resources of €109 million, including €90 million in available cash, plus €19 million in financial assets (current and non-current) corresponding to investments meeting the definition of cash and cash equivalents, that have been pledged to suppliers. Some guarantee releases have already been carried out at the closing date for an amount of €3 million, the balance, i.e. €16 million, corresponds to a guarantee given to a supplier which is the subject of advanced negotiations that should make it possible to obtain a release of the pledge in the very near future (the outcome of these negotiations does not call into question the financing horizon indicated below).

On the basis of these financial resources alone, and given its latest announcements based on a 6 to 9 month postponement of the plant construction project combined with a massive cost reduction plan including an employment protection plan (PSE), the Group is giving itself visibility over its financing horizon beyond the next twelve months while maintaining its strategic capabilities.

It should be noted that the Group's cash flow forecasts do not include disbursements related to the restart of construction of the Longlaville plant because they are subject to obtaining the necessary additional financing.

Concerning the Company's financial risks, please refer to section 3.2.2 of this Universal Registration Document.

2.2.3 FINANCING

At the date of this Universal Registration Document, the Company does not have any bank loans.

On December 19, 2012, Carbios received a grant from Bpifrance consisting of €3.7 million in conditional advances recognized as equity (and €3.1 million in subsidies) spread over a period of 60 months from 2012 to 2017. The grants were released according to the project's progress and the submission of reports regarding the completion of each key stage stipulated in the framework agreement signed with Bpifrance.

If the research program is successful, the Company had undertaken to reimburse the repayable advance to Bpifrance Innovation for an amount of €4.5 million (with an annual discount rate of 2.67%) upon achieving cumulative income of €10 million generated by the exploitation of products resulting from the ThanaplastTM program.

In addition, as soon as the reimbursement of the repayable advance has been completed, the agreement stipulates that the Company shall pay a bonus equal to 4% of its income generated by the utilization of the products if it exceeds a cumulative amount of €100 million. This additional payment is however subject to a time limit (applicable only for a period of five consecutive years from the date of the end of the reimbursement of the advance), and an amount cap (ceiling of €7.1 million).

On November 23, 2018, the Company obtained an innovation loan of €1,500 thousand from Bpifrance at a variable rate of 3.03% over a 7-year period to finance the intangible expenses linked to the industrial and commercial launch of an innovation. After a grace period of 8 quarters, constant capital repayments of €75 thousand will take place from March 31, 2021 to December 31, 2025.

On November 20, 2019, for the same project, the Company obtained a new 7-year loan of €1,500 thousand from Bpifrance at a variable rate of 4.34%. After a grace period of 8 quarters, the constant capital repayments of €75 thousand will take place from September 30, 2022 to June 30, 2027.

On April 8, 2019, the Company obtained a grant from ADEME for the CE-PET project, composed of repayable advances totaling €3,102 thousand and subsidies of €1,034 thousand spread over a 48-month period from 2018 to 2022. The grants were released according to the project's progress and the submission of reports regarding the completion of each key stage stipulated in the framework agreement signed with ADEME. The agreement provides for a total grant rate of 60% that is applied to total eligible expenditures and used for each key stage, 25% of which is a subsidy and 75% a repayable advance (with conditions).

Following the validation of key stage 4 and more generally the success of the project by ADEME at the end of 2022, the Company received on April 27, 2023 the expected balance of subsidy of €207 thousand and a conditional advance of €620 thousand and thus received the total amount of the program's assistance, i.e. €1,034 thousand in subsidies and €3,102 thousand in conditional advances.

The repayment of this last amount is scheduled in four annual installments of €802 thousand, including €776 thousand in capital and €27 thousand in interest. The first payment was made on December 29, 2023. And the outstanding capital therefore amounts to €2,327 thousand at December 31, 2023.

Since 2019, the Company financed major capital expenditures on laboratory equipment for the set-up of its pilot through finance leasing totaling €605 thousand.

On July 23, 2020, Carbios announced the success of a capital increase through an offering to qualified investors by way of an accelerated book-building process. The Company issued 1,028,572 new ordinary shares each with a nominal value of €0.70, at a price of €26.25 per share, issue premium included, for a total amount of €27,000,015, which represents 14.79% of the Company's share capital prior to the transaction on an undiluted basis, i.e. a dilution of 12.89%. Strategic shareholders L'Oréal, through its private equity fund BOLD (Business Opportunities for L'Oréal Development), and Michelin Ventures subscribed to the capital increase in accordance with the undertakings they had made, for a total amount of €3.9 million, which represents 148,571 new shares or 14.44% of the total number of new shares issued as part of this capital increase.

Carbiolice subscribed to two State-guaranteed loans (PGE) in 2020 in the amount of €950 thousand each. The first one bears interest at the rate of 1.09% with a two-year grace period. The second bears interest at a rate of 2.09% with a two-year grace period. They entered into the scope of consolidation with the takeover of Carbiolice in June 2021. In August 2020, Carbios also obtained a French State-guaranteed bank loan of €1 million, repayable in full within one year, with the possibility of extending the repayment date through an additional amortization period of up to 5 years.

In May 2021, Carbios announced the success of a capital increase carried out with cancellation of shareholders' preferential subscription rights by way of a public offering and with a priority period. The Company issued 3,000,000 new ordinary shares with a par value of €0.70 per share, at a unit price of €38, including the issue premium, for a total amount of €114 million, representing 36.7% of the Company's share capital before the transaction.

The purpose of the funds raised is to finance:

- the construction of a PET biorecycling plant using the Carbios' enzymatic technology for recycling 100% of PET with an estimated production capacity of 50,000 metric tons per year, amounting to approximately 65% of the net proceeds from the issue; it is specified that the part of the investment in the PET biorecycling plant not financed by the net proceeds of the issue will be, when the time comes, through other sources of financing;
- the Company's operating expenses, amounting to approximately 5% of the net proceeds of the issue;
- operating expenses related to the demonstration plant located in Clermont-Ferrand, representing approximately 5% of the net proceeds of the issue;
- expenses related to R&D activities specific to PET and PLA and the deployment of the Company's Research activities into other polymers and/or other applications, amounting to approximately 10% of the net proceeds of the issue; and
- streamlining of the Company's portfolio to develop its biodegradation technologies beyond PLA, up to approximately 15% of the net proceeds of the issue.

In 2021, Carbiolice obtained two subsidies from the European Commission for the PRESERVE and SISTERS projects, financing two R&D projects, for respective amounts of €8,000 thousand, of which €331 thousand for Carbiolice, and €8,340 thousand, of which €86 thousand for Carbiolice.

On November 25, 2021, Carbios announced that it had obtained European funding of €3.3 million (including €3 million for the Company) in the form of a subsidy through the LIFE program, alongside its partners T.EN Zimmer GmbH and Deloitte. T.EN Zimmer GmbH provides its expertise on the repolymerization of monomers in 100% recycled PET and Deloitte on the analysis of the environmental performance (in particular via the Life Cycle Analysis) of the process from plastic and textile waste. The European Commission's LIFE program is a vast grant program aimed at supporting innovative projects with a low environmental impact and a proven industrial deployment capacity. Carbios is fully in line with the European Commission's objectives through its PET biorecycling technology. This financing, composed of subsidies, will be paid in several tranches over the duration of the project with: a first pre-financing of 40% within 30 days of the signature of the contract, i.e. €1,320 thousand received on November 5, 2021, of which €32 thousand goes to partners and €1,288 thousand to CARBIOS; and a second pre-financing of 40% subject to having used 100% of the pre-financing deposit previously paid, i.e. €1,320 thousand received on August 8, 2023, of which €32 thousand goes to partners and €1,288 thousand to CARBIOS.

On December 20, 2021, Carbios and the European Investment Bank (EIB) announced the signature of a €30 million loan agreement supported by the European Commission's InnovFin energy demonstration program. The objective of this type of financing is to support innovative projects with high potential, developed by companies aiming to achieve major changes in line with the EU's climate objectives and contributing to the leadership of European industry in the development of sustainable technologies. This loan of €30 million, disbursed in a single installment by the EIB on June 29, 2022, carries a fixed annual interest of 5%, with a maturity of 8 years. This agreement is supplemented by a share subscription warrant agreement under the terms of which Carbios will issue 2.5% of the fully diluted share capital in the form of share subscription warrants for the benefit of the EIB, including 1.25% with an exercise price of €40 per share and 1.25% with an exercise price of €38.8861 per share, corresponding to the volume-weighted average price of the Company's ordinary share during the last three (3) trading days prior to the fifth day preceding the signature date. The creation and issue of these EIB share subscription warrants, and therefore the disbursement of the loan of €30 million, were subject to a vote by Carbios' Extraordinary Shareholders' Meeting of February 2, 2022 with a delegation of authority to the Board of Directors, and a decision of the Company's Board of Directors using this delegation of authority.

Carbios, lead partner and coordinator of the project, announced in May 2023 the granting of a total of €11.4 million in funding by the French State in respect of the OPTI-ZYME project from France 2030 operated by ADEME, including €8.2 million directly for Carbios (€3.1 million in grants and €5 million in repayable advances) and €3.1 million for its academic partners INRAE, INSA and CNRS (via the TWB mixed service and TBI research units). This financing, which consists of subsidies and repayable advances, will be paid in several tranches over the duration of this project, including an initial tranche of 15%, the equivalent of €1.2 million, received by CARBIOS on December 5, 2023 and an additional €1.2 million received on June 27, 2024.

On July 11, 2023, Carbios announced the success of its capital increase with preferential subscription rights maintained for an amount of approximately €141 million. The costs of the capital increase are deducted directly from the issue premium, bringing the total amount after deduction to €133 million.

At December 31, 2024, the Group had financial resources of €109 million, including €90 million in available cash, plus €19 million in financial assets (current and non-current) corresponding to investments meeting the definition of cash and cash equivalents, that have been pledged to suppliers. Some guarantee releases have already been carried out at the closing date for an amount of €3 million, the balance, i.e. €16 million, corresponds to a guarantee given to a supplier which is the subject of advanced negotiations that should make it possible to obtain a release of the pledge in the very near future (the outcome of these negotiations does not call into question the financing horizon indicated below).

On the basis of these financial resources alone, and given its latest announcements based on a 6 to 9 month postponement of the plant construction project combined with a massive cost reduction plan including an employment protection plan (PSE), the Group is giving itself visibility over its financing horizon beyond the next twelve months while maintaining its strategic capabilities.

It should be noted that the Group's cash flow forecasts do not include disbursements related to the restart of construction of the Longlaville plant because they are subject to obtaining the necessary additional financing.

Expected sources of funding

In addition, as part of the LIFE project, financed by the European Commission, Carbios is eligible for a subsidy of €3.2 million, of which €2.6 million has already been received to date.

As part of the Whitecycle project, led by Michelin (leader), financed by the European Commission and starting on July 1, 2022, for a period of 48 months, Carbios will be able to obtain a subsidy of up to €564 thousand (out of the €7 million allocated to the complete project). In this respect, the Company has received an advance of €272 thousand.

As part of the OPTI-ZYME project financed by ADEME, Carbios is expected to receive a total of €8.2 million paid in several tranches over the duration of this project, including two tranches in the amount of €1.2 million each, has already been received by Carbios on December 5, 2023 and June 27, 2024.

Plant financing

The investment for the construction of this plant is estimated at €230 million and should be financed by:

- A portion of the Company's available cash which amounted to €90 million at December 31, 2024, plus €18 million in pledged investments (classified as Financial assets).
- Funding of €30 million by the State as part of France 2030 operated by ADEME, as well as €12.5 million by the Grand-Est region . In this respect, in February 2025, the European Commission granted the authorization for the French State "Circular Economy" aid scheme intended to promote the chemical recycling of plastic waste. This authorization paves the way for the signing of agreements with the Grand-Est region and ADEME and the implementation of this financing for the Longlaville plant.

- Additional financing, particularly non-dilutive, for which the Company has initiated discussions with private partners and public players, likely to provide financing under good conditions. As such, at the end of 2024, Carbios obtained the confirmation from the French State, including Bpifrance, of its potential support to activate the examination of its request for the granting of debt hedging in the amount of €86 million under the Strategic Projects Guarantee (GPS) scheme for which the Company has obtained eligibility . Bpifrance's GPS scheme aims to support projects of strategic interest to the French economy, by offering debt hedging for 80% of the amounts due to the beneficiaries of the guarantee.

2.2.4 INVESTMENTS

The Group has financed all of its investments through its equity capital, and also received in 2014 an interest-free loan from the FIAD of €605 thousand[1] for the acquisition of a pre-pilot laboratory. Since 2017, the Group has also financed equipment leasing for the implementation of its PET enzymatic recycling pilot for a total of €605 thousand, for its industrial production line and extrusion equipment for €1,064 thousand and lastly €5,799 thousand for the deployment of its industrial demonstration plant at the Cataroux site (the financing had been signed with several banks).

The investments made or in progress are all located in France.

2.2.4.1 Main investments made by the Group over the last three fiscal years

2.2.4.1.1 Laboratory, pilot plant, demonstration plant and PET biorecycling plant

Investments in equipment for its laboratories continued, amounting to €436 thousand in 2022, €214 thousand in 2023 (offset by the scrapping of part of the Carbiolice laboratory following its relocation at the beginning of 2023), and €611 thousand in 2024 bringing the total to €3,549 thousand at December 31, 2024. To this is added €605 thousand in equipment for the Carbios pilot, financed by leasing during the 2020 and 2021 fiscal years.

In addition, the Group invested €3,577 thousand in the equipment for its industrial demonstration plant at December 31, 2024, with an additional €5.8 million in equipment refinanced under finance leases.

Lastly, an amount of €78,096 thousand was invested for the construction of the PET biorecycling plant located in Longlaville (including €2.7 million in capitalized interest according to IFRS standards), bearing in mind that only expenses incurred after November 1, 2022 have been capitalized.

2.2.4.1.2 Patents

The Group also dedicates a large part of its resources to the protection of its intellectual property by filing patent applications at an early stage.

At the end of 2024, the Carbios group's intellectual property portfolio included 58 patent families (including one under exclusive worldwide license from the CNRS and the University of Poitiers). At the end of 2024, Carbiolice's intellectual property portfolio included 13 patent families, all of which protect innovation in the production of enzymated biodegradable plastics.

At December 31, 2024, gross investments made by the Group in patents amounted to €4,695 thousand, of which €694 thousand in 2022, €696 thousand in 2023 and €879 thousand in 2024.

2.2.4.1.4 Other investments

As the Group has centralized its activities on the Cataroux site since the beginning of the second half of 2022 with the reception of Carbiolice from 2023, it carried out development and fitting work for a total of €18,709 thousand, of which €5,678 thousand in 2022, €4,171 thousand in 2023 and €253 thousand in 2024.

At the same time, the Group invested €785 thousand in the development and renewal of its IT system, with €76 thousand invested in 2024, €113 thousand in 2023 and €136 thousand in 2022. For the furniture item, €43 thousand were invested in 2024, €44 thousand in 2023 and €143 thousand in 2022 for a total of €392 thousand.

Lastly, Carbiolice invested a total of €3,101 thousand in its production line, of which €638 thousand in 2021 and €93 thousand in 2022.

With respect to the other fixed asset items, the Group's companies have not made any other significant investments over the last three fiscal years.

2.2.4.2 Main investments in progress

In accordance with accounting standards, the item "Property, plant and equipment under construction", which amounted to €78.1 million at the end of 2024, consists mainly of the costs relating to the project to build the PET biorecycling plant mentioned above (2.2.4.1.1).

Lastly, the Group has undertaken a major project that will result in the implementation of an ERP, whose costs are not capitalized in accordance with the IFRS standards in force for the preparation of the consolidated financial statements.

2.2.4.3 Environmental impact of the use of property, plant and equipment

To the best of the Company's knowledge, no factor of an environmental nature has influenced the Group's operations in recent years or is likely to influence them significantly, directly or indirectly.

The Company's business activity and that of its subsidiaries is subject to environmental laws and regulations.

At the time of their acquisition, all real estate assets held by the Group were subjected to the diagnostics required under the applicable regulations.

[1] Please refer to section 5.1.4.13 of this Universal Registration Document.

2.3 ANALYSIS OF THE BUSINESS AND THE COMPANY'S INCOME

Audited separate financial statements – French standards *(In thousands of euros)*	**2024**	**2023**
Operating income (*)	5,057	7,446
Of which income derived from contracts with CARBIOLICE	*828*	*783*
Of which income derived from contracts with CARBIOS 54	*120*	*120*
Of which income from rebilling to CARBIOS 54	*1,673*	*2,072*
Operating expenses	37,487	28,537
OPERATING INCOME (LOSS)	**(32,430)**	**(21,091)**
Financial income	6,334	2,748
CURRENT INCOME BEFORE TAXES	**(26,096)**	**(18,343)**
Extraordinary gain or loss	(345)	(102)
Income tax	(3,036)	(2,528)
PROFIT OR LOSS	**(23,406)**	**(15,917)**

2.3.1 KEY FACTORS WHICH HAVE SIGNIFICANT IMPACT ON CARBIOS' REVENUE

2.3.1.1 Key factors significantly affecting the Company's operating revenue

Carbios is an innovative green chemistry company whose goal is to accelerate the green revolution in chemistry for our everyday lives by re-thinking the life cycle of plastic and textile polymers. Its main activity thus consists in searching for innovative industrial bioprocesses to optimize the technical, economic and environmental performance of polymers by exploiting the biological properties of enzymes and developing these bioprocesses to license them to industrial partners for their commercial use and marketing.

The Company's operations and results are mainly impacted by the R&D expenses for the projects it undertakes. The Company also dedicates a large part of its resources to the protection of its intellectual property by filing patent applications at an early stage.

The Company's original business model is based on the industrialization and marketing of its products and/or enzymes, its technologies and its bioprocesses through the concession of operating licenses for its know-how and its intellectual property to major manufacturers in the sectors concerned by the Company's innovations. The Company thus intends to identify one or more leading manufacturer(s), offering the best potential for the industrial and commercial use of the innovation.

The subsidies granted for the OPTI-ZYME program were released according to the project's progress and the submission of reports to ADEME regarding the completion of each key stage stipulated in the signed framework agreement. The payment of the subsidies is conditional upon the completion of each key stage under the relevant conditions, depending on the deliverables:

(In euros)	**KS1 (50%)**	**KS2 (30%)**	**KS3 (0%)**	**KS4 (20%)**	**Total**
Planned payment year	**2023**	**2024**	**2025**	**2026**	
Subsidy	€1,559,238	€935,543	€0	€623,695	€3,118,476
Repayable advance	€2,521,538	€1,512,923	€0	€1,008,615	€5,043,076
TOTAL	**€4,080,776**	**€2,448,466**	**€0**	**€1,632,310**	**€8,161,552**

The activities of Carbios since its creation and until 2024 (with the exception of 2016) generated operating losses insofar as the projects developed require increasing financial needs, with no operating revenues recorded before the first license agreements. All R&D expenses are thus recognized as operating expenses for the fiscal year in which they are incurred.

In 2016, the Company founded the joint venture Carbiolice with Limagrain Ingrédients and the SPI ("Sociétés de Projets Industriels") investment fund for which the management company is Bpifrance Investissement. This company took over the production and sale of granules for the bio-sourced and biodegradable plastic products of Limagrain Ingrédients, that it develops through Carbios' technologies. To this end, a patent and know-how license agreement was signed on August 30, 2016 between SAS Carbiolice and Carbios (supplemented by an amendment dated June 28, 2018), and this enabled Carbios to record the first license revenues during the 2016 fiscal year.

Since January 1, 2012, the Company has been eligible for Research Tax Credit (CIR), a scheme which offers a refundable tax credit to companies investing in R&D. The recognition of this tax credit thus reduces the impact of operating expenses on the Company's net income.

Research Tax Credit (CIR) *(In euros)*	**2024**	**2023**
Recognized as income	3,035,646	2,527,503
Cashed	2,546,351	2,521,913

2.3.1.2 Government, economic, budgetary, monetary or political factors that have materially affected or could materially affect, directly or indirectly, the Issuer's operations

For the ThanaplastTM project, the Company obtained 5-year funding from Bpifrance, with its academic and industrial partners. At December 31, 2017, this funding had been fully released.

The Company's future financing needs will depend on several factors, including the following:

- the required investments in laboratory equipment, human resources and partnerships for the pre-industrial development of the processes;
- the signing of license agreements in the fields targeted by the bioprocesses developed by the Company, which can generate income in the short or medium term.

As part of the CE-PET project, the Company obtained financial assistance from ADEME over 4 years, 100% of which had been received on at December 31, 2023 following the full validation of the project.

Recent regulations on waste, such as the Energy Transition Law for Green Growth, the "France 2030" investment project and the "Circular Economy" package adopted by the European Commission (section 1.2.2 of this Universal Registration Document) can also present opportunities for the Company, particularly in terms of revenue.

2.3.2 OPERATING REVENUES

The projects conducted by the Company generated licensing revenues for the first time in 2016. Other operating revenues mainly stem from operating subsidies and the provision of services to the subsidiary Carbiolice recognized at the end of the fiscal years. Operating income amounted to €5,057 thousand in 2024 (compared with €7,446 thousand in 2023).

Thus, in respect of the fiscal year 2024, the Company recorded income of €469 thousand from the subsidy granted by ADEME, corresponding to the first installment for the OPTI-ZYME project as well as €184 thousand for the WHITECYCLE project.

In 2024, the Company recognized income of €600 thousand in respect of a service agreement entered into with its subsidiary CARBIOLICE on January 1, 2024, and tacitly renewable.

The Company also rebilled a total of €228 thousand to its subsidiary corresponding to various expenses, mainly for fees regarding regulatory matters.

In 2024, the Company recognized income of €120 thousand in respect of a service agreement entered into with CARBIOS 54.

Since October 1, 2021, the Company has decided to capitalize its development expenses related to the PET recycling project. Capitalized production in the amount of €1,357 thousand was, therefore, recognized in this respect in the past fiscal year.

Lastly, the Company recognized €2,066 thousand in operating income in respect of reversals of depreciation, amortization and provisions, transfers of expenses, mainly consisting of rebilling sent to Carbios 54 relating to the provision of personnel for €1,673 thousand.

Other operating income amounted to €1,062 thousand.

2.3.3 RESULTS

2.3.3.1 Operating expenses

The Company's operating expenses mainly consist of R&D costs and salaries. For the past two fiscal years, they break down as follows:

Audited separate financial statements – French standards *(In thousands of euros)*	**2024**	**2023**
OTHER COSTS AND EXTERNAL EXPENSES		
External studies, subcontracting and scientific consultations	3,326	2,587
Consumables	365	395
Supplies	563	589
Rentals, maintenance and upkeep expenses	3,591	3,136
Expenses and fees related to industrial property	173	268
Fees	7,299	5,491
Business travel	995	650
Miscellaneous expenses	768	588
TOTAL OTHER EXPENSES AND EXTERNAL EXPENSES	**17,080**	**13,704**
Taxes and similar payments	180	124
Salaries and wages	11,265	8,500
Social security contributions	4,648	3,368
Depreciation of fixed assets	4,132	2,587
Other expenses	182	255
TOTAL OPERATING EXPENSES	**37,487**	**28,537**

In 2024, Carbios spent €37,487 thousand on operational activities (compared to €28,537 thousand in 2023), of which 44% concerned RDI (Research & Development and Industrialization).

Thus, 40% of operating expenses were devoted directly to research and development. In accordance with the Company's roadmap and priorities, this effort has mainly focused on the development of the enzymatic recycling process for PET plastics and fibers.

The increase in external study, subcontracting and scientific consulting items is mainly due to the continuation of the OPTI-ZYME project financed by ADEME, where the Group's academic partners are financed directly through the said project.

Fee expenses increased sharply mainly due to the efforts made by the Company on the marketing of its technology, and also as a result of the implementation of a Group ERP for the Company. In addition, HR fees also increased significantly in 2024 in line with the recruitments made and the growth of the Company's workforce.

Lastly, personnel expenses (Salaries and wages, and social security contributions) continued to increase very significantly in line with the significant growth in the Company's headcount, in view of its structuring.

In general, R&D expenses include the expenses related to the following:

- external studies conducted in collaboration with the Company's academic partners and the outsourcing of a certain amount of technological work to its partners for the development of processes dedicated to the end-of-life of plastic materials;
- research personnel costs, including salaries, emoluments and social contributions, as well as environment expenses such as workstations and travel;
- scientific consultancy contracts with scientific experts and advisers who assist the Company in defining and supervising its R&D programs;
- expenses and fees related to industrial property; and
- the structural costs of the Company's R&D department.

No sumptuary expenditure was recorded for fiscal year 2024, and expenses not deductible from corporate income tax amounted to €125,392 for fiscal year 2024 (Article 223c and 39-4 of the French General Tax Code).

2.3.3.2 Financial income and expenses

The Company's financial income consists of interest on money-market investments and term account deposits. With the aim of optimizing returns on its available cash, the Company opened term deposit accounts, savings passbook accounts and SICAV (collective investment scheme) for a total amount of €172 million at January 1, 2024, for a position of €88 million at December 31, 2024, allowing it to benefit from attractive returns as well as guaranteed capital that is available at all times. Cash is therefore systematically invested in risk-free money market products.

The Company obtained two loans from Bpifrance, for a total of €3 million at a rate of 3.03% for the first on November 23, 2018 and 4.34% for the second on November 20, 2019. In addition, a State-guaranteed loan of €1 million was released on August 31, 2020 at a rate of 0.25%. The conditional advances granted by Bpifrance (OSEO) and ADEME also bear interest with discount rates of 2.67% and 0.84% respectively.

Finally, the Company took out a loan for €30 million with the European Investment Bank on June 29, 2022 at the rate of 5% (1st maturity on December 29, 2022).

Financial income - Audited separate financial statements *(In thousands of euros)*	**2024**	**2023**
Financial income	8,464	4,430
Financial expenses	2,130	1,681
FINANCIAL INCOME	**6,334**	**2,748**

Financial income mainly comes from investments of available cash for €3,778 thousand as well as accrued interest on the CARBIOS 54 receivable for €647 thousand, calculated at the maximum deductible rate of 5.57%.

Financial expenses in 2024 consisted mainly of interest on the Bpifrance loans for €62 thousand, the State-guaranteed loan for €9 thousand, the ADEME repayable advance CE-PET for €27 thousand and the EIB loan for €1,500 thousand. They also include interest on the ADEME and OSEO ThanaplastTM debts for €6 thousand.

2.3.3.3 Net income

Net income - Audited Separate Financial Statements *(In thousands of euros)*	**2024**	**2023**
Current income before taxes	**(26,096)**	**(18,343)**
Extraordinary gain or loss	**(345)**	**(102)**
Income tax (tax credit)	(3,036)	(2,528)
PROFIT OR LOSS	**(23,406)**	**(15,917)**

For the 2024 fiscal year, the extraordinary gain or loss was negative by €345 thousand, mainly composed of a loss on treasury shares of €366 thousand.

Carbios also benefited from a Research Tax Credit of €3,036 thousand (compared to €2,528 thousand in 2023), calculated on the basis of eligible expenses for the Research and Development undertaken by the Company in 2024.

Income statement for the last five financial years

Income statement for the last five financial years	2024	2023	2022	2021	2020
Share capital (in euros)	11,791,941	11,786,048	7,869,866	7,825,630	5,673,708
Number of ordinary shares	16,845,630	16,837,212	11,242,666	11,179,472	8,105,297
Number of shares with priority dividends	-	-	-	-	-
Maximum number of shares to be created by					
conversion of bonds	-	-	-	-	-
exercise of:					
BSA	318,158	318,158	298,528	179,600	208,400
BSPCE	416,616	686,498	674,937	518,048	478,423
AGAP	175,300	84,150	-	-	-
OPERATIONS & PROFIT AND LOSS FOR THE PERIOD (thousands of euros)					
Income excluding taxes	982	1,747	1,227	968	1,346
Income before tax, employee profit-sharing, additions to and reversals of depreciation, amortization and provisions	(21,792)	(15,799)	(17,462)	(12,637)	(7,179)
Additions to and reversals of depreciation, amortization and provisions	4,650	2,645	2,203	764	455
Income tax	(3,036)	(2,528)	(2,538)	(2,265)	(1,488)
Employee profit-sharing	-	-	-	-	-
Profit and loss for the period	(23,406)	(15,917)	(17,127)	(11,136)	(6,146)
Distributed earnings	-	-	-	-	-
EARNINGS PER SHARE (in euros)					
Profit and loss before additions to and reversals of depreciation, amortization and provisions	(1.29)	(0.94)	(1.55)	(1.13)	(0.89)
Profit and loss for the period	(1.39)	(0.95)	(1.52)	(1.00)	(0.76)
Dividend paid per share	-	-	-	-	-
STAFF					
Average headcount	128	95	66	46	31
Payroll for the year (in thousands of euros)	11,265	8,500	6,580	5,277	2,904
Amount of employee benefits (in thousands of euros)	4,648	3,367	2,510	2,077	1,288

The Company has not distributed any dividends or other income (Art. 243a of the French General Tax Code) during the last three fiscal years.

2.4 CASH FLOW AND FINANCIAL STRUCTURE OF THE COMPANY

Statement of financial position - Audited Separate Financial Statements *(In thousands of euros)*	**12/31/2024**	**12/31/2023**
FIXED ASSETS		
Intangible assets	**6,779**	**5,370**
R&D expenses	3,839	0
Concessions, patents, licenses, software	2,940	1,795
Goodwill	0	0
Intangible asset under construction	0	3,576
Property, plant and equipment	**24,947**	**20,320**
Land	5,000	0
Buildings	0	0
Technical installations, industrial equipment and tooling	4,484	4,207
Other property, plant and equipment	14,827	15,881
Property, plant and equipment under construction	635	233
Financial assets)	**144,471**	**67,258**
Equity investments	38,381	38,381
Receivables related to equity investments	92,211	27,561
Other non-current financial assets	13,879	1,316
TOTAL FIXED ASSETS	**176,197**	**92,948**
CURRENT ASSETS		
Inventories and work-in-progress		
Raw materials and other supplies	-	-
Work in progress of goods	-	-
Goods	-	-
Advance payments made on orders	3	32
Trade receivables and related accounts	2,425	2,730
Other receivables	4,649	7,677
Subscribed capital - called up, not paid up	3	3
Marketable securities	10,035	20
Cash and cash equivalents	74,984	191,246
Prepaid expenses	440	352
TOTAL CURRENT ASSETS	**92,539**	**202,060**
Expenses to be spread over several years	344	413
Translation adjustments and valuation differences - assets	32	0
OVERALL TOTAL	**269,111**	**295,422**

Statement of financial position - Audited Separate Financial Statements *(In thousands of euros)*	**12/31/2024**	**12/31/2023**
SHARE CAPITAL		
Share capital	11,792	11,786
Issue, merger and contribution premiums	276,703	276,569
Retained earnings	(44,180)	(28,263)
Profit and loss for the period	(23,406)	(15,917)
Investment subsidies	532	604
TOTAL EQUITY	**221,440**	**244,779**
OTHER EQUITY CAPITAL		
CONDITIONAL ADVANCES	**5,223**	**4,464**
PROVISIONS FOR CONTINGENCIES AND CHARGES		
PROVISIONS FOR CHARGES	**443**	**384**
DEBT		
Loans and debt from credit institutions	33,273	34,904
Miscellaneous loans and financial liabilities	505	672
Trade payables and related accounts	4,332	4,787
Tax and social liabilities	3,818	3,115
Other liabilities	0	1,862
Deferred income	67	455
TOTAL LIABILITIES	**41,994**	**45,795**
Translation adjustments and valuation differences - liabilities	12	0
OVERALL TOTAL	**269,111**	**295,422**

2.4.1 CAPITAL

Audited Separate Financial Statements *(In thousands of euros)*	**12/31/2024**	**12/31/2023**
Share capital	221,440	244,779
Other equity capital (conditional advances)	5,223	4,464
Loans and financial liabilities	33,715	35,288
Cash and cash equivalents	85,019	191,266
Debt (Cash) – Net position	(59,479)	(155,978)
Net financial debt to equity	N/A	N/A

If the projects are successful, the conditional advances recognized as quasi-equity will become liabilities to be repaid.
At December 31, 2024, conditional advances totaled €5,223 thousand.

2.4.2 CASH FLOW STATEMENT

2.4.2.1 Comments on working capital and working capital requirements

Working capital is positive at €184,912 thousand, down €33,790 thousand compared to 2023, due to the difference between:
• sustainable resources for the fiscal year up following the capital increase carried out in 2023; and
• the Company's needs, i.e. gross capital expenditure and loan repayments.

The working capital requirement is positive at €91,717 thousand (cash consumption), up €64,282 thousand compared to fiscal year 2023, due to:
• the increase in current account items for its subsidiaries (€61,519 thousand), trade receivables and other receivables in connection with the sale agreement for land; and
• the increase in trade payables and tax and social liabilities;

With working capital of €184,912 thousand and a working capital requirement of €91,717 thousand, the cash position is positive at €93,194 thousand at December 31, 2024.

2.4.2.2 Information on terms of payment

Invoices received and issued, outstanding and past due at the fiscal year closing date (table required under item I, Article D. 441-4 of the French Commercial Code):

	Article D. 4411.1: Invoices received, outstanding and past due at the closing date						Article D. 4411.2: Invoices issued, outstanding and past due at the closing date					
	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)
(A) OVERDUE PAYMENT PERIODS												
Number of invoices involved				214			0					0
Total amount of invoices involved, excl. tax		453,861	211,904	127,208	353,800	1,146,773		0				0
Percentage of the year's total purchases, excl. tax		4.55%	2.13%	1.28%	3.55%	13.48%						
Percentage of income excluding tax of the fiscal year					0				0			0
(B) INVOICES EXCLUDED FROM (A) RELATING TO DISPUTED OR UNRECOGNIZED PAYABLES AND RECEIVABLES												
Number of invoices excluded												
Total amount of excluded invoices												
(C) CONTRACTUAL OR LEGAL PAYMENT TERMS USED (ARTICLE L. 441-6 OR ARTICLE L. 443-1 OF THE FRENCH COMMERCIAL CODE)												
Payment terms used for the calculation of overdue payments	Contractual terms: invoice due date						Contractual terms: 30 days from invoice date					

It should be noted that any invoice for which the payment period indicated by the supplier is "on receipt" is automatically considered as not paid in the "past due" term, given the Carbios invoice settlement process (and internal control), which requires the advance verification and validation of invoices and therefore several days of processing after receipt in order to proceed with payment.

2.4.2.3 Cash flow statement

Audited Separate Financial Statements *(In thousands of euros)*	**12/31/2024**	**12/31/2023**
Cash flows related to operations (A)		
Profit and loss for the period	(23,406)	(15,917)
Depreciation and amortization (including investment subsidies)	4,451	2,674
Gains or losses on asset disposals	63	2
Changes in working capital requirements for operations	(63,489)	(26,275)
Net cash absorbed by operations	***(82,324)***	***(39,516)***
Cash flows related to investments (B)		
Acquisition of property, plant and equipment and intangible assets	(10,166)	(7,456)
Acquisition of non-current financial assets	(13,022)	(391)
Disposals of fixed assets	6	4,277
Change in fixed asset liabilities	(84)	(314)
Net cash absorbed by investments	***(23,266)***	***(3,884)***
Net cash flow from financing activities (C)		
Net proceeds from the issuance of shares and BSAs	139	133,518
Inflows from loans, net of repayments and expenses	(1,626)	(1,626)
Inflows from repayable advances and investment subsidies	759	1,733
Net cash from financing activities	***(657)***	***133,625***
Change in cash and cash equivalents (A+B+C)	***(106,248)***	***90,226***
Cash and cash equivalents at the beginning of the period	191,266	101,041
Cash and cash equivalents at end of period	**85,019**	**191,266**

In 2024, the cash flow absorbed by the Company's operations amounted to €82,324 thousand. This was notably due to the accounting loss recognized, along with the €61,519 thousand increase in current account advances for its subsidiaries.

Investment flows absorbed €23,266 thousand mainly as part of the launch of construction of the Longlaville plant and the installation of the industrial demonstration plant on the Cataroux site, building improvements, and the renovation of offices.

Lastly, financing activities consumed €657 thousand in cash.

Concerning the Company's financial risks, please refer to section 3.2.2 of this Universal Registration Document.

2.4.3 FINANCING

At the date of this Universal Registration Document, the Company does not have any bank loans.

On December 19, 2012, Carbios received a grant from Bpifrance consisting of €3.7 million in conditional advances recognized as equity (and €3.1 million in subsidies) spread over a period of 60 months from 2012 to 2017. The grants were released according to the project's progress and the submission of reports regarding the completion of each key stage stipulated in the framework agreement signed with Bpifrance.

If the research program is successful, the Company had undertaken to reimburse the repayable advance to Bpifrance Innovation for an amount of €4.5 million (with an annual discount rate of 2.67%) upon achieving cumulative income of €10 million generated by the exploitation of products resulting from the ThanaplastTM program.

In addition, as soon as the reimbursement of the repayable advance has been completed, the agreement stipulates that the Company shall pay a bonus equal to 4% of its income generated by the utilization of the products if it exceeds a cumulative amount of €100 million. This additional payment is however subject to a time limit (applicable only for a period of five consecutive years from the date of the end of the reimbursement of the advance), and an amount cap (ceiling of €7.1 million).

On November 23, 2018, the Company obtained an innovation loan of €1,500 thousand from Bpifrance at a variable rate of 3.03% over a 7-year period to finance the intangible expenses linked to the industrial and commercial launch of an innovation. After a grace period of 8 quarters, constant capital repayments of €75 thousand will take place from March 31, 2021 to December 31, 2025.

On November 20, 2019, for the same project, the Company obtained a new 7-year loan of €1,500 thousand from Bpifrance at a variable rate of 4.34%. After a grace period of 8 quarters, the constant capital repayments of €75 thousand will take place from September 30, 2022 to June 30, 2027.

On April 8, 2019, the Company obtained a grant from ADEME for the CE-PET project, composed of repayable advances totaling €3,102 thousand and subsidies of €1,034 thousand spread over a 48-month period from 2018 to 2022. The grants were released according to the project's progress and the submission of reports regarding the completion of each key stage stipulated in the framework agreement signed with ADEME. The agreement provides for a total grant rate of 60% that is applied to total eligible expenditures and used for each key stage, 25% of which is a subsidy and 75% a repayable advance (with conditions).

Following the validation of key stage 4 and more generally the success of the project by ADEME at the end of 2022, the Company received on April 27, 2023 the balance of subsidy of €207 thousand and a conditional advance of €620 thousand and thus received the total amount of the program's assistance, i.e. €1,034 thousand in subsidies and €3,102 thousand in conditional advances. The repayment of this last amount is scheduled in four annual installments of €802 thousand, including €776 thousand in capital and €27 thousand in interest. The first payment was made on December 29, 2023. And the outstanding capital therefore amounts to €2,327 thousand at December 31, 2023.

Since 2019, the Company financed major capital expenditures on laboratory equipment for the set-up of its pilot through finance leasing totaling €605 thousand.

On July 23, 2020, Carbios announced the success of a capital increase through an offering to qualified investors by way of an accelerated book-building process. The Company issued 1,028,572 new ordinary shares each with a nominal value of €0.70, at a price of €26.25 per share, issue premium included, for a total amount of €27,000,015, which represents 14.79% of the Company's share capital prior to the transaction on an undiluted basis, i.e. a dilution of 12.89%. Strategic shareholders L'Oréal, through its private equity fund BOLD (Business Opportunities for L'Oréal Development), and Michelin Ventures subscribed to the capital increase in accordance with the undertakings they had made, for a total amount of €3.9 million, which represents 148,571 new shares or 14.44% of the total number of new shares issued as part of this capital increase.

In May 2021, Carbios announced the success of a capital increase carried out with cancellation of shareholders' preferential subscription rights by way of a public offering and with a priority period. The Company issued 3,000,000 new ordinary shares with a par value of €0.70 per share, at a unit price of €38, including the issue premium, for a total amount of €114 million, representing 36.7% of the Company's share capital before the transaction.

On November 25, 2021, Carbios announced that it had obtained European funding of €3.3 million (including €3 million for the Company) in the form of a subsidy through the LIFE program, alongside its partners T.EN Zimmer GmbH and Deloitte. T.EN Zimmer GmbH provides its expertise on the repolymerization of monomers in 100% recycled PET and Deloitte on the analysis of the environmental performance (in particular via the Life Cycle Analysis) of the process from plastic and textile waste. The European Commission's LIFE program is a vast grant program aimed at supporting innovative projects with a low environmental impact and a proven industrial deployment capacity. This financing, composed of subsidies, will be paid in several tranches over the duration of the project with: a first pre-financing of 40% within 30 days of the signature of the contract, i.e. €1,320 thousand received on November 5, 2021, of which €32 thousand goes to partners and €1,288 thousand to Carbios; and a second pre-financing of 40% subject to having used 100% of the pre-financing deposit previously paid, i.e. €1,320 thousand received on August 8, 2023, of which €32 thousand goes to partners and €1,288 thousand to Carbios.

On December 20, 2021, Carbios and the European Investment Bank (EIB) announced the signature of a €30 million loan agreement supported by the European Commission's InnovFin energy demonstration program. The objective of this type of financing is to support innovative projects with high potential, developed by companies aiming to achieve major changes in line with the EU's climate objectives and contributing to the leadership of European industry in the development of sustainable technologies. This loan of €30 million, disbursed in a single installment by the EIB on June 29, 2022, carries a fixed annual interest of 5%, with a maturity of 8 years. This agreement is supplemented by a share subscription warrant agreement under the terms of which Carbios will issue 2.5% of the fully diluted share capital in the form of share subscription warrants for the benefit of the EIB, including 1.25% with an exercise price of €40 per share and 1.25% with an exercise price of €38.8861 per share, corresponding to the volume-weighted average price of the Company's ordinary share during the last three (3) trading days prior to the fifth day preceding the signature date. The creation and issue of these EIB share subscription warrants, and therefore the disbursement of the loan of €30 million, were subject to a vote by Carbios' Extraordinary Shareholders' Meeting of February 2, 2022 with a delegation of authority to the Board of Directors, and a decision of the Company's Board of Directors using this delegation of authority.

Carbios, lead partner and coordinator of the project, announced in May 2023 the granting of a total of €11.4 million in funding by the French State in respect of the OPTI-ZYME project from France 2030 operated by ADEME, including €8.2 million directly for Carbios (€3.1 million in grants and €5 million in repayable advances) and €3.1 million for its academic partners INRAE, INSA and CNRS (via the TWB mixed service and TBI research units). This financing, which consists of subsidies and repayable advances, will be paid in several tranches over the duration of this project, including an initial tranche of 15%, the equivalent of €1.2 million, received by CARBIOS on December 5, 2023 and an additional €1.2 million received on June 27, 2024.

On July 11, 2023, Carbios announced the success of its capital increase with preferential subscription rights maintained for an amount of approximately €141 million. The costs of the capital increase are deducted directly from the issue premium, bringing the total amount after deduction to €133 million.

At December 31, 2024, Carbios had financial resources of €93.2 million, including cash and cash equivalents of €2.4 million plus marketable securities for an amount of €82.6 million as well as €8.2 million in non-current financial assets corresponding to investments, meeting the definition of marketable securities, pledged to a supplier. At the closing date of the financial statements, negotiations are under way with this supplier and should enable a release of the pledge to be obtained very soon (the outcome of these negotiations does not call into question the financing horizon indicated below).

As the Group's parent company, the Company has undertaken to provide its subsidiaries Carbiolice and Carbios 54, at least for the next 12 months, with the financial support necessary to maintain their activity and enable them to meet their commitments.

On the basis of these financial resources alone, and given its latest announcements based on a 6 to 9 month postponement of the plant construction project combined with a massive cost reduction plan including an employment protection plan (PSE), Carbios is giving itself visibility over its financing horizon beyond the next twelve months while maintaining its strategic capabilities.

It should be noted that the Group's cash flow forecasts do not include disbursements related to the restart of construction of the Longlaville plant because they are subject to obtaining the necessary additional financing.

Expected sources of funding

In addition, as part of the LIFE project, financed by the European Commission, Carbios is eligible for a subsidy of €3.2 million, of which €2.6 million has already been received to date.

Lastly, as part of the Whitecycle project, led by Michelin (leader), financed by the European Commission and starting on July 1, 2022, for a period of 48 months, the Company will be able to obtain a subsidy of up to €564 thousand (out of the €7 million allocated to the complete project). In this respect, the Company has received an advance of €197 thousand (35%).

As part of the OPTI-ZYME project financed by ADEME, Carbios is expected to receive a total of €8.2 million paid in several tranches over the duration of this project, including an initial tranche of 15%, in the amount of €1.2 million, has already been received by CARBIOS on December 5, 2023.

2.4.4 INVESTMENTS

The Company has financed all of its investments through its equity capital, and also received in 2014 an interest-free loan from the FIAD of €605 thousand[1] for the acquisition of a pre-pilot laboratory. From 2019 to 2021, the Company also leased equipment for the implementation of its PET enzymatic recycling pilot for a total of €605 thousand. In addition, the Company entered into a second sale-leaseback agreement for a total amount of €5.8 million with several banks to finance part of the equipment for its industrial demonstration plant.

The investments made or in progress are all located in France.

2.4.4.1 Main investments made by the Company in the past three fiscal years

2.4.4.1.1 Laboratory, pilot plant and demonstration plant

Investments in equipment for its laboratories continued, amounting to €231 thousand in 2021, €389 thousand in 2022, €206 thousand in 2023 and €4,467 thousand in 2024, bringing the total to €7,126 thousand at December 31, 2024, plus €605 thousand of equipment under finance leases in 2020 and 2021.

In addition, the Company had invested €4,144 thousand in equipment for its industrial demonstration plant as of December 31, 2024, with an additional €5.8 million in equipment already refinanced under finance leases.

2.4.4.1.2 Patents

The Company also dedicates a large part of its resources to the protection of its intellectual property by filing patent applications at an early stage.

At the end of 2024, Carbios Group's intellectual property portfolio included 58 patent families (including one under exclusive worldwide license from the CNRS and the University of Poitiers) of which 27 protecting its innovation in the enzymatic recycling of PET plastics and fibers as well as 26 patent families, all of which protect innovation in the production of enzymated biodegradable plastics.

At December 31, 2024, gross investments made by Carbios in patents amounted to €4,101 thousand, of which €600 thousand in 2021, €611 thousand in 2022, €573 thousand in 2023 and €657 thousand in 2024.

2.4.4.1.3 Equity interests

At December 31, 2024, the Company held nearly 100% of the share capital of Carbiolice, created in 2016 and whose registered office is located in Clermont-Ferrand, France (Department 63), following the acquisition by the Company of the entire stake of Limagrain Ingrédients and the SPI fund managed by Bpifrance Investissement in the share capital of Carbiolice[2]. Carbiolice shares thus appear on Carbios' statement of financial position for a total amount of €38,371,461. In addition, at December 31, 2024 Carbios had committed an amount of €8.8 million on behalf of its subsidiary Carbiolice (receivable formalized through a current account advance agreement).

[1] Please refer to section 5.1.4.13 of this Universal Registration Document.
[2] Please refer to the press release of June 4, 2021.

On May 30, 2022, the Company subscribed for 100% of the share capital of €10,000, thus granting it control of its new subsidiary Carbios 54, whose registered office is located in Longlaville, France (Department 54), whose objective is to carry the construction project of the PET biorecycling plant. In addition, at December 31, 2024, Carbios had committed an amount of €79.6 million on behalf of its subsidiary Carbios 54 (receivable formalized through a current account advance agreement) in external expenses (fees) and in personnel expenses rebilled to Carbios 54.

2.4.4.1.4 Other investments

As the Company has centralized its activities on the Cataroux site since the beginning of the second half of 2022, it carried out development and fitting work for a total of €18,248 thousand, of which €42 thousand in 2024, €4,323 thousand in 2023, €5,678 thousand in 2022 and €7,988 thousand in 2021.

At the same time, in 2024, the Company invested €52 thousand in office furniture and equipment, and €141 thousand in the development and renewal of its IT system. Regarding these furniture and IT equipment items, the Company invested €158 thousand in 2023, €279 thousand in 2022 and €95 thousand in 2021.

Lastly, the Company has set up an ERP, of which €1,228 thousand have been capitalized to date, in accordance with the accounting principles in force.

With respect to the other fixed asset items, the Company has not made any other significant investments over the last three fiscal years.

2.4.4.2 Main investments in progress

In accordance with accounting standards, “Property, plant and equipment under construction” amounted to €635 thousand in 2024, including €53 thousand in respect of laboratory materials and €15 thousand in office and IT hardware.

The “Property, plant and equipment under construction” items will be subject to a reclassification in "property, plant and equipment" when it is commissioned.

2.4.4.3 Joint ventures and significant investments

Subsidiary	Share capital	Share capital	Equity Share of capital in %	Carrying amount of securities	Loans and advances in fixed assets	Guarantees and endor-sements given by Carbios	Income excluding VAT at 12/31/2024	Net income at 12/31/2024
Carbiolice	1,475,193	(539,749)	99.99%	38,371,461	9,286,517	-	129,485	(3,971,198)
Carbios 54	10,000	(5,748,916)	100%	10,000	82,924,800	-	20,274	(6,537,783)

2.4.4.4 Environmental impact of the use of property, plant and equipment

To the best of the Company’s knowledge, no factor of an environmental nature has influenced the Company’s operations in recent years or is likely to influence them significantly, directly or indirectly.

The Company’s business activity is subject to environmental laws and regulations.

At the time of their acquisition, all diagnostics required by the applicable regulations were performed on all real estate assets held by the Company.

2.5 EVENTS AFTER THE REPORTING PERIOD

MOST SIGNIFICANT TRENDS SINCE DECEMBER 31, 2024

In January 2025[1], the Company announced a reorganization project that may result in job cuts at Carbios and its subsidiary Carbios 54. This reorganization, in line with the readjustment of the construction schedule of the Longlaville plant, aims to allow the Group to continue the execution of its technological, industrial and commercial strategy, as well as the prudent management of its cash flow.

In February 2025[2], the Company announced the granting of authorization for the "Circular Economy" State aid scheme by the European Commission. This authorization, notified to France, should enable the conclusion of agreements with the Grand-Est region and ADEME and the completion of non-dilutive financing for a total amount of €42.5 million.

In March 2025[3], the Company announced the resignation of Philippe Pouletty from his offices as Chairman of the Board of Directors and as director, as well as from his office as Chief Executive Officer, which he had accepted on a transitional basis on December 18, 2024. The Board of Directors took note of this decision and, on March 20, 2025, appointed Isabelle Parize as Chairwoman of the Board of Directors and Vincent Kamel as Chief Executive Officer.

2.6 OUTLOOK AND OBJECTIVES

The Company does not publish any forecasts or estimates of its net income or operating income, or those of its subsidiaries.

ITEMS THAT ARE REASONABLY LIKELY TO HAVE A MATERIAL EFFECT ON THE PROSPECTS

Conflicts in the Middle East

The Company's activity in the Middle East is very limited and the Company has not been affected to date by recent developments in conflicts in the region.

Ukraine/Russia conflict

Since the beginning of the conflict in Ukraine, the Company has not, as of the date of publication of this document, encountered any difficulties in pursuing its activities or its planned investments. To date, the Company has no direct or indirect relations with Ukraine or Russia, and the Company has managed to limit any delays directly related to this crisis in the industrial and commercial deployment of its technologies.

However, if this crisis were to continue and/or generate lasting economic consequences, the Company could have difficulties in containing the adverse effects of this crisis and in particular, the increase in the cost as well as the extension to the lead times of supplies of certain materials, equipment and products necessary for the construction of its PET enzymatic depolymerization plant. This extension of lead times and the increase in prices could delay the construction of this industrial and commercial unit. In addition, the negative impact of this conflict on the financial markets and potentially on the Company's share price could intensify if the conflict continues.

In view of the current situation between Russia and Ukraine, the Company specifies that its economic and balance sheet exposure to these two countries is not significant. In 2024, Carbios did not record any expenses with suppliers based in Russia and Ukraine.

Plant project

In December 2024, Carbios announced a suspension, for a projected period of six to nine months, of the construction work on its PET biorecycling plant in Longlaville, pending the conclusion of the necessary additional financing. The Company aims to complete this financing as quickly as possible, in particular non-dilutive, in order to be able to complete the construction and commissioning of this plant, for which the processing capacity is estimated at 50,000 metric tons of PET waste per year. However, the failure to obtain the said financing could jeopardize this plant project and affect its short-term prospects, although the Company's business model, which is essentially based on the licensing of its technologies and know-how to third parties, would remain unchanged.

[1] Please refer to the press release of January 28, 2025.
[2] Please refer to the press release of February 6, 2025
[3] Please refer to the press release of March 21, 2025.

2.7 MATERIAL CONTRACTS

The main agreements to which the Company is party are the following:

AGREEMENTS ASSOCIATED WITH THE DEVELOPMENT OF THE COMPANY'S TECHNOLOGIES

- On February 3, 2023, Carbios announced that it had successfully completed the last key stage of the CE-PET project, which was approved without reservation by ADEME. For the validation of the whole project, Carbios will have received a total amount of €4,136,000 (€1,034,000 in subsidies and €3,102,000 in repayable advances) and its partner INRAE-TWB €3,416,000[1]. As a reminder, the CE-PET project, initiated on April 1, 2018 aimed to support the upscaling of Carbios' industrial and commercial project in the field of enzymatic recycling of plastic waste and PET fibers.

- Since January 17, 2020, the Company, along with INSA Toulouse through its TBI laboratory, has access to an internationally renowned enzymatic engineering research center for the recycling and biosynthesis of plastics.[2] This laboratory, called PoPLaB, in reference to Plastic Polymers and Biotechnologies, was inaugurated on January 28, 2020. On this occasion, Carbios announced that it had become a sponsor of the INSA Toulouse Foundation for a period of three years.

- On November 25, 2021, Carbios announced that it had received support from the European Commission through the LIFE program for the "LIFE cycle of PET" project. For this project, Carbios, project coordinator and its partners T. EN Zimmer GmbH and Deloitte, obtained a grant of €3.3 million (including €3 million for Carbios) spread over the 39 months dedicated to the project.

  A Grant Agreement has been signed with the European Commission and a consortium agreement is being signed by Carbios and its partners for this project. As part of this project, Carbios will benefit from full ownership and exclusive exploitation rights of the results it will have generated. It will also have the exploitation rights in the field of enzymatic recycling on the results generated by its partners.

- On August 9, 2022, Carbios announced that it had joined the WhiteCycle project, launched in July 2022 and coordinated by Michelin. The main objective of this innovative European project is to develop a circular solution to transform complex waste containing PET (such as textile fibers from tires or complex clothing textiles) into high added-value products. This four-year project brings together sixteen entities.[3]

  A Grant Agreement was signed by the European Commission and Michelin, in its capacity as coordinator of the project, and a Consortium Agreement was signed between all partners with an effective date of July 1, 2022. As part of the project, Carbios is implementing its proprietary PET depolymerization and monomer recovery and purification technologies.

- Since January 1, 2023, the optimization work carried out jointly between Carbios and its academic partners INRAE and INSA is eligible for ADEME funding as part of the OPTI-ZYME project for which Carbios received the funding notification on June 30, 2023, and in which Carbios is the project leader and coordinator. For this project, ADEME granted a total of €11.4 million, distributed in the amount of €8,161,552 (€3,118,476 in subsidies and €5,043,076 in repayable advance) for Carbios, €2,949,868 for INSA and €300,642 for INRAE to support, over a period of 48 months, the continued research for the optimization and continuous improvement of the enzymatic technologies developed by Carbios, as well as the exploration of new breakthrough solutions. The contract signed between INSA, INRAE and Carbios on October 26, 2019 as part of this project is governed by the rules defined by the TWB consortium agreement. In accordance with the TWB rules on competitive contracts, it provides that Carbios will have full ownership of the competitive results obtained under this project.

[1] Please refer to the press release of February 3, 2023.
[2] Please refer to the press release of January 17, 2020.
[3] For more information on the WhiteCycle project, please refer to section 1.4.2 of this Universal Registration Document.

CONTRACTS RELATED TO THE INDUSTRIAL DEMONSTRATION PLANT

The industrial demonstration plant, integrated into the Michelin Group's Cataroux site, was commissioned in September 2021. In this context, two commercial leases were signed on April 13, 2021 between the Company and the Michelin group to define the terms and conditions of the provision of two buildings known as "B80" and "O24".

- Since July 2022, the Company's development laboratory, pilot and support activities teams have been grouped together in the same B80 building on the Cataroux site. The Carbiolice laboratory and support activities teams joined their colleagues in the B80 building in February and March 2023.
- In March 2023, Carbiolice's industrial production equipment joined the building housing the Company's demonstration plant, known as "O24," which is also located at the Cataroux site.

CONSORTIUM CONTRACTS AND PARTNERSHIPS

- The Company signed a consortium agreement with L'Oréal on December 31, 2017 for an initial four-year period from its launch date, i.e. April 19, 2019. The latter; which has since been extended, specifically concerns the enzymatic recycling of PET (the "Consortium").

On April 29, 2019, Carbios and L'Oréal had already announced the arrival of three other partners in the Consortium: Nestlé Waters, PepsiCo and Suntory Beverage & Food Europe.[1] The Consortium's partners hope to industrialize Carbios' technology and thus increase the availability of high-quality recycled plastics to support their commitments to sustainable development.

Technical stages are planned and the Consortium's partners pay an annual flat-rate contribution to support Carbios' developments to meet their expectations in terms of the recyclability of their products. In the context of this Consortium, to accelerate the industrialization of the process developed by Carbios, the partners further agreed to support the Company in the structuring of the new value chain for the recycled PET resulting from this innovative process.

- On July 6, 2022, the Company announced the signing of a Consortium agreement on the same day with the companies On, Patagonia, PUMA, and Salomon to develop solutions that increase the recyclability and circularity of their products. This agreement, for an initial period of two years and which has since been extended until January 5, 2026, aims in particular to accelerate the launch of Carbios' unique biorecycling technology for the textile industry. Carbios and its four partners will also conduct research into how textile products can be recycled, evaluate the development of collection solutions for used polyester items and test sorting and processing technologies. It will also consolidate data on "fiber-to-fiber" recycling as well as on circularity models. In January 2023, PVH group, the[2] parent company of the Tommy Hilfiger and Calvin Klein brands, also joined the Fiber-to-Fiber Consortium.

[1] Please refer to the press release of April 29, 2019.
[2] Please refer to the press release of February 18, 2023

CONTRACTS RELATED TO THE LONGLAVILLE INDUSTRIAL UNIT PROJECT

- On January 28, 2020, the Company signed a co-development agreement with Novonesis, world leader in enzyme production, for the production of its proprietary enzyme dedicated to the recycling of PET plastics and fibers. This collaboration will guarantee the production of its proprietary PET degradation enzyme during the demonstration and industrial deployment phases of the enzymatic PET recycling technology developed by Carbios. On January 12, 2023, the Company announced the signing, on January 11, 2023, of a major agreement with Novonesis that strengthens the previous collaboration via a strategic, exclusive and long-term partnership. This agreement guarantees the production and supply of Carbios' PET degradation enzymes on an industrial scale for its first plant in Longlaville (France), as well as for future plants under license, and guarantees exclusivity in the area of partnership for both parties. A first contract for the supply of enzymes for the Longlaville plant is being drawn up by the two parties in accordance with the terms of the co-development agreement.

- On February 1, 2023, Citeo and the temporary consortium formed by Wellman Neufchateau Recyclage, Valorplast and Carbios 54 began the implementation of the contract for the recycling of sorted/over-sorted household packaging waste (FD12 flows) mainly providing for Carbios recycling in its plant. of Longlaville once it has used the straws prepared by Wellman from bales of waste from the FD12 channel and made available by Citeo under the contract.

- On January 24, 2024, Carbios 54 awarded De Smet SA Engineers & Contractors a contract for detailed engineering, construction management and the scheduling, management and coordination of works for the future Longlaville plant.

- On March 26, 2024, Carbios 54 entrusted Dalkia with the turnkey construction of the utility supply facilities and the supply of utilities for the plant.

- On April 11, 2024, Carbios 54 entrusted Nijhuis Saur Industries France with the turnkey construction of the water effluent treatment facilities and the operation of said facilities for the needs of the plant.

- Following the announcement on December 19, 2024 of the postponement of the construction of the plant for a provisional period of six to nine months pending the conclusion of the necessary additional financing, postponement protocols were signed and are currently being signed with the main project stakeholders.

AGREEMENTS ASSOCIATED WITH CARBIOLICE[1]

- On August 30, 2016, Carbios granted Carbiolice an exclusive worldwide license for the utilization of its PLA-based plastics enzymatic biodegradation technology. In an amendment to the license agreement dated June 28, 2018, the scope of the license was extended to new patent families, applications and products.

- In January 2019, Carbios and Carbiolice signed a co-development agreement with Novonesis, the global leader in enzyme production.[2]

- In order to support the takeover of Carbiolice by Carbios, the two companies entered into a management contract on August 2, 2021, enabling Carbiolice to benefit from the skills, expertise and certain material and human resources available to Carbios. This contract allows Carbios to provide management services to redefine Carbiolice's strategic orientations as well as develop its associated activities and resources.

- In September 2024, Carbiolice and Sleever®, a French family-owned group International SME and innovative leader in heat-shrinkable label-sleeve technology, announced the signing of an exclusive, long-term contract to jointly develop Home Compost biodegradable mono-oriented transverse shrink films. Consecutively, Carbiolice and Sleever® announced the launch of the first biodegradable Home Compost tamper indicator on the global market: SEELCAP® ONEGO, presented in preview at the LUXE Pack trade fair in Monaco.

FINANCIAL COMMITMENTS RELATED TO THE EXPLOITATION OF THE RESULTS

Biodegradation process

- Since 2015, Carbios has benefited from a license on a patent family protecting a production process for biodegradable plastics through the inclusion of an enzyme and filed jointly by the CNRS, Poitiers University and Valagro. This license agreement has already given rise to the payment of a sum of €800 thousand to the co-owners as return following the upfront of 2016 received by Carbios when the license was granted to Carbiolice. Subsequent remuneration from this agreement will come in the form of royalties to the joint owners in correlation with the revenues generated by Carbiolice's exploitation of this family of patents. The first royalties were recognized in view of the income generated by Carbiolice via the operation of this family in 2020.

  Following the purchase of the shares of the SPI fund in the capital of Carbiolice on June 3, 2021, Carbiolice, as an affiliate of Carbios, now directly holds the exclusive worldwide operating license for this patent family. In this respect, Carbiolice may pay royalties to the joint owners with the revenues generated by Carbiolice's exploitation of this family of patents. No royalties from Carbiolice to the co-owners were recognized in 2024.

[1] Please refer to section 1.5.5 of this Universal Registration Document concerning Carbiolice.
[2] Please refer to the press release of January 29, 2019.

- As part of the Thanaplast™ project which ended on June 30, 2017, Carbios is still bound by the commitments made on the returns payable by Carbios to its partners in the event of exploitation[1] of the results obtained as part of the Thanaplast™ project.

  As such, for the part of the project dedicated to PLA biodegradation, 6 patent families resulting from the project were licensed to Carbiolice and resulted in a retrocession in the form of flat-rate amounts (in 2016) and royalties (from 2020). Thus, in July 2017, Carbios signed an operating agreement with INRAE Transfert, on behalf of INRAE, INSA Toulouse and CNRS, on a patent family jointly owned with INRAE/INSA/CNRS. This agreement concerns an enzyme for the degradation of polyesters developed at TBI as part of the research collaboration agreement with INRAE, itself part of the Thanaplast™ project.

  Carbios is 50% co-owner of this patent family and benefits from an exclusive worldwide utilization license and a utilization sub-licensing right for this family of patents. The signing of this utilization agreement follows Carbios' granting of a license to Carbiolice on August 30, 2016 concerning this family of patents in particular. This agreement has already resulted in a payment of €50,000 to INRAE Transfert as repayment following the upfront payment received by Carbios in 2016.

  Subsequent remuneration from this agreement will come in the form of royalties to INRAE Transfert in correlation with Carbios' revenues generated by Carbiolice's utilization of this family of patents. No payments of royalties are to be declared for 2024. In addition, in order to comply with their obligations related to the use of genetic resources collected from the territories of the signatory States of the Nagoya Protocol, Carbios and INRAE signed an agreement in 2020 with the University of Kasetsart (Thailand), where the strain from which the aforementioned enzyme originated was obtained, and which allows access to and use of said biological material.

- In December 2019, Carbios also signed an operating agreement with INRAE Transfert, on behalf of INRAE, INSA Toulouse and CNRS, on a patent family for a second polyester degradation enzyme. This enzyme was developed with TBI as part of the collaborative services contract within the Thanaplast™ project and optimized under a competitive research contract signed with INRAE, under the aegis of TWB.

  Under the terms of this agreement, Carbios has the exclusive ownership of the intellectual property rights over this enzyme and has committed, as a counterparty, to compensate INRAE if this technology is utilized. On June 28, 2018, Carbios and INRAE Transfert signed an amendment to the license granted to Carbiolice, including the said patent family.

  Following this, Carbios and INRAE Transfert signed an operating agreement providing for the payment of a flat-rate amount of €25 thousand at the signature of the agreement in December 2019 and additional payments associated with the revenues received by Carbios in the event of effective direct or indirect use of this patent family via Carbiolice. No additional payments are to be declared for 2024.

Biorecycling process

In addition, 6 patent families fully owned by Carbios were filed under the Thanaplast™ project for the enzymatic recycling process for polyesters, and in particular PET, and for the associated enzymes. In the event that these families are exploited or licensed for future exploitation, they could also result in a financial retrocession to INRAE in the form of lump sums, since three of them came from work conducted under the research services agreement with INRAE.

For the CE-PET project, the contract signed between TWB and Carbios on July 9, 2019[2] notably provides for financial returns to TWB in the event of exploitation of the results arising from the collaboration, in accordance with the rules of the TWB Consortium. Within this framework, a valuation agreement defining the terms and conditions for the returns was signed between Carbios, INRAE and INRAE Transfert on December 18, 2019.

In addition, Carbios will have full ownership of the results obtained under the competitive contract entered into with INSA and which came into force on November 1, 2021, as well as the results obtained as part of the OPTI-ZYME project (contract signed with INRAE and INSA) from January 1, 2023. In the event that these results are exploited or licensed by Carbios for future exploitation, this exploitation could also give rise to a financial retrocession to the academic partners in the form of a lump sum.

For the 2024 fiscal year, no financial retrocession to the academic partners of the Thanaplast™, CE-PET or OPTI-ZYME projects is to be declared, in connection with the exploitation of the PET biorecycling process.

[1] Please refer to section 2.2.3 of this Universal Registration Document concerning the return commitments made to Bpifrance.
[2] Please refer to section 2.7 "Agreements associated with the development of the Company's technologies" in this Universal Registration Document.

3

3. RISK FACTORS

Investors are invited to review all of the information contained in this Universal Registration Document, including the risk factors described in this section.

The main risk factors liable, as at the date of publication of this Universal Registration Document, to have a negative impact on the Company, its business, its financial position, its results or its ability to achieve its objectives, are set out below.

These risk factors are Company-specific. They are grouped into 6 categories and are classified according to their degree of net criticality, in decreasing order. The risk's probability of occurrence and its magnitude are assessed according to three levels ("low," "moderate" and "high"). Future events that are internal or external to the Company may modify this order.

The net criticality of the risk factors is assessed by combining each risk's probability of occurrence and magnitude, after taking into account the risk management measures implemented by the Company to manage them. The combination of these two criteria makes it possible to assess each risk and classify them into 3 levels of criticality (criticality = probability x magnitude): Significant, Moderate, Minor.

As of the date of this Universal Registration Document, the Company is not aware of any significant risks other than those summarized below.

However, the attention of investors is drawn to the fact that the list of risks and uncertainties described below is not exhaustive. Other risks, of which it is not currently aware or that it does not consider to be significant, on the date of publication of this Universal Registration Document, could also have an adverse impact on its business and financial position, its results or its ability to achieve its objectives. Investors are invited to carefully review each of the risks listed below, along with all of the information provided in this Universal Registration Document.

3.1 SUMMARY OF SIGNIFICANT AND SPECIFIC RISKS

Risk type	Probability of occurrence	Risk magnitude	Net degree of criticality
1. Risks related to the Company's business and market			
Risks related to technology development	Average	High	Significant
Risks related to dependence on key partners	High	Average	Significant
Risks related to raw materials	Average	Average	Moderate
Risks related to the emergence of competing technologies	High	Low	Moderate
Risks related to the signing of pre-sale contracts (off-take)	Low	Average	Moderate
2. Financial risks	Average	High	Significant
3. Risks related to changes in the macroeconomic environment			
Risks related to the military conflict between Russia and Ukraine and the situation in the Middle East	High	Moderate	Moderate
4. Risks related to the Company's organization			
Risks of dependence on key personnel	Average	Average	Moderate
5. Intellectual property risks			
Risks associated with uncertain protection of patents	Average	Low	Moderate
Risks associated with dependence on third-party patented technology	Low	Low	Minor
6. Regulatory risks			
Risks associated with compliance with the Nagoya Protocol on Access to Genetic Resources	Low	Low	Minor
Risks associated with regulations on plastics intended to come into contact with foodstuffs	Low	Low	Minor

3.2 DETAILED PRESENTATION OF SIGNIFICANT AND SPECIFIC RISKS

3.2.1 RISKS RELATED TO THE COMPANY'S BUSINESS AND MARKET

3.2.1.1 Risks related to technology development

3.2.1.1.1 Risk identification

The Company invests significant amounts in the research and development of products (bioprocesses, enzymes, technologies, etc.). During the course of an R&D project and in its various upscaling phases, it is not certain that the products under development will be launched commercially. It is also possible that Carbios will not invest in the most promising technologies or products that will be required and, as a result, it may be unable to launch new products or build a solid portfolio of products to meet customer needs.

Technical, industrial, regulatory or commercial difficulties with these bioprocesses could have an impact on the Company's growth and profitability:

- the launch of new products and/or enzymes, technologies or bioprocesses may require greater investments than planned in terms of research and development and marketing, as well as sales force and sales support, and customer and/or licensee training;

- it may be too costly or there may be technical difficulties in manufacturing certain new products on an industrial scale or in finding the necessary supplies to manufacture and market them. The difficulties encountered in obtaining sufficient volumes of PET waste to supply an enzymatic recycling industrial plant could generate costs such that the economic viability of the technology developed by the Company could be called into question;

- technical, industrial, regulatory or intellectual property issues could delay the commercial launch of the Company's products and adversely affect the commercial success of the systems proposed;

- new products may not be sufficiently responsive to market needs. The Company's business is dependent on the risks associated with the development of innovative technologies and/or products that may lead to discrepancies between the studies carried out and the reality of the target market;

- the Company could decide to abandon all or part of a project.

The Company's business model consists of the licensing of its technologies and know-how based on its patents and "know-how" demonstrated by its DEMONSTRATION PLANT, to its licensees, who will build and operate their own recycled PET production units. At the same time, the Company decided to build a first plant in France that will generate additional revenue to the license fees.

The main risks of the plant project are as follows:

- Delay
  - > In completing the financing required to restart the project
  - > In remobilizing the resources required to make funds available
  - > In the award of works contracts (low)
  - > Construction issues (e.g. climatic hazards, unexpected geotechnical condition, equipment supply delays)
  - > Occurrence of start-up contingencies

- Cost
  - > Consequences of the above delays
  - > Additional costs for the solutions selected to develop the site (flooding, geotechnics, soil pollution, environmental quality of the Chiers river into which the treated wastewater will be discharged) (very low)
  - > Additional work during the construction phase

- Quality
  - > Loss of skills following the demobilization following the suspension, which could impact all components of the project and the start-up

However, the difficulties identified above could hinder the successful implementation of this strategy.

These risks could prevent the Company from having the necessary and sufficient data to build its plant.

In such a case, any significant delay or failure in the industrialization phase of the PET recycling technology could prevent the Company from meeting, or meeting to a limited extent, the needs for recycled PET expressed by end-users according to the schedule that it has set and thus jeopardize the Company's commitments and its long-term survival.

In any event, the abandonment of a project for which significant human and financial resources have been invested could have an adverse effect on the Company or its business, financial position, results, growth or outlook.

In the event of the abandonment of a major area of scientific development, which would definitively call into question the viability of the Company's business model, it would then be necessary to consider the optimal way of valuing the assets accumulated by the Company at the date of such an observation. Measures, such as the partial or total sale of these assets, should also be taken to minimize the impact of such a situation on its shareholders. In such an event, the long-term survival of the Company could be brought into question.

3.2.1.1.2 Risk management

At the date of this Universal Registration Document, the Company has set up strategic partnerships which support its technical, industrial and commercial ambitions in its main areas of development, i.e. the enzymatic recycling of PET and the biodegradation of PLA.

The risks inherent to the execution of an industrial project are now reduced given the progress of studies, purchases and manufacturing.

Compared to the 2023 fiscal year, the human risk of not having the necessary resources in sufficient quantity and quality has increased due to the announcements of the temporary suspension of the project pending the completion of the necessary additional financing[1] and the job protection plan (plan de sauvegarde de l'emploi) announced in early 2025[2]. The management of this risk is based on written documentation, the retention of key people and the rescheduling of recruitment and training as soon as the financing plan is confirmed.

In the context of 2024 where two French industrial PET chemical recycling projects were suspended due to the deterioration of market conditions (PET and r-PET prices), the economic viability of the Carbios technology and, more specifically, of a first industrial site in France, is addressed through efforts to contract pre-sales volumes (off-takes), with a multi-year commitment at price levels compatible with the plant's business plan.

The quality of Carbios products for targeted applications (in particular "packaging to packaging") was validated in 2023 and 2024 at the demonstration plant scale. The critical physico-chemical characteristics are known and controlled. The acceptable limits are based on pilot and industrial repolymerization tests. A continuous improvement process is in place at the demonstration plant to maintain the highest level of requirements for this strength of Carbios technology.

3.2.1.1.3 Degree of criticality of the risk

Significant.

3.2.1.2 Risks related to dependence on key partners

3.2.1.2.1 Risk identification

The Company's business depends on its collaboration with academic laboratories and industrial partners, which give it access to technologies, expertise and know-how. If that access were to be impeded, the Company may be forced to stop or delay the projects involved.

<u>Academic partnerships</u>

In order to ensure the development of its technologies at the laboratory stage, the Company has entered into collaboration or research service agreements with academic laboratories. This is notably the case through the OPTI-ZYME, INTER-ZYME, CE-PET (closed in February 2023) and Thanaplast™ (closed in January 2018) projects. Since 2020, Carbios has a cooperative laboratory, called PoPLaB, which was created in partnership with INSA Toulouse through its TBI laboratory (Toulouse Biotechnology Institute). As part of its innovation projects, Carbios is also involved in multiple international academic collaborations.

The academic partners could fail to complete the entrusted research work by the set deadline. The Company could then be forced to stop or delay the projects concerned, to commit unforeseen investments and/or additional resources. This could have an adverse effect on the Company's technology development and financial position. If it could no longer benefit from these renowned academic partnerships, the Company could no longer have access to state-of-the-art data, materials and equipment. The Company would then be forced to make financial investments that it may not be able to support.

<u>Industrial partnerships</u>

Since September 2021, Carbios has operated a pre-industrial unit (the Demonstration plant) dedicated to the depolymerization of PET plastic and textile waste into monomers.

For industrial partnerships in particular, the Company generally depends on a single partner, which ranks among the leaders in its field. In the event of the termination or deterioration of its relations with this partner, the Company could find it impossible to strike an agreement with other partners with the necessary capabilities to meet the Company's needs and requirements. This could adversely affect its ability to successfully develop, produce at a competitive cost and market its products or processes.

<u>Novonesis:</u>

In order to safeguard the supply of the associated proprietary enzymes to support the industrialization of its technologies, the Company has entered into three exclusive co-development agreements with Novonesis, the global leader in enzyme production:

- the first in January 2019, with Carbiolice, for the development of the PLA-based single-use plastics enzymatic biodegradation technology;
- the second, in January 2020, for the development of the Carbios technology for the enzymatic recycling of PET fibers and plastics. This agreement guarantees the production of the proprietary enzyme designed and developed by Carbios in the demonstration phase and for the industrial and commercial operation of the technology; and
- the third on January 11, 2023 with Carbios, which strengthens the previous collaboration via a strategic, exclusive and long-term partnership. This new agreement confirms the production and supply of Carbios' PET degradation enzymes on an industrial scale for its first plant in Longlaville (France), as well as for future plants under license from Carbios, and guarantees exclusivity in the area of partnership for both parties.

<u>Repolymerization partners and Indorama Ventures:</u>

On June 1, 2023, the Company announced, together with Indorama Ventures Public Company Limited ("IVL"), the signing of a memorandum of understanding to form a joint venture for the construction in France of the first PET biorecycling plant in the world.

[1] Please refer to the press release of December 19, 2024.
[2] Please refer to the press release of January 28, 2025.

In accordance with the terms of the memorandum of understanding, Carbios acquired approximately 13 hectares of land adjacent to the existing Indorama PET plant in Longlaville. In October 2023, Carbios obtained all the authorizations required for the construction and operation of this plant from the French authorities. Construction work began on the site at the end of October 2023 and continued during the 2024 fiscal year. However, in December 2024, the Company announced the suspension of this work for a provisional period of six to nine months, pending the conclusion of the public and private financing necessary for the proper execution of the project.

As of the date of this Universal Registration Document, this partnership is still under discussion between the Company and Indorama Ventures. If this partnership were not to materialize, however, or if the Company were unable to find other suitable industrial partners, its industrial strategy could be called into question or delayed.

The cost of the equipment and construction of this plant is estimated at €230 million and should be financed by:

- **A portion of the Company's financial resources** which amounted to €90 million at December 31, 2024, plus €18 million of investments, classified as Financial assets
- **funding of €30 million by the State** as part of France 2030 operated by ADEME, as well as **€12.5 million by the Grand-Est region**[1]. In this respect, in February 2025, the European Commission granted the authorization for a French State aid scheme "Circular Economy"[2] intended to promote the chemical recycling of plastic waste. This authorization paves the way for the signing of agreements with the Grand-Est region and ADEME and the implementation of this financing for the Longlaville plant;
- **additional financing, particularly non-dilutive**, for which the Company has initiated discussions with private partners and public players, likely to provide financing under good conditions. As such, Carbios obtained, at the end of 2024, the confirmation from the French State, including Bpifrance, of its potential support to activate the examination of its request for the granting of debt hedging in the amount of €86 million under the **Strategic Projects Guarantee** (GPS) scheme for which the Company has obtained eligibility[3]. Bpifrance's GPS scheme aims to support projects of strategic interest to the French economy, by offering debt hedging for 80% of the amounts due to the beneficiaries of the guarantee.

The final cost of building the plant could prove to be higher than expected for various reasons (inflation, impact of the war in Ukraine, unforeseen constraints, etc.) which would require the mobilization of additional funds for its financing.

IVL's investment in the plant project remains subject to the formalization of a mutually satisfactory agreement and the signing of the final legal documentation relating to the project. In this respect, IVL may not comply with the commitments provided for in the memorandum of understanding signed in 2023, particularly in terms of financial mobilization. The Company would then be required to mobilize other sources of financing to complete this plant project, which could have a material adverse impact on its activities, financial position and outlook.

For the 2024 fiscal year, this risk was materialized by the suspension of construction work on the Longlaville plant for a projected period of six to nine months pending the conclusion, with IVL and/or other public and private partners, of additional financing necessary for the proper execution of the project.

In addition, in accordance with the protocol, IVL is expected to repolymerize 100% of the production at the Longlaville plant. If it were impossible for the Company and IVL to reach an agreement to repolymerize all of the monomers produced in Longlaville, the Company would be forced to find one or more other industrial partners capable of repolymerizing the monomers produced in Longlaville under satisfactory conditions.

Lastly, in the event of a breakdown in relations with Indorama Ventures or in the absence of alternative solutions to meet the additional financing needs of the plant project in Longlaville under favorable conditions, Carbios could find itself unable to meet the conditions required to build and operate this plant under satisfactory conditions.

In general, with regard to academic or industrial collaborations, the Company's partners may not validate the key stages of the collaborations in force. They may not complete their tasks within the set deadlines or, more generally, fail to meet their commitments. The Company could then be obliged to stop or delay the progress of the project(s) concerned, which could have an adverse effect on the Company's business and financial position, particularly if new investments were to be required.

[1] Please refer to the press release of May 31, 2023.
[2] Source: https://ec.europa.eu/commission/presscorner/detail/en/ip_25_387
[3] Please refer to the press release of December 19, 2024.

3.2.1.2.2 Risk management

The set-up of each partnership of a structural nature for the Company involves the negotiation and signing of a contract between the Company and the partner. The Company pays special attention to the contract termination and guarantee clauses, to cover itself in the event of a breach by the partner or its early termination of the contract.

At the same time, each partnership is monitored on the basis of a “project management” model. This includes the appointment of project managers within the Company and its partners; the set-up of monitoring and reporting tools; and the establishment of steering committees within the Company’s management team and that of its partners in order to be able to quickly anticipate any major problem.

<u>Novonesis:</u>

The Company is committed to building a solid long-term relationship with Novonesis, which strengthens mutual trust and is a major asset for the successful industrial and commercial deployment of Carbios' technologies. The agreements in force with Novonesis guarantee the production and supply of Carbios’ PLA and PET degradation enzymes on an industrial scale, whether for its own operation (PLA and PET technologies) or under licensing agreements (PET technology).

<u>Repolymerization partners and Indorama Ventures:</u>

The Company is committed to developing a balanced partnership relationship with IVL with a view to formalizing, as soon as possible, a contractual agreement under conditions that are satisfactory to both parties. As of the date of this Universal Registration Document, discussions are still ongoing with IVL. To mitigate the risk inherent in these negotiations, the Company has also initiated discussions with other public and private partners, liable to provide alternative financing, in particular non-dilutive, to successfully complete the plant project in Longlaville.

For this partnership in particular, the Company is dependent on downstream polymer chemists, who transform the Carbios monomers and deliver Carbios r-PET to end customers at a cost compatible with the business plan of the Longlaville plant. If the Company and IVL are unable to formalize an agreement to repolymerize all of the monomers produced at Longlaville, the Company may turn to other well-established polymerists. In this respect, the Carbios Business Development team is using its discussions with PET industrial players to secure custom repolymerization options that could reduce the dependence of the Longlaville plant on Indorama Ventures' polymerization sites alone.

3.2.1.2.3 Degree of criticality of the risk

Significant.

3.2.1.3 Risks related to raw materials

3.2.1.3.1 Risk identification

As part of the enzymatic recycling process developed by the Company, plastic or textile waste composed mainly of PET or polyester fibers is the main raw material required for large-scale operations.

Household plastic packaging waste is currently recycled using mechanical technologies and the quantities collected and available are growing. Textile waste is now collected via voluntary drop-off points that are multiplying throughout Europe. The waste to be recycled is distributed throughout Europe and is collected locally to be sorted by resins. For several years, EU countries have decided to extend sorting instructions to complex PET (trays, opaque, jars, etc.). It is this waste that is targeted primarily by the Carbios process. Around 1,500kt of these complex PETs are marketed each year in Europe, of which around 450 to 500kt per year are subject to selective collection and appropriate sorting.

One of the challenges for Carbios’ industrial project is that of setting up a supply chain. Supplying the plant requires the simultaneous development of the means of collecting, sorting, double sorting and preparing these complex PETs in several European countries. A delay in the implementation of one or more elements of the channel may temporarily generate additional costs. This delay is not currently an issue at the date of this Universal Registration Document but it is a risk that Carbios is monitoring closely.

This risk could weigh on Carbios’ ability to temporarily access competitive feedstocks. This could be related to the implementation of the process and/or the temporary ineffectiveness of new sorting/double sorting or preparation tools and technology. In particular, preparation players must understand the differences between traditional feedstock from bottles and feedstock from trays with different characteristics (impurity level, thickness, resistance to washing, grinding, etc.).

Lastly, Carbios continuously monitors competing solutions. At this stage, two competing projects have been postponed (Eastman) or stopped (Loop Industries/Suez) but other initiatives could emerge and pose a risk to the Company of access to the supply or competitiveness.

3.2.1.3.2 Risk management

The difficulties that the Company may encounter in accessing raw materials are a challenge faced by Carbios and its potential competitors.

In order to secure this supply for industrial and commercial operations, the Company signed a first supply contract with Citeo in April 2023, as part of a Consortium formed with the companies Valorplast and Wellman Neufchateau Recyclage. This long-term contract covers the supply of PET waste consisting of multi-layer and single-layer trays and their biological recycling.

For the 2024 fiscal year, Carbios continued its partnership momentum with a view to securing new supply contracts for post-consumer PET waste for the Longlaville plant. This progress has resulted in the signing of several memoranda of intent or collaboration agreements with major players in the collection and recycling of plastics and textiles, and in particular with Landbell Group, Hündgen Entsorgungs GmbH & Co. KG (Hündgen), Tomra Textiles and Nouvelles Fibres Textiles (NFT).

The signing of these agreements should gradually secure the volumes of raw materials needed to supply the start-up and ramp-up of the future Longlaville plant.

In addition, the Carbios teams dedicated to the supply of raw materials were strengthened in 2024 with the recruitment of a Packaging Sourcing Europe Manager and a Textile Sourcing Europe Manager. These recruitments allow for in-depth relationships with numerous prospects and facilitate a perfect understanding of the market (volumes, quality, price) with a view to additional contracting.

Carbios is also continuing its depolymerization tests on various types of waste at its Clermont-Ferrand site. The aim is to diversify the sources of supply required to operate its recycling process. The Company also participates in European working groups with the aim of improving the efficiency of the collection and recycling of plastic waste and textiles made of PET.

In addition, the location selected for the construction of the Company's future plant in Meurthe-et-Moselle will make it possible to envisage a supply of waste from France and from Belgium, Luxembourg and Germany, which has an excellent collection system, including for post-consumer textiles.

An industrial working group was set up with Novonesis to define the means of production, storage and logistics of the enzyme, from the Novonesis site(s) to the PET biorecycling plant in Longlaville.

3.2.1.3.3 Degree of criticality of the risk

Moderate.

3.2.1.4 Risks related to the emergence of competing technologies

3.2.1.4.1 Risk identification

The various markets in which the Company operates are the target of growing environmental and industrial interest, which in practice gives rise to growing competition. Furthermore, projects such as the Company's, whose purpose is to promote a circular economy, are strongly encouraged. The development of competing technologies, in particular based on chemical recycling processes, has been emerging over recent years and certain pilot plants are being started up.

The Company cannot guarantee that technically, environmentally or economically better solutions other than its technologies will not be developed and marketed in the near future. Moreover, the Company cannot guarantee that its processes will be brought to the market more quickly than those of its competitors.

At the same time, the identification of enzymes intended for the enzymatic recycling of PET is the subject of research by various universities around the world. The Company cannot guarantee that these academic laboratories will not develop an enzyme that is more efficient than Carbios' proprietary enzymes.

Such events could have a material adverse effect on the Company's business, outlook, financial position, results and growth.

Fields of application	Industrial competitors
Recycling	**PET and/or polyester fibers:** Samsara, Eastman*, Ioniqa*, Teijin*, Jeplan*, Gr3n*, Garbo*, Axens IFP Group Technologies*, BP*, Loop Industries*, Cumapol*, Revalyu Recycling* **Other polymers:** Galactic*, Creacycle*, Worn Again*
Biodegradation	Advanced Enzyme Science Limited and its Enzymoplast® product Manufacturers of compostable plastics for home composting (such as Novamont and its Mater-Bi®, Sphere) PLA/PHA mixtures developed by Danimer PHA families developed by KANEKA and CJ Bio

** Competitors using chemical and non-biological technologies.*

3.2.1.4.2 Risk management

Carbios is a pioneer in the development of bioprocesses dedicated to optimizing the life cycle management of plastics and textiles. It has many strengths to enable its processes to be marketed despite the emergence of competing technologies. To this end and in order to obtain a competitive advantage, the Company has established strategic collaborations with several industrial leaders in their fields, such as Novonesis, L'Oréal, Nestlé Waters, PepsiCo, Suntory Beverage & Food Europe, Michelin, l'Occitane, On, Patagonia, PUMA, Salomon and PVH Group. These partners, keen to initiate a real transition towards a circular economy model to manage the life cycle of plastics and textiles, support the Company in the industrial and commercial implementation of its technologies.

The Company has also continued to strengthen its academic partnerships in order to provide itself with the possibility of acquiring upstream technologies that may be developed in the field of enzymatic recycling from Universities. In addition, the Company has intellectual property covering its entire recycling process, regardless of the enzyme used.

3.2.1.4.3 Degree of criticality of the risk

Moderate.

3.2.1.5 Risks related to the signing of pre-sale contracts (off-take)

3.2.1.5.1 Risk identification

Driven by a favorable regulatory environment, strong commitments from manufacturers in terms of sustainability and a technological offer unique in the world, Carbios aims to serve the needs of the market by producing monomers (PTA and MEG) at its future plant in Longlaville from the enzymatic depolymerization of PET waste, which can be repolymerized into high-quality r-PET. However, the economic viability of the plant depends, in particular, on the Company's ability to sell r-PET and/or monomers in volumes and at price conditions compatible with the plant's business plan.

The Company could encounter difficulties in selling or pre-selling the volumes of r-PET and/or monomers required to guarantee the economic viability of the Longlaville plant. It could also be forced by market conditions, the requirements of its end customers or insufficient quality levels, to sell or pre-sell its products in volumes or at price levels that could be detrimental to the economic viability of the Longlaville plant.

Like any company that is developing an industrial process in the field of plastic and textile recycling, the Company faces price volatility, a strong competitive environment, particularly in the European market due to the massive importation of PET and r-PET from China due to US customs duties unparalleled in Europe, and finally to a constantly changing legislative context.

3.2.1.5.2 Risk management

To guarantee the economic viability of the future Longlaville plant and consolidate the Company's industrial and financial partners in the project's potential, Carbios is committed to securing multi-year pre-sales contracts for the supply of enzymatically recycled monomers and/or PET from part of the future production of the Longlaville plant. As such, for 2025, the Company aims to sign several pre-sales contracts at a controlled price over the long term to serve the needs of its customers under conditions that will strengthen the sustainability and economic viability of the Longlaville project. The signing of such commercial commitments should help strengthen the Company's ability to obtain financing from its industrial and/or financial partners under satisfactory conditions.

3.2.1.5.3 Degree of criticality of the risk

Moderate.

3.2.2 THE COMPANY'S FINANCIAL RISKS

3.2.2.1 Risk identification

At December 31, 2024, the cash and cash equivalents held by the Company totaled €89.8 million.

At December 31, 2024, the Company's financial liabilities consisted solely of conditional advances of €6.8 million and loans of €33.9 million.

Please refer to section 5.1.4 for an overview of the Company's conditional advances (Note 15) and debt schedule at December 31, 2024 (Note 9).

It should also be noted that the Company's historical deficit can be explained by the fact that it is still in its development phase. During this phase, research expenses increase while no recurring revenue is generated. This may create a liquidity risk for the Company, excluding subsidies or additional fundraising.

The Company could also be exposed to risks related to additional financing needs, in connection with the construction of the first plant, for which the total investment is estimated at €230 million.

Thus, for the fiscal year ended December 31, 2024, it is recalled that the Company's operational activities have consumed €30.2 million in cash. Cash flows from investments in fixed assets (including support to subsidiaries) have consumed €70.6 million.

The cash flow forecasts for the 2025 fiscal year take the following items into consideration:

- cash and investments amounting to approximately €90 million at December 31, 2024;
- the receipt of an amount of €3.5 million in research tax credit (CIR) (amount recorded as of December 31, 2024); and
- the planned receipt of ADEME aid relating to the OPTI-ZYME project, namely €2.2 million in subsidies as well as €3.5 million in repayable advances.[1]

[1] Please refer to section 5.3.4 Note 13 of this Universal Registration Document.

3.2.2.2 Risk management

On March 31, 2025, the Company carried out a specific review of its liquidity risk on the basis of its individual cash position (including investments) of €66 million and consolidated position of €81 million, and given the Company's latest announcements, based on a postponement of the plant construction project, for which the restart is conditional on obtaining financing, and a massive cost reduction plan including a job protection plan (plan de sauvegarde de l'emploi - PSE) that could affect around 40% of positions, the Company is giving itself operational visibility for the Group's activities beyond the next twelve months. Nevertheless, the restart of construction of the Longlaville plant is subject to obtaining additional financing.

3.2.2.3 Degree of criticality of risk

Significant.

3.2.3 RISKS RELATED TO CHANGES IN THE MACROECONOMIC ENVIRONMENT

3.2.3.1 Risks related to the military conflict between Russia and Ukraine

3.2.3.1.1 Risk identification

Conflict between Russia and Ukraine

Since the beginning of the conflict in Ukraine, the Company has not, as of the date of publication of this document, encountered any difficulties in pursuing its activities. To date, the Company has no direct or indirect relations with Ukraine or Russia, and the Company has managed to limit any delays directly related to this crisis in the industrial and commercial deployment of its technologies.

However, if this crisis were to continue and/or generate lasting economic consequences, the Company could have difficulties in containing the adverse effects of these measures and in particular, the increase in the cost as well as the extension to the lead times of supplies of certain materials, equipment and products necessary for the construction of its Longlaville plant. This extension of lead times and the increase in prices could negatively impact the costs and lead times of the plant project in Longlaville. In addition, the negative impact of this conflict on the financial markets and potentially on the Company's share price could intensify if the conflict continues.

3.2.3.1.2 Risk management

In view of the current situation between Russia and Ukraine, the Company specifies that its economic and balance sheet exposure to these two countries is not significant. During the 2024 fiscal year, Carbios did not record any expenses with suppliers based in Russia or Ukraine.

3.2.3.1.3 Degree of criticality of the risk

Moderate

3.2.4 RISKS RELATED TO THE COMPANY'S ORGANIZATION

Risks of dependence on key personnel

3.2.4.1 Risk identification

The success of the Company depends largely on the work and expertise of its executives and its key scientific and business development personnel. These people are in particular the Chief Executive Officer, Vincent KAMEL, the Chief Scientific Officer, Professor Alain MARTY, the Industrial Development Director, Lionel ARRAS, the SVP Business Development, Feedstock Recycling, Mathieu BERTHOUD, the SVP Corporate Affairs, Sustainability and Communication, Bénédicte GARBIL, the HR and Legal Director, Sophie BALMARY, the Public Funding and Regulation Director, Delphine DENOIZE, the Chief Biorecycling Business Officer, Stéphane FERREIRA and the Marketing Director, Tommy MAUSSIN.

The loss of their skills could affect the Company's ability to achieve its objectives.

At December 31, 2024, the Carbios Group had 139 employees. Compared to the 2023 fiscal year, the human risk of not having the necessary resources in quantity and quality has increased due to the announcements of the temporary suspension of the Longlaville project pending the completion of the necessary additional financing[1] and the job protection plan announced in early 2025[2]. The management of this risk is based on written documentation, the retention of key people and the rescheduling of recruitment and training as soon as the financing plan is confirmed.

Subject to the completion of the financing plan for the Longlaville plant, the Company anticipates significant growth in its business. It will, therefore, need to recruit additional employees to expand its operational activities, in particular qualified scientific and technical employees to assist in its developments and the industrialization of its PET biorecycling technology.

The Company is in competition with other companies, groups, research organizations and academic institutions for the recruitment and retention of highly qualified scientific, technical and management personnel. In this context, the Company may not be able to attract or retain these key employees under economically acceptable conditions. It may therefore not be able to compete with reputable companies, groups or organizations with greater financial strength.

The Company's inability to retain, attract and retain these key individuals could prevent it from achieving its growth objectives. This would have a material adverse effect on its business, prospects, financial position, results and development.

Moreover, the Company may not be able to manage its growth and may encounter unexpected difficulties as it expands. In such a case, the business, outlook, financial position, results and growth of the Company could be affected.

[1] Please refer to the press release of December 19, 2024.
[2] Please refer to the press release of January 28, 2025.

3.2.4.2 Risk management

To reduce the risk of losing its key personnel, the Company has notably set up systems to share the rise in value of the Company via free performance share allocation plans (AGAP), which encourage key beneficiaries to stay in the Company and work for its success.

In addition, since 2023, the Company has rolled out a comprehensive compensation and social benefits plan incorporating new compensation elements for its employees with the implementation of:

- an incentive scheme for an initial period of two years aimed at rewarding the involvement of all Group employees in achieving defined CSR objectives, particularly in terms of safety, the environment and skills development;
- a value-sharing bonus (PPV); and
- a target bonus combining individual and collective performance criteria.

This system was supplemented in February 2024 by the deployment of an employee shareholding plan for all Group employees who are members of the company savings plan.

To support its developments, the Company strengthened its Executive Committee and the teams of its various operational divisions during the 2023 and 2024 fiscal years in order to gain additional expertise in key areas such as Human Resources and Legal, Corporate Affairs, Sustainable Development, Marketing and Operations. These changes within the Executive Committee and operational teams also contribute to mitigating the risks related to the departure of key personnel. Lastly, the Company also introduced annual assessments and a training plan to enable each employee to keep up with the Company's developments over the long term.

3.2.4.3 Degree of criticality of risk

Moderate.

3.2.5 INTELLECTUAL PROPERTY RISKS

3.2.5.1 Risk identification

The intellectual property rights held by Carbios, in particular the patents protecting its technological innovations, are Carbios assets that require special precautions. To ensure the success of the business model, it is thus essential that the Company, as well as its current or future licensors and licensees, be in a position to obtain, maintain and ensure the respect of their intellectual property rights.

The challenging of intellectual property rights and the use – by unauthorized third parties – of any assets, products or processes covered by intellectual property rights constitute a major risk for Carbios.

Risks associated with uncertain protection of patents

It cannot be ruled out that the inventions developed may be used by competitors, particularly in the following cases:

- the inventions developed by the Company are not patentable;
- the patents for which applications have been filed, including in countries likely to offer major commercial development prospects, are not issued;
- the extent of the protection provided by a patent is insufficient to prevent the use of the relevant invention by competitors.

Despite the care taken, it is possible that the patent applications filed by Carbios have a more limited scope than expected.

Third parties or competitors could also successfully challenge, before a competent court, the validity of the intellectual property rights that the Company owns directly or jointly or holds under license. Furthermore, some third parties may successfully infringe on or circumvent the Company's intellectual property rights with their own innovations.

A lawsuit may prove necessary to ensure the respect of the intellectual property rights, to protect the commercial trade secrets or to uphold the validity and scope of the Company's intellectual property rights. Any litigation may result in significant expenditure, reduce profit and fail to provide the protection sought by the Company.

Risks associated with dependence on third-party patented technology

Carbios' success will also depend on its ability, and that of its partners, to use the Company's exclusive technologies without infringing upon, misappropriating or otherwise violating any third parties' intellectual property rights or exclusive rights. However, despite the efforts made, the Company may not be aware of all of the intellectual property rights held by third parties and potentially linked to the Company's technologies. Therefore, the Company cannot guarantee that its processes do not infringe on patents held by third parties, or that it will not be accused of such infringement.

Any litigation or claim against the Company, regardless of the outcome, could result in substantial costs and compromise its reputation. The occurrence of one or more of these risks could have an adverse effect on the Company's business, outlook, financial position, results and growth.

Any such litigation could also force the Company to stop developing, selling or using the products or bioprocesses that would depend on the allegedly infringing intellectual property. It could also require it to obtain or acquire a license from the holder of the intellectual property rights, which may not be obtained on reasonable terms, if at all.

3.2.5.2 Risk management

In order to counter these intellectual property risks, Carbios ensures, before entering into any research contracts with third parties, that it will have exclusive property rights over the results or, in the event of joint property, the exclusive right to use the results in its field of activity.

In addition, with the backing of the Company's scientists, an in-house team is tasked with keeping a watch on competitors, technology and patents. This watch makes it possible to identify existing prior art before applying for patents and improves the chances of obtaining patents. It also makes it possible to identify emerging work, expertise and patents in relevant fields in order to take them into account in the development of innovations and ensure that the Company's processes and products can be used without restrictions.

Carbios also benefits from the in-house expertise of industrial property specialists and is regularly assisted by an intellectual property consultancy firm.

3.2.5.3 Degree of criticality of risks

Risks associated with uncertain protection of patents: Moderate.

Risks associated with dependence on third-party technology: Minor.

3.2.6 REGULATORY RISKS

3.2.6.1 Risk identification

Risks associated with compliance with the Nagoya Protocol on Access to Genetic Resources

The Rio Convention on Biological Diversity (CBD), signed by over 150 states, requires prior informed consent for any biological material collection and access to genetic resources in a given state, as well as an agreement governing the terms of transfer of the genetic resource and the conditions for sharing the benefits from the exploitation of that resource.

These conditions for the fair and equitable sharing of benefits arising from the utilization of genetic resources of "plants, animals, bacteria or other organisms, for commercial or research purposes, or for other objectives" are set out in a supplementary agreement to the CBD, the Nagoya Protocol, ratified by some 120 states.

The Company could therefore be faced with reluctance or refusal on the part of the local authorities to issue the collection or utilization permits, or be unable to meet the demands of the local authorities when negotiating a benefit-sharing agreement. The Company mainly works on genetic resources that are not identified by Carbios from a natural strain but in public databases ("Digital Sequence Information"), and for which the research work does not require a collection permit.

The only exception to date has been the identification of an enzyme for the degradation of polyesters in collaboration with INRAE and for which Carbios and INRAE signed an agreement in 2020 to access and use biological material with the University of Kasetsart (Thailand). The strain from which the aforementioned enzyme originated was obtained from this university.

In addition, as a company operating on French soil, the Company must comply with European regulations (EU No. 511/2014 on "compliance measures for users from the Nagoya Protocol on access to genetic resources and the fair and equitable sharing of benefits arising from their utilization in the Union" and its Implementing Regulation No. 2015/1866). These lay down detailed rules for the utilization of genetic resources, whenever the enzymes used by the Company fit the definition of "genetic resource."

To reinforce this European regulation, law No. 2016-1087 of August 8, 2016 and its implementing decree No. 2017-848 of May 9, 2017 include new provisions. These provisions relate, in particular, to the due diligence to be carried out in the event of use of genetic resources taken from the territories of the signatory States of the Nagoya Protocol.

The Company may thus encounter difficulties with the suppliers of biological materials and/or the authorities of the States concerned in obtaining the necessary information and making the declarations required by these regulations.

Risks associated with regulations on plastics intended to come into contact with foodstuffs

The Company is developing a PET recycling technology that can be regarded as a chemical recycling process. Regulation 2022/1616/EU on recycled plastic materials and articles intended to come into contact with foodstuffs, published in September 2022, establishes the criteria for the marketing and development of technologies and use with foodstuffs for plastic packaging. This new regulation applies regardless of the type of recycling process used. Nevertheless, processes involving a return to monomers, as is the case for the PET recycling technology developed by Carbios, are expressly excluded by Article 1 of this new regulation.

The monomers resulting from the Company's process must therefore comply with:

- substances registered according to the REACh Regulation No. 1907/2006 concerning the registration, evaluation and authorization of chemical substances; and

- Regulation No. 10/2011 (currently being revised) on plastic materials and articles intended to come into contact with foodstuffs.

Monomers, resulting from the chemical (or biological) recycling of PET waste, could have impurity characteristics that are not those of monomers from petrochemicals. This could potentially lead to a separate registration of the monomers from the Company's PET enzymatic recycling technology and therefore to additional registration costs and/or lead times for the Company.

3.2.6.2 Risk management

Concerning the management of risks associated with compliance with the Nagoya Protocol on access to genetic resources

The Company must ensure that it has the right to use every enzyme that it may come to develop or industrialize. To this effect, when working on specific genetic resources, the Company conducts the following checks:

• identification of the likely State of origin of the genetic resource; and

• study of the terms defined by said State, either under the Nagoya Protocol or its national law, concerning the sharing of benefits.

Concerning the management of risks associated with regulations on plastics intended to come into contact with foodstuffs

The Company participates in working groups on chemical recycling regulations with the European association PETCORE (Monomer recycling) as part of discussions with European bodies such as DG Santé and EFSA (European Food Safety Authority). In addition, Carbios benefits from the in-house expertise of specialists dedicated to regulatory matters and is regularly assisted by expert firms.

3.2.6.3 Degree of criticality of risks

Risks associated with compliance with the Nagoya Protocol on Access to Genetic Resources: Minor.

Risks associated with regulations on plastics intended to come into contact with foodstuffs: Minor

3.3 RISK MANAGEMENT MEASURES

3.3.1 INTERNAL CONTROL ORGANIZATION AND PROCEDURES

As part of its internal control, the Company has, since its inception, implemented detailed procedures to ensure compliance with the rules in force and to guard against the related risks. These procedures are validated by the Company's management and distributed to all employees who undertake to comply with them. They are also regularly reviewed and adjusted to take into account structural and/or organizational changes in the Company in order to maintain a minimum level of risk.

In addition, the finance team ensures compliance with procedures on a quarterly and half-yearly basis by performing random self-checks on various procedures. The results are sent to the Audit Committee (below) and to the Statutory Auditor. The teams receive regular feedback on this subject, and corrective measures are taken if necessary.

See section 4.1.5.2.1.2. "Audit Committee" which details the composition and role of the Audit Committee. It reports to the Board of Directors and aims to review internal control and proper risk management.

In addition to its annual (and sometimes half-yearly) closing work, the Company's Statutory Auditors regularly audit the internal control systems set up by the Company to ensure that documented procedures are in place and effective.

3.3.2 INSURANCE AND RISK COVERAGE

At the date of this Universal Registration Document, the Company believes that it has adequate insurance coverage for its activities. In the future, the Company does not foresee any particular difficulties in maintaining adequate levels of insurance within the limits of availability and market conditions.

The Company has taken out a "Professional Multi-Risk" insurance policy for the premises of its registered office, which is now located at the Cataroux site, 8 rue de la Grolière, 63100 Clermont-Ferrand, France.

The main clauses of this insurance policy are as follows:

- property insurance against risks of fire, explosions, natural disasters, climate events, water damage, electrical damage, theft, vandalism, demonstrations, riots, machinery breakdown, glass breakage, the cost of reconstructing the archives for previous events on the Company's premises; and
- insurance for the financial consequences of the cessation of activity due to a covered claim.

The Company has also taken out Civil Liability Insurance which covers the civil liability of the Company due to its operations.

This insurance is extended to the Company's activities carried out on premises made available by public laboratories. The policy guarantee covers the financial consequences of the civil liability that the Company may incur as a result of material and immaterial damage to property entrusted to the Company in the course of its activities.

In addition, the Company has also taken out a "machine breakdown" insurance policy in connection with the operation of its demonstration plant.

Lastly, as part of the two innovation loans, the Company has taken out a borrower guarantee in the event of death, total and irreversible loss of autonomy, total and permanent disability or total inability to work for key insured persons.

During the fiscal year ended December 31, 2024, the Company recognized an amount of €117 thousand in premiums for all insurance policies to which it has subscribed.

3.3.3 LEGAL AND ARBITRATION PROCEEDINGS

There are no governmental, judicial or arbitration proceedings (including any proceedings of which the Company is aware that are in abeyance or that are threatened) that may or might have had a significant effect on the financial position or profitability of the Company in the last 12 months.

The Company has therefore not recorded any provision for litigation.


4

4. CORPORATE GOVERNANCE

4.1 GOVERNANCE ORGANIZATION

Exercise of the Executive Management of the Company

The Board of Directors, after having opted on a transitional basis, at its meeting of December 18, 2024, to combine the functions of Chairman of the Board of Directors and Chief Executive Officer, and provisionally appointed its Chairman, Philippe POULETTY, in his capacity as Chief Executive Officer of the Company, decided on March 20, 2025, to opt for the separation of the functions of Chairman of the Board of Directors and Chief Executive Officer and appointed Isabelle PARIZE as Chairwoman of the Board of Directors, and Vincent KAMEL as Chief Executive Officer.

4.1.1 BOARD OF DIRECTORS

The Company is a French Société Anonyme (public limited company) with a Board of Directors whose mode of operation is described in the bylaws and in section 7.2 of this Universal Registration Document.
The Shareholders' Meeting of June 20, 2024 decided to appoint Jennifer SAENZ as a new Director and to appoint Copernicus Wealth Management as a non-voting director.
At its meeting of December 18, 2024, the Board of Directors duly noted the resignation of Emmanuel LADENT from his term of office as a director.
On March 20, 2025, Philippe POULETTY announced his resignation as Chairman and Chief Executive Officer and director of the Company with immediate effect. On the same date, the Board of Directors took note of this resignation and proceeded with his replacement by appointing Isabelle PARIZE as Chairwoman of the Board of Directors, and Vincent KAMEL as Chief Executive Officer.

4.1.1.1 Directors

Information concerning the directors
At the date of this Universal Registration Document, the Board of Directors was composed of the following 10 directors and one non-voting director:

First name-Surname or company name of the non-voting director	Main position held within the Company	Gender	Main position held outside the Company	Age	Nationality	First appointment	Member of a committee
Isabelle PARIZE	Chairwoman of the Board of Directors from March 20, 2025	Female	Chairwoman of the Supervisory Board of Delsey, Belgium	67	French	06/29/2022	Chairwoman of the Strategy and CSR Committee Member of the Compensation and Appointments Committee
Vincent KAMEL	Chief Executive Officer from March 20, 2025 and director	Male	Chairman of Kamergy SAS	62	French	06/23/2021	-
BOLD, Business Opportunities for L'Oréal Development, represented by Laurent SCHMITT	Director	Male	Chief Corporate Finance and Financial Communication Officer of the L'Oréal Group	60	French	06/23/2021	Chairman of the Compensation and Appointments Committee Member of the Strategy and CSR Committee
MICHELIN VENTURES, represented by Nicolas SEEBOTH	Director	Male	Technical Director of the Polymer Composite Solutions Business Unit of Michelin Group	47	French	06/23/2021	Member of the Audit Committee Member of the Strategy and CSR Committee
Juan DE PABLO	Independent director	Male	Executive Vice President for Global Science and Technology, New York University; and Executive Dean, NYU Tandon School of Engineering	62	American	06/29/2022	-

First name-Surname or company name of the non-voting director	Main position held within the Company	Gender	Main position held outside the Company	Age	Nationality	First appointment	Member of a committee
Mateus SCHREINER GARCEZ LOPES	Independent director	Male	Global Director for Energy Transition and Investments at Raizen	42	Brazilian	02/07/2023	-
Karine AUCLAIR	Independent director	Female	Professor of Chemistry McGill University	52	Canadienne	02/07/2023	-
Amandine DE SOUZA	Independent director	Female	Independent director of companies	46	French	02/07/2023	-
Sandrine CONSEILLER	Independent director	Female	Chief Executive Officer De Beers Brands	53	French	02/07/2023	Member of the Compensation and Appointments Committee
Jennifer SAENZ	Independent director	Female	Executive Vice President Pharmacy and eCommerce Operations of Albertsons Companies	47	American	06/20/2024	-
Copernicus Wealth Management represented by Alen VUKIC	Non-voting director	Male	Chief Financial Officer Copernicus Wealth Management	49	Switzerland	06/22/2022	-

Each director is domiciled at the Company's registered office at the Cataroux site - 8 rue de la Grolière - 63100 Clermont-Ferrand, France.

Director biographies

Isabelle PARIZE, Chairwoman of the Board of Directors

Isabelle PARIZE is a graduate of the École Supérieure de Commerce in Paris. She is currently Chairwoman of the Supervisory Board of Delsey, Chairwoman of ODYS SPL, Belgium and Director of other companies. After holding various positions at Procter & Gamble between 1980 and 1993, including Hygiene and Beauty Marketing Director, she joined the Henkel Group in 1994. She was then Chief Executive Officer of Schwarzkopf - Henkel France from 1994 to 1998, then Senior Vice-President of Europe, Middle East and Africa (based in Germany) from 1998 to 2001. She became Chairwoman of Canal+ Distribution and Chairwoman and Chief Executive Officer of CanalSatellite in 2001. She then became Chairwoman of the perfumes division of Quest International Group (2005-2007) and Chief Executive Officer and then Vice-Chairwoman of Betclic (2007-2011). She then joined Nocibé as Chairwoman of the Management Board (2011-2016). She was Chairwoman and Chief Executive Officer of Douglas Holding AG until October 2017. From 2018 to August 2021, she became CEO of Delsey and its holding company DHI Compagny.

Vincent KAMEL, director and Chief Executive Officer

Vincent KAMEL holds an engineering degree from École Centrale de Lyon. He has more than 35 years of experience in the chemical industry (Rhône Poulenc, Rhodia, Solvay), in France and abroad (China, Korea, Brazil), during which he held leading positions as Chief Executive Officer of the Polyamide Division of Solvay, Director of the Coatis Business Unit and Asia Director for "Engineering Plastics." In particular, he has developed an in-depth knowledge of regulatory, industrial and business development aspects of recycling. Vincent KAMEL also held the position of COO at Domo Chemicals until January 2023.

Laurent SCHMITT (representative of BOLD, Business Opportunities for L'Oréal Development), director

Laurent SCHMITT has dedicated more than 30 years of his career to the L'Oréal Group, where he has taken on many leadership roles internationally. He has notably held the positions of Chief Financial Officer in the Czech Republic and then in Brazil, Chief Executive Officer of the luxury goods business unit in Brazil, Chief Financial Officer in France for the Professional Products Division and Chief Financial Officer for the Africa, Middle East and Pacific regions. He currently holds the positions of Chief Corporate Finance and Financial Communication Officer of the L'Oréal Group and Chief Executive Officer of BOLD, "Business Opportunity for L'Oréal Development," a venture capital investment fund of the L'Oréal Group. Laurent SCHMITT is a graduate of the Institut d'Études Politiques de Paris (Sciences-Po).

Nicolas SEEBOTH (representative of Michelin Ventures), director

Nicolas SEEBOTH is the Technical Director of the Michelin Group's Polymer Composite Solutions business unit. With a solid knowledge of chemistry and polymers, for 20 years, he held various research positions at Michelin after obtaining a doctorate focusing on organometal chemistry at the École Polytechnique de Paris. He is the inventor of more than 40 patents, among which are some of the Michelin Group's major innovations (specialty polymers and chemical additives) and regularly speaks at international conferences. He was also Chairman of Toulouse White Biotechnology, a public-private consortium aimed at accelerating the development of industrial biotechnologies for 4 years.

Juan DE PABLO, director

Juan DE PABLO is the first Executive Vice-President for Global Science and Technology at New York University and the Executive Dean of the Tandon School of Engineers in New York. He leads the inter-university, multidisciplinary and global efforts to accelerate the momentum of New York University's vast scientific and technological enterprise to meet humanity's greatest challenges. In line with these efforts, Juan DE PABLO leads Tandon's research and engineering education so that it plays a central role in a multitude of areas, from human health to the sustainability of the planet, through progress in the discovery of materials.

Juan DE PABLO holds more than twenty patents and is the author or co-author of more than 600 publications. In 1990, he obtained a PhD in chemical engineering from the University of California at Berkeley and did post-doctoral studies at the Swiss Federal Institute of Technology in Zurich.

Mateus SCHREINER GARCEZ LOPES, director

Mateus SCHREINER GARCEZ LOPES is Global Director of Energy Transition and Investments at Raizen (world leader in bioenergy in Brazil) where he leads technology, new business development and intellectual property. He was previously Global Director of Innovation and Business Development in the renewable chemicals sector at Braskem (the largest producer of thermoplastic resins in the Americas and the largest producer of biopolymers in the world). Before joining the corporate world, Mateus held several research and teaching positions in synthetic biology and metabolic engineering at universities in Mexico, Germany, the United States and Brazil. He is also a member of the Board of Directors of Iogen Energy Corporation, Vice-Chairman of the Board of Directors of the Brazilian Bio-Innovation Association and a member of the Advisory Committee of the MIT Energy Initiative.

Karine AUCLAIR, director

Prof. Karine AUCLAIR is a Professor of Chemistry at McGill University and holder of the "Tier 1 Canada Research Chair" on antimicrobials and green enzymes. She has received numerous awards over the years, including the Clara Benson Award from the Canadian Society of Chemistry, the McGill Tomlinson Professorship, the Leo Yafe Teaching Award and the McGill Fessenden Professorship, to name but a few. An internationally renowned bio-organic chemist, she has made significant scientific contributions in the fields of antimicrobial resistance, biocatalysis and enzymology. Her research has resulted in several patents, particularly in the field of closed-loop enzymatic depolymerization of untreated PET with high crystallinity. Her work has been the subject of nearly 100 peer-reviewed publications in high-impact journals and is often highlighted by the media. As a recognized leader in her field, she is often invited to speak at industry and academic conferences around the world, and to review theses and applications for subsidies from international institutions.

Amandine DE SOUZA, director

Amandine DE SOUZA is currently an independent director of Christofle and a member of the Business Angels group Leia Capital and the accelerator 50 Partners Impact III, where she finances and supports start-ups. Amandine has 18 years of experience in companies of very different sizes and governance: from family businesses to multinationals and start-ups. She has been Chief Executive Officer of Leboncoin, BHV MARAIS (large French retail, decoration and fashion stores), Eataly (Italian gastronomy concept franchise) and Home, DIY and Leisure Purchases of the Galeries Lafayette Group (since April 2018), of which she is also a member of the Executive Committee (since February 2020). She was Chief Executive Officer France at Westwing (a pure-player e-commerce start-up) from 2015 to 2018. From 2009 to 2015, she was Merchandise Director for various categories, mainly non-food, and sourcing at the Casino group (food and non-food distribution). Previously, she worked as a strategy consultant at Bain & Company in France and abroad.

Sandrine CONSEILLER, director

Sandrine CONSEILLER is the current Chief Executive Officer of De Beers Brands within De Beers Group. She was previously Chief Executive Officer of Aigle (an iconic French brand committed to sustainable fashion). Before joining Aigle, Sandrine was Executive Vice-President of Marketing & Branding at Lacoste (another iconic French fashion brand) from 2011 to 2015. She contributed to the turnaround of the House of Lacoste, of which she was a member of the Executive Committee, with strong growth and numerous professional awards, including several Cannes Lions Awards. Sandrine began her career at Unilever and spent 18 years managing international businesses, mainly in the Personal Care division, in Latin America, Europe and Asia. Sandrine is also a member of the Board of Directors of Raise Don (the leading philanthropic endowment fund dedicated to start-ups) and a founding partner of NEO FOUNDERS (a venture capital fund sponsoring impact start-ups). Sandrine is an independent Director with IFA Science-Po certification and an INSEAD International Directors program.

Jennifer SAENZ, director

Jennifer SAENZ joined Albertsons Companies in July 2021 and holds the position of Executive Vice-President Pharmacy and eCommerce Operations. Jennifer has extensive experience in the global industry and is recognized in the field of management, marketing and innovation. She previously spent 15 years at PepsiCo, where she served as Global Chief Marketing Officer and President, Global Foods, responsible for the $30 billion PepsiCo Foods portfolio. Previously, she was SVP & Chief Marketing Officer of PepsiCo Foods North America. She has also been recognized for her professional achievements, including Fast Company's Most Creative People in 2018, Brand Innovators' Top 100 Women in Marketing in 2017, 2018 and 2019, and the AdWeek Brand Genius Award in 2017. Jennifer is also a member of the 2023 Class of Henry Crown Fellows at The Aspen Institute. A graduate of the Goizueta School of Business at Emory University, she also holds an MBA from the Wharton School at the University of Pennsylvania and is a graduate of the Leading Global Businesses Program at Harvard Business School. She is a member of the Board of Directors of United Way of Metropolitan Dallas.

List of offices and positions held by the directors and members of Executive Management in any company over the last 5 years

First name-Surname or company name	Other offices currently held in other companies	Other offices and positions held in other companies over the past five years and no longer held at the date of this Universal Registration Document
Philippe POULETTY[1]	**As permanent representative of TRUFFLE CAPITAL:** Director of Evexta Bio SA Director of Affluent Medical SA(3) (Euronext Paris) Co-founder and Director of Holistick Medical S.A.S.U. Director of Skinosive SAS Director of Artedrone SAS Director of PK Med SAS Director of Bariatek SAS Director of Caranx Medical SAS Chairman of SpikImm SAS **In a personal capacity:** Chief Executive Officer of TRUFFLE CAPITAL S.A.S. Manager of NAKOSTECH SARL	**As permanent representative of TRUFFLE CAPITAL:** Chairman of the Board of Directors of Evexta Bio SA Chairman of PK Med SAS Director of PLASMAPRIME S.A.S. Director of NEOVACS S.A. (Euronext Growth Paris)(3) Director of ABIVAX SA (Euronext Paris)(3) Director of Carmat SA (Euronext Growth Paris)(3) Director of Pharnext SA (Euronext Growth Paris) Director of Deinove SA (Euronext Growth Paris)(3) **In a personal capacity:** Chairman of Caranx Medical SAS Director of ABIVAX SA (Euronext Paris)(3) Chairman of SKINOSIVE SASU Honorary Chairman of France Biotech (French non-profit organization under French Law of 1901)
Emmanuel LADENT[2]	None.	Chairman of Carbiolice.
Laurent SCHMITT (representative of BOLD, Business Opportunities for L'Oréal Development)	**As permanent representative of BOLD, Business Opportunities for L'Oréal Development:** None. **In a personal capacity:** Chief Corporate Finance and Financial Communication Officer of the L'Oréal group Chairman of BOLD - "Business Opportunities for L'Oréal Development"	**As permanent representative of BOLD, Business Opportunities for L'Oréal Development:** None. **In a personal capacity:** None.
Nicolas SEEBOTH (representative of Michelin Ventures)	**As representative of MICHELIN VENTURES:** None. **In a personal capacity:** None.	**As representative of Michelin Ventures:** None. **In a personal capacity:** None.
Vincent KAMEL	Director and Chairman of Kamergy S.A.S.	Director of Rhodia Opérations S.A.S. Director of PolyTechnyl S.A.S. Chairman of GBU Solvay PEPOL COO of Domo Chemicals
Juan DE PABLO	Member of the Scientific Advisory Board of Solvay Director of the Toyota Technical Institute of Chicago Member of the Board of the American Academy of Arts and Sciences Director of the Board of the Marine Biological Laboratory, Woodshole Member of the Scientific Advisory Board of Syensqo, Brussels Member of the Scientific Advisory Board of the Dreyfus Foundation	Member of the Board of the Laboratory Schools of Chicago
Isabelle PARIZE	Chairwoman of the Supervisory Board of Delsey Partner of ODYS SPL Member of the Board of Directors and of the Audit Committee of COTY[2] Member of the Board of Directors of FLO Health Inc.	Member of the Board of Directors of Air France-KLM SA until July 2023 Chairwoman of DHI S.A.S. until July 2021 Chairwoman of Delsey S.A.S. until July 2021 Member of the Board of Directors of Auchan Retail International until October 2018 Member of the Board of Directors of Robertet(3) until June 2020 Member of the Board of Directors of Delsey Luggage Inc. and Delsey DUSH until August 2021 Member of the Board of Directors of Delsey Asia Limited, Delsey Hong Kong Ltd and Delsey Dongguan until September 2021 Member of the Board of Directors and Audit Committee of Pandora[3] until November 2021

Mateus SCHREINER GARCEZ LOPES	Global Head of Energy Transition and Investments at Raizen Vice-Chairman of the Board of the Brazilian Bioinnovation Association	Global Head of Innovation and Business Development in the renewable chemicals sector at Braskem until July 2021
Karine AUCLAIR	Professor of chemistry at McGill University	None.
Amandine DE SOUZA	Independent Director of Christofle Independent Director of United B	Chief Executive Officer of Leboncoin Chief Executive Officer of Bazar De l'Hotel De Ville (BHV) Chief Executive Officer of BHV Exploitation Chief Executive Officer of Restauration du Bazar Chief Executive Officer of Eataly Chief Executive Officer of Home, DIY and Leisure Purchasing at the Galeries Lafayette Group Member of the Executive Committee of the Galeries Lafayette Group Chief Executive Officer France of Westwing
Sandrine CONSEILLER	Chief Executive Officer of De Beers Brands - De Beers Group Director of De Beers Jewellers Limited Director of De Beers Jewellers Trade Mark Limited Director of De Beers Jewellers UK Limited Director of Debcore Limited Director of Forevermark Limited Director of Natural Diamond Council Limited Independent Director of Raise Don Founding partner of NEO FOUNDERS	CEO of Aigle - Maus Freres Brand Group Independent director of Raise Sherpa Independent director of Mouvement Impact France
Jennifer SAENZ	Chief Merchandising Officer of Albertsons Companies Inc. Director of The United Way of Metropolitan Dallas Member of the Advisory Board of Work Shield Member of the Political Action Committee of Albertsons Companies Inc.	Chief Marketing Officer and President of Global Foods of PepsiCo SVP & Marketing Director of PepsiCo Foods North America

(1) Director until December 18, 2024, then Chairman and Chief Executive Officer from December 18, 2024 to March 20, 2025.
(2) Director and Chief Executive Officer until December 18, 2024.
(3) Listed company

4.1.1.2 Non-voting directors

Information about non-voting directors

During the fiscal year ended December 31, 2024, the following non-voting director took part in the meetings of the Board of Directors:

First name-Surname or company name	Gender	Main position held outside the Company	Age	Nationality	First appointment	Expiry of the term of office
Copernicus Wealth Management represented by Alen VUKIC	Male	Chief Financial Officer Copernicus Wealth Management	49	Switzerland	06/22/2022	2025 OGM for fiscal year 2024

Biography of the non-voting director

Alen VUKIC (representative of Copernicus Wealth Management), non-voting director

Copernicus Wealth Management is a manager of discretionary mandates and private and public investment funds, based in Switzerland and recognized by the local supervisory body FINMA, the CSSF in Luxembourg, the CBI in Ireland and the FME in Liechtenstein, and which, through the investment vehicles it manages, favors investments in innovative companies with high growth potential that can improve social well-being and address important issues such as environment.

Alen VUKIC, Chief Financial Officer of Copernicus Wealth Management, is co-founder of the Copernicus group. He is also Chairman of Thalia Capital Advisors S.A. and Finpartners Financial Services S.A. and spent 11 years at BSI Group (now EFG), including four years at the group's wealth management company, Patrimony 1873 S.A., which he helped create. Since his beginnings in 2001 as a financial analyst, he has held the positions of co-manager of the BSI Multinvest Asia ex-Japan fund, Risk Manager Asset Management at BSI, member of the Fondazione di Previdenza BSI S.A. and Fondo Complementare di Previdenza BSI S.A. (two foundations of the BSI group). He is a member of the Board of Directors of several dedicated private funds managed by Copernicus in Ireland and Luxembourg, and of Centrica SICAV, Copernicus's undertaking for collective investment in SICAV securities, as well as of the Alliance of Swiss Wealth Managers since 2021.

List of offices and positions held by the non-voting director in all companies over the last 5 years

First name-Surname or company name of the non-voting director	Other offices currently held in other companies	Other offices and positions held in other companies over the past five years and no longer held at the date of this Universal Registration Document
Copernicus Wealth Management represented by Alen VUKIC	**In a personal capacity:** Non-Executive Director of Gaea QIAIF ICAV Non-Executive Director of B Settlement Fund SICAV-SIF Non-Executive Director of Bernhei Investment Fund SICAV-SIF Non-Executive Director of Palessia Multi Asset Fund SICAV-SIF Non-Executive Director of Centrica until September 2022 Executive Director of Copernicus Wealth Management S.A. Chairman and Non-Executive Director of Thalia Capital Advisors S.A. Chairman of Finpartner Financial Services S.A. Non-Executive Director of Alliance of Swiss Wealth Managers Non-Executive Director of Italian Private Opportunities S.p.A Non-Executive Director of Sorgenti Italiane Regionali S.p.A. Non-Executive Director of IPO Fashion & Design S.r.l. Non-Executive Director of IPO Services S.r.l. Non-Executive Director of IPO Caffè S.p.A.	**In a personal capacity:** Non-Executive Director of Centrica until September 2022

4.1.2 EXECUTIVE MANAGEMENT

4.1.2.1 Composition of Executive Management

Vincent KAMEL has been Chief Executive Officer since March 20, 2025, for a period of one year, i.e. until March 20, 2026. He is domiciled at the Company's registered office, Cataroux Site - 8 rue de la Grolière - 63100 Clermont-Ferrand - France.

First name-Surname or company name	Date of 1st appointment	Expiry of the term of office	Main position held within the Company	Main position held outside the Company
Vincent KAMEL	Meeting of the Board of Directors of 03/20/2025	March 20, 2026	Chief Executive Officer	Director and Chairman of Kamergy S.A.S.

The Management team is also composed of Alain MARTY, Chief Scientific Officer, Antoine TRILLOT, Chief Administrative and Financial Officer, Mathieu BERTHOUD, SVP Business Development, Feedstock Recycling, Lionel ARRAS, Industriel Development Director, Stéphane FERREIRA, Chief Biorecycling Business Officer, Delphine DENOIZE, Public Funding and Regulation Director, Sophie BALMARY, HR and Legal Director, Bénédicte GARBIL, SVP Corporate Affairs, Sustainability and Communication, and Tommy MAUSSIN, Marketing Director, whose biographies are presented below:

Professor Alain MARTY holds an Engineering degree and a Doctorate in Biochemical and Food Engineering from INSA (Institut National des Sciences Appliquées) in Toulouse. He started his career in 1992 as Lecturer at INSA Toulouse. In 2004, he obtained an accreditation to direct research and was appointed Professor in 2007. At the time, he conducted his research in the INSA/CNRS/INRAE TBI laboratory, in particular in the fields of biotechnology, biocatalysis, enzymology, enzymatic molecular engineering, the development of intensified enzymatic reagents and metabolic engineering. During his career, he combined cutting-edge research with the drive to implement it in the industrial world. He was appointed expert for AERES (the French agency for the assessment of research and higher education) and for ANR (the French national research agency). Alain MARTY has been Chief Scientific Officer at Carbios since June 1, 2015.

Antoine TRILLOT heads the finance department of Carbios, which he joined in March 2025 and also supervises the purchasing and IT departments. A graduate of IESEG Business School in France, he has more than 20 years of experience in the field of finance, mainly within the Solvay chemistry group. He has notably held the positions of Chief Financial Officer of business units for the aroma and silica market and Director of Management Control for the Polyamide business within the Solvay group in international environments.

Mathieu BERTHOUD has more than 30 years of experience, including 10 years at Rhodia (now Solvay) and more than 20 years at Suez, in various business development positions or general management of subsidiaries in France or abroad (Benelux, Germany). He was most recently Technical and Performance Director of the recycling and recovery activities of the entire Group. A university-trained scientist, he also holds an MBA from HEC Paris. At Carbios, he is responsible for securing the supply of PET waste for the future Longlaville plant.

Lionel ARRAS is a graduate of ENSIC Nancy and holds an MBA from the Lyon School of Management. Before joining Carbios, Lionel ARRAS was Director of Technology and Project Europe at Elkem Silicones, Director of Strategic and Industrial Projects (increases in capacity, improvement of efficiency) and in charge of managing the portfolio of current investments for the production activities of large on-site intermediaries with substantial productivity, cost and HSE challenges. He was also responsible for R&D projects and resources in Chemistry and Processes Europe and contracts with external development partners. He was heavily involved in the development of the global Technology and Projects organization between Europe, China and Norway. Prior to that, Lionel ARRAS held positions as process engineer and production manager in factories. He began his career in 1998 in the engineering and technology center of Rhône-Poulenc in Décines (France) after a cooperation with Purdue University in Indiana (United States).

Stéphane FERREIRA is Chief Biorecycling Business Officer at Carbios, where he is in charge of the international business development of Carbios and will manage the relationship with all the industrial and commercial partners. With more than 20 years of experience in specialty chemicals, Stéphane FERREIRA has in-depth knowledge of the materials and life sciences markets. A graduate of the Institut Agro Montpellier, he holds a Masters of Science in Life Sciences. He has held strategic and operational positions at DuPont and Arkema, working in several countries including France, Germany and Korea. More recently, Stéphane FERREIRA was Vice-President of Transformation for Arkema's coatings business entity. His leadership and customer focus have enabled him to successfully carry out major transformation projects, developing the culture, processes and strategic partnerships essential to business growth.

Delphine DENOIZE: after several years spent in innovation in the agricultural world, Delphine DENOIZE joined the Company in 2016 and is one of the Group's top twenty employees. First in charge of Innovation Financing and Regulation, then Project Manager for PET biorecycling, she supports the Company's projects. Her responsibilities include the French and European public financing of innovation, the validation of the compliance of processes and products with various regulations around the world, as well as the assessment of their environmental impact through tools such as life cycle analysis.

Sophie BALMARY: A lawyer graduated in Business Law from the University of Grenoble, Sophie BALMARY has more than 25 years of experience, including 6 years at Michelin and more than 20 years at Groupe Renault where she was respectively Director of Labor Relations and Director of Labor Relations France, Director of Renault Headquarters, Senior International Legal Officer. As HR and Legal Director, Sophie BALMARY is in charge of supporting the growth of the Company's organization and its activities: steering organizational changes, developing talents and contributing to developing a stimulating and fulfilling work environment, and also securing Carbios' activities in the context of its industrial and commercial development.

Bénédicte GARBIL: An expert in public policies and financing of innovative projects, Bénédicte GARBIL is a graduate of Sciences-Po Lille, and holds a Master's degree in Health Law and Regulatory Affairs and a University Diploma in Pharmacoeconomics. Before joining Carbios, Bénédicte GARBIL was Deputy Director of Health and Biotechnologies for the French General Investment Commission (CGI), Head of the Bureau des Industries de Santé at the Direction Générale des Entreprises (DGE), then managed Edwards Lifesciences in France for 4 years and created a consulting company helping biotechnology and healthcare companies. As SVP Corporate Affairs, Sustainability and Communication, she is responsible for three departments: Public Affairs, Institutional Affairs and Sustainable Development. In Institutional Affairs, she oversees the Communication, Regulatory, Project Management and Innovation Financing functions. In terms of Sustainable Development, she oversees the CSR and QHSE functions.

Tommy MAUSSIN: As Marketing Director at Carbios, Tommy MAUSSIN's mission is to develop and manage Carbios' global marketing and sales activities with brands in various sectors, including packaging, textiles, luxury goods, automotive, cosmetics, healthcare and industrial goods. Tommy is responsible for strengthening Carbios' global presence in order to initiate and close commercial agreements with the brands. With more than 17 years of experience in international business in several Michelin divisions, Tommy has been European Director and Vice-President of the lifestyle division for the last four years. During this period, he successfully transformed operations and generated significant growth for the Michelin and Robert Parker Wine Advocate guides in various regions. His vision for Carbios is based on rigorous strategic execution, the promotion of multiculturalism within the teams and a particular focus on client relationships to drive the Company's growth.

4.1.2.2 List of offices and positions held by the members of Executive Management in any company over the last 5 years

The list of offices and positions held by Vincent KAMEL in any company over the last five years is presented in section 4.1.1.1, in the table presenting the "List of offices and positions held by the directors and members of Executive Management in any company over the last five years".

4.1.3 DECLARATIONS CONCERNING THE MEMBERS OF THE BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

Over the past five years, none of the members of the Company's Board of Directors or Executive Management:
- has been found guilty of any fraud;
- has been involved in any bankruptcy, receivership or liquidation proceedings as an executive or corporate officer;
- has been banned, by a court of law, from acting as a member of an administrative, management or supervisory body of an issuer or being involved in the management or conduct of such a company's business;
- has been subject to any official public indictment and/or sanction by any statutory or regulatory authorities (including designated professional bodies).

4.1.4 CONFLICTS OF INTEREST AT THE LEVEL OF THE ADMINISTRATIVE BODIES AND EXECUTIVE MANAGEMENT

As of the date of this Universal Registration Document, BOLD holds 5.60% of the share capital and 5.60% of the exercisable voting rights of the Company, and Michelin Ventures holds 3.09% of the share capital and 3.08% of the exercisable voting rights of the Company. However, subject to this reserve, at the date of this Universal Registration Document, to the Company's knowledge:
- there are no conflicts of interest between the duties of the members of the Board of Directors and Executive Management within the Company and their private interests;
- there is no arrangement or agreement entered into with the main shareholders, customers, suppliers or others pursuant to which a member of the Board of Directors or Executive Management has been appointed;
- there is no restriction agreed to by the members of Board of Directors or the Executive Management concerning the disposal, within a certain period of time, of their interests in the issuer's share capital.

4.1.5 FUNCTIONING OF THE ADMINISTRATIVE AND EXECUTIVE BODIES

4.1.5.1 Terms of office of the members of the Board of Directors and Executive Management

Executive Management

The Company is represented with regard to third parties by Vincent KAMEL, Chief Executive Officer, who was appointed in this capacity by decision of the Board of Directors on March 20, 2025.

Executive Management (Article 17 of the bylaws)

Please refer to section 7.2.2.3 of this Universal Registration Document.

Board of Directors

Terms of office of the members of the Board of Directors

At the date of this Universal Registration Document, the Board of Directors was composed of the following members:

First name-Surname or company name	Date of 1st appointment	Expiry of the term of office
DIRECTORS		
Vincent KAMEL	06/23/2021	2025 OGM for fiscal year 2024
BOLD, Business Opportunities for L'Oréal Development (represented by Laurent SCHMITT)	06/23/2021	2025 OGM for fiscal year 2024
Michelin Ventures (represented by Nicolas SEEBOTH)	06/23/2021	2025 OGM for fiscal year 2024
Juan DE PABLO(1)	06/29/2022	2025 OGM for fiscal year 2024
Isabelle PARIZE	06/29/2022	2025 OGM for fiscal year 2024
Karine AUCLAIR(1)	02/07/2023	2025 OGM for fiscal year 2024
Mateus SCHREINER GARCEZ LOPES(1)	02/07/2023	2025 OGM for fiscal year 2024
Amandine DE SOUZA(1)	02/07/2023	2025 OGM for fiscal year 2024
Sandrine CONSEILLER(1)	02/07/2023	2027 OGM for fiscal year 2026
Jennifer SAENZ(1)	06/20/2024	2028 OGM for fiscal year 2027
NON-VOTING DIRECTORS		
Copernicus Wealth Management (represented by Alen VUKIC)	06/22/2022	2025 OGM for fiscal year 2024

(1) Independent members of the Board of Directors.

All directors may be reappointed at the end of each 4-year term of office and all non-voting directors at the end of each 1-year term.

Change in the composition of the Board of Directors planned for the 2025 fiscal year
The Shareholders' Meeting called to approve the financial statements for the fiscal year ended December 31, 2024 will be asked to renew the terms of office of the following directors in office, which will expire at the end of the said Shareholders' Meeting: Vincent KAMEL, BOLD, Business Opportunities for L'Oréal Development, Michelin Ventures, Isabelle PARIZE, Karine AUCLAIR and Mateus SCHREINER GARCEZ LOPES, for a period of four years.

The Board of Directors (Articles 13 to 16 of the bylaws)
Please refer to section 7.2.2.1 of this Universal Registration Document.

Non-voting directors (Article 15.6 of the bylaws)
Please refer to section 7.2.2.2 of this Universal Registration Document.

Attendance rate of directors and non-voting directors at meetings of the Board of Directors

The minutes of each meeting are prepared under the responsibility of the Chairman of the Board of Directors. It is transcribed in the minutes register after signature by the Chairman and one of its members.

During the fiscal year ended December 31, 2024, the Company's Board of Directors met nine times on the days and months listed below.

Board meeting dates	Number of directors and non-voting directors present or represented	Attendance rate
March 21, 2024	Directors: 10 Non-voting director: 1	Directors: 90.9% Non-voting director: 100%
April 10, 2024	Directors: 10 Non-voting director: 1	Directors: 90.9% Non-voting director: 100%
April 24, 2024	Directors: 10 Non-voting director: 0	Directors: 90.9% Non-voting director: 0%
July 2, 2024	Directors: 12 Non-voting director: 1	Directors: 100% Non-voting director: 100%
October 1, 2024	Directors: 12 Non-voting director: 1	Directors: 100% Non-voting director: 100%
October 29, 2024	Directors: 10 Non-voting director: 1	Directors: 83.3% Non-voting director: 100%
November 25, 2024	Directors: 10 Non-voting director: 1	Directors: 83.3% Non-voting director: 100%
December 11, 2024	Directors: 12 Non-voting director: 1	Directors: 100% Non-voting director: 100%
December 18, 2024	Directors: 12 Non-voting director: 0	Directors: 100% Non-voting director: 0%

At the end of the next annual Shareholders' Meeting, the Board will examine the results of the votes and decide on the possibility of a communication on this subject.

Service agreements between members of the administrative or executive bodies and the Issuer or one of its subsidiaries (Article 19 of the bylaws)

As of the date of this Universal Registration Document, there are no service agreements binding the members of the Board of Directors and Executive Management to the Company.

Article 19 – Agreements between the Company and a director, the Chief Executive Officer, a Deputy Chief Executive Officer or a shareholder holding more than 10% of voting rights

19.1 Agreements subject to prior authorization

Except for agreements concerning day-to-day operations and taking place under normal conditions, any agreement taking place directly, or via a third person, between the Company and one of its Board members, the Chief Executive Officer, a Deputy Chief Executive Officer or a shareholder holding more than 10% of the Company's voting rights (or if such a shareholder is a legal entity, the Company controlling it within the meaning of Article L. 233-3 of the French Commercial Code) shall be subject to the Board of Directors' prior authorization.

The same applies to any agreements in which one of the persons referred to in the previous paragraph has an indirect interest.

Prior authorization is also required for agreements between the Company and another company, if the Company's Chief Executive Officer, one of its Deputy Chief Executive Officer, or one of its Board members is an owner, unlimited liability partner, manager, Board member, member of the Supervisory Board or, generally, an executive officer of said company.

Such agreements must be authorized and approved as required by law.

19.2 Prohibited agreements

Under penalty of nullity of the contract, Board members other than legal entities are prohibited from taking out any form of loan from the Company, obtaining any overdraft from the Company, through a current account or otherwise, or getting the Company to guarantee or stand surety for their commitments to third parties.

This ban also applies to the Company's Chief Executive Officer, its Deputy Chief Executive Officers and the permanent representatives of any legal entities who are Company directors. It also applies to the spouses, ascendants and descendants of the persons mentioned in this Article, as well as any intermediary.

19.3 Current agreements

Agreements relating to day-to-day operations and entered into under normal conditions are not subject to the legal authorization and approval process.

4.1.5.2 Information on committees

The bylaws (Article 16) provide that the Board of Directors may set up a certain number of committees with advisory functions.

At the date of this Universal Registration Document, the Board of Directors has set up the following committees:

4.1.5.2.1 Audit Committee

The Audit Committee is an ad hoc advisory committee whose general mission is to assist the Board of Directors with regard to the accuracy of the financial statements, the quality of the internal control system, the quality and relevance of the information provided and the Statutory Auditors' proper execution of their assignment. It does this by issuing opinions, proposals and recommendations. To this effect, the Audit Committee's duties are the following:

- verifying that the Company has set up and uses an organization and resources to provide fair, accurate and reliable accounting information to shareholders and the market;
- ensuring that procedures have been laid down and are implemented with regard to choosing the Statutory Auditors and complying with the latter's recommendations;
- ensuring that the financial information published is consistent with the Company's financial statements;
- examining the replies provided by the Executive Management to the questions submitted by stock market authorities and financial analysts;
- ensuring that procedures have been laid down and are implemented correctly to identify, qualify and control the risks incurred by the Company;
- ensuring the existence and assessing the relevance of financial control and internal audit procedures.

The members of the Audit Committee are appointed by the Board of Directors for a fixed term set by the appointment decision, with the understanding that the Board of Directors may terminate the duties of the members of the Audit Committee at any time without compensation, without prior notice and without having to justify its decision.

At the date of this Universal Registration Document, Nicolas SEEBOTH is a member of the Audit Committee and research will be carried out so that the Board can quickly appoint a new Chairman of said Committee.

The Audit Committee meets 2 or 3 times a year, at the request of its Chairwoman or the Board of Directors.

The Audit Committee's decisions are adopted by a majority of the members present at the meeting. A member cannot be represented by another member and the decisions of the Audit Committee are counter-signed in its minutes.

4.1.5.2.2 Compensation and Appointments Committee

The Compensation and Appointments Committee (formerly the Compensation and Appointments Commission) is an ad hoc advisory body whose general mission is to assist the Board of Directors on any issue related to the compensation of any person performing a task for the Company, such as its executive officers, employees and consultants. It does this by issuing opinions, proposals and recommendations. The Committee's mission is also to assist the Board of Directors in the appointment of any person to the functions of, in particular, directors and executive officers.

It reports to the Board of Directors on a regular basis.

It is composed of the following members
- Laurent Schmitt, who chairs it;
- Isabelle Parize; and
- Sandrine Conseiller, independent member.

The Compensation and Appointments Committee meets at least once a year.

Its duties involve the following:
• analyzing compensation;
• proposing the award of exceptional compensation;
• putting forward proposals to define criteria and objectives;
• appointment proposals.

4.1.5.2.3 Strategy and CSR Committee

When the Company wishes to address issues related to strategy or CSR (Corporate Social and Environmental Responsibility), the Strategy and CSR Committee, created by the merger of the former Strategy Commission and CSR Commission, meets.

It is composed of the following members:
- Isabelle Parize, who chairs it;
- Laurent Schmitt; and
- Nicolas Seeboth.

The Strategy and CSR Committee meets as often as its Chairman deems necessary.

Its general mission is:
• to participate in determining the strategy of the Company and the Group and in monitoring its implementation;
• to maintain an ongoing dialog with Executive Management on the strategic developments of the Company and the Group;
• to verify that Executive Management follows a thorough reflection process and examines all possible options;
• to bring together experts to examine the appropriateness of the strategic choices considered;
• to assist and make recommendations to the Board of Directors on the Company's CSR commitments, action programs and roadmap.

4.1.5.3 Corporate governance statement

At the date of this Universal Registration Document, the Company refers to the corporate governance guidelines for small and mid-caps as published in September 2021 by Middlenext. The Company also improves its internal control principles by taking into account, in particular, the risk management and internal control reference framework for small and mid-caps published by the AMF on July 22, 2010.

The following table presents the Middlenext recommendations with which the Company complies and those with which it intends to comply in the future:

Middlenext Code Recommendations	Applied	Not applied
I "Supervisory" power		
R1: Code of Ethics for Board members	X	
R2: Conflicts of interest	X	
R3: Composition of the Board – Presence of independent members on the Board	X	
R4: Board member information	X	
R5: Board member training(1)		X
R6: Organization of Board and Committee meetings	X	
R7: Creation of committees(2)	X	
R8: Establishment of a specialized Corporate Social Responsibility (CSR) committee	X	
R9: Establishing internal rules for the Board(3)	X	
R10: Selection of each director	X	
R11: Duration of terms of office of Board members(4)	X	
R12: Directors' compensation	X	
R13: Establishing an assessment of the Board's work(5)	X	
R14: Relations with "shareholders"	X	
II Executive power		
R15: Diversity and equity policy within the Company	X	
R16: Definition and transparency of compensation for executive corporate officers	X	
R17: Preparation for the succession of "executives"	X	
R18: Holding of both employment contract and corporate office	X	
R19: Severance payments	X	
R20: Supplementary pension schemes(6)		X
R21: Stock options and allocation of free shares	X	
R22: Review of points to be monitored	X	

(1) As of the date of this Universal Registration Document, no training plan is currently in place within the Company. This provides for a review on this issue to assess the advisability of complying with this recommendation.
(2) As of the date of this Universal Registration Document, the Company complies with these recommendations, except for (i) the independence of the Chairman of the Compensation and Appointments Committee, (ii) the independence of the Chairwoman of the Strategy and CSR Committee. Indeed, (i) the Compensation and Appointments Committee is chaired by Laurent SCHMITT, as although he is not an independent director, given his experience and in-depth knowledge of management and issues specific to large management groups. companies, his appointment as Chairman of the Compensation and Appointments Committee is adapted for the Company, and (ii) the Strategy and CSR Committee is chaired by Isabelle PARIZE, as although she is not an independent director, given her experience and her in-depth knowledge of industrial and commercial strategy and CSR, her appointment as Chairwoman of the Strategy and CSR Committee is adapted for the Company.
(3) The internal rules of the Board of Directors may be consulted at the Company's registered office.
(4) This recommendation is applied, with the exception of the staggering of terms of office. A review of this subject will be carried out.
(5) The procedure for the annual assessment of the Board of Directors concerns its operating methods, composition and organization, measures the contribution and involvement of directors and makes it possible to verify that important issues are properly prepared, addressed and discussed during meetings. The Board's assessment is carried out annually on the basis of a detailed questionnaire sent to each director, the responses to which are summarized by the Compensation and Appointments Committee and discussed at a meeting of the Board of Directors. The recommendations for improvement resulting from these assessments are discussed by the Compensation and Appointments Committee and the Board of Directors before their implementation, where applicable.
(6) Given the history of the Company, its shareholder structure and its size, implementing such procedures would be too heavy a burden. The Company does not therefore foresee a supplementary pension scheme for its executives.

Concerning the equity ratio[1] provided for in recommendation R16, it is 45 for the year ended December 31, 2024 for Emmanuel LADENT, Chief Executive Officer until December 18, 2024, and 2 for Philippe POULETTY (Chairman of the Board of Directors, then Chairman and Chief Executive Officer from December 18, 2024 to March 20, 2025). Furthermore, the lowest salary within the Company is €2,005 gross per month.

[1] Calculation of the ratio: total compensation payable as the numerator and the minimum wage for the reference year or the comparative period as the denominator.

4.1.5.3 Diversity and equity policy

The Company works to promote diversity and monitors that it does not discriminate on any grounds whatsoever. It ensures equal opportunities for all in terms of recruitment, training, compensation, assignments and professional development, according to personal skills and aptitudes. The Company also ensures that all its employees are treated fairly.

The Company is committed to inclusion, diversity and equality as it believes that respect for these values enables employees to be more professionally and personally fulfilled and more involved. It is therefore essential for the Company to create an environment where difference is encouraged and where employees can each make a contribution to the Company's momentum.

Any employee who experiences or witnesses behavior that goes against the values of diversity or fairness advocated by the Company is expected to report it to the appropriate authorized person, who is generally his or her line manager or the HR manager.

The Company has already observed that this policy enables it to have better productivity, higher levels of innovation and better decision-making.

4.1.5.4 Independent directors

At the date of this Universal registration document, the Company has 6 independent directors, Juan DE PABLO, Karine AUCLAIR, Mateus SCHREINER GARCEZ LOPES, Amandine DE SOUZA, Sandrine CONSEILLER and Jennifer SAENZ, i.e. 60% of the total number of directors, which the Company considers have met recommendation No. 3 of the Middlenext Code since their appointment, namely:

- to be neither an employee nor an executive corporate officer of the Company or its group and not to have been so within the last five years;
- to not have and not have had over the last two years a significant business relationship with the Company or its group (customer, supplier, competitor, service provider, creditor, etc.);
- to neither be a lead shareholder of the Company nor hold a significant percentage of voting rights;
- to not have a close relationship or close family ties with a corporate officer or lead shareholder; and
- to not have been a Statutory Auditor of the Company within the last six years.

4.2 COMPENSATION AND BENEFITS

Tables 1, 2, 3, 6, 7, 10 and 11 of Appendix 2 to the AMF Position-Recommendation No. 2021-02 are presented below. Tables 4, 5 and 9 are not applicable. Table 8 is presented in section 6.4.2 of this Universal Registration Document.

The following table shows all of the compensation of any nature, benefits in kind and other compensation paid to the members of the Board of Directors and the Executive Management of Carbios during the fiscal years ended December 31, 2023 and 2024:

TABLE 1: SUMMARY OF COMPENSATION AND OPTIONS/SHARES ALLOCATED TO EXECUTIVE CORPORATE OFFICERS

(In euros) (1)	12/31/2024	12/31/2023
Philippe POULETTY, Chairman of the Board of Directors until December 18, 2024, then Chairman and Chief Executive Officer from December 18, 2024 to March 20, 2025		
Compensation awarded for the fiscal year	37,650(2)	53,100(2)
Value of multi-year variable compensation awarded during the fiscal year	-	-
Value of options awarded during the fiscal year	-	-
Value of free shares awarded during the fiscal year	-	-
Value of other long-term compensation plans	-	-
Emmanuel LADENT, Chief Executive Officer until December 18, 2024		
Compensation awarded for the fiscal year	979,645(2)	878,990(2)
Value of multi-year variable compensation awarded during the fiscal year	-	-
Value of options awarded during the fiscal year	-	-
Value of free shares awarded during the fiscal year	1,290,000(3)	267,997(4)
Value of other long-term compensation plans	-	-
TOTAL	**2,307,295**	**1,200,087**

(1) Gross amount before tax.
(2) Details in Table 2: Summary of the compensation of each Executive Corporate Officer.
(3) The valuation of the free shares (AGAP) shown here is the fair value (total expense, not deferred) of the free shares allocated in 2024. Please refer to section 6.5.2 of this Universal Registration Document concerning the AGAP granted to executive corporate officers. It is specified that the allocations of free shares carried out in 2024 for the benefit of Emmanuel LADENT lapsed on December 18, 2024, the date of the end of his duties as Chief Executive Officer, consequently the accounting expense that was to be provisioned in the consolidated financial statements (IFRS) was finally canceled for 2024.
(4) The valuation of the free shares (AGAP) shown here is the fair value (total expense, not deferred) of the free shares allocated in 2023. It should be noted that the related accounting expense amounted to €23 thousand in the consolidated financial statements (IFRS) for 2023. Please refer to section 6.5.2 of this Universal Registration Document concerning the AGAP granted to executive corporate officers. It is specified that the allocations of free shares carried out in 2023 for the benefit of Emmanuel LADENT lapsed on December 18, 2024, the date of the end of his duties as Chief Executive Officer.

TABLE 2: SUMMARY OF THE COMPENSATION OF EACH EXECUTIVE CORPORATE OFFICER

	12/31/2024		12/31/2023	
(In euros) [1]	Amounts payable	Amounts paid	Amounts payable	Amounts paid
Philippe POULETTY, Chairman of the Board until December 18, 2024, then Chairman and Chief Executive Officer from December 18, 2024 to March 20, 2025			-	-
Fixed compensation	-	-	-	-
Annual variable compensation	-	-	-	-
Multi-year variable compensation	-	-	-	-
Exceptional compensation	-	-	-	-
Compensation allocated in respect of his office as director	37,650	41,500	53,100	36,757
Benefits in kind	-	-	-	-
Emmanuel LADENT, Chief Executive Officer and director (until December 18, 2024)				
Fixed compensation	379,455	379,455	363,373	363,373
Annual variable compensation[2]	-	196,663	196,663	148,500
Multi-year variable compensation	-	-	-	-
Exceptional compensation	579,400	163,504	416,031	416,031
Compensation allocated in respect of his office as director	-	-	-	-
Benefits in kind[3]	20,790	20,790	14,871	14,871
TOTAL	**1,017,295**	**801,912**	**1,044,038**	**979,532**

(1) Gross amount before tax.
(2) In accordance with the commitments made by the Company, Emmanuel LADENT was liable to receive an annual bonus equal to 50% of his annual compensation for fiscal year 2023, and 60% for fiscal year 2024, subject to the cumulative achievement of defined professional objectives, within the planned deadlines. These elements were reassessed every year by the Board of Directors following the presentation of recommendations by the Compensation and Appointments Commission (now Compensation and Appointments Committee). At the beginning of the calendar year, the latter proposes to the Board of Directors to set precise and quantifiable annual strategic objectives for the Company's management team by applying a weighting coefficient for each objective according to its importance. At the end of the year, or at the beginning of the following year, the Compensation and Appointments Commission (now Compensation and Appointments Committee) proposes that the Board of Directors record the achievement of all or part of each of the objectives. It is the cumulative achievement of each of the objectives that defines the percentage of the annual bonus to be paid to Emmanuel LADENT. For the 2024 fiscal year, Emmanuel LADENT was not awarded any bonus.
(3) Emmanuel LADENT received benefits in kind in the form of a company car, a supplementary pension, "Civil liability for corporate officers" insurance and an executive unemployment insurance.

TABLE 3: DIRECTORS' FEES AND OTHER COMPENSATION RECEIVED BY NON-EXECUTIVE CORPORATE OFFICERS

	12/31/2024		12/31/2023	
Gross compensation payable (In euros)	**Amounts payable**	**Amounts paid**	**Amounts payable**	**Amounts paid**
Jacqueline LECOURTIER, director until February 6, 2023				
Compensation (fixed, variable)	-	-	-	5,357
Other compensation	-	-	-	-
Jean-Claude LUMARET, Industrial Director until March 31, 2022 and director until February 6, 2023				
Compensation (fixed, variable)	-	-	-	11,643
Other compensation	-	-	-	-
Alain CHEVALLIER, director until February 6, 2023				
Compensation (fixed, variable)	-	-	-	8,286
Other compensation	-	-	-	-
Jean FALGOUX, director until February 6, 2023				
Compensation (fixed, variable)	-	-	-	11,857
Other compensation	-	-	-	-
BOLD, Business Opportunities for L'Oréal Development, represented by Laurent SCHMITT				
Compensation (fixed, variable)	-	-	-	-
Other compensation	-	-	-	-
MICHELIN VENTURES, represented by Nicolas SEEBOTH				
Compensation (fixed, variable)	-	-	-	-
Other compensation	-	-	-	-
Vincent KAMEL, director				
Compensation (fixed, variable)	29,850	38,500	53,300	44,000
Other compensation	-	-	-	-
Juan DE PABLO, director				
Compensation (fixed, variable)	11,850	13,100	20,900	19,871
Other compensation	-	-	-	-
Isabelle PARIZE, director				
Compensation (fixed, variable)	16,450	17,000	23,300	22,729
Other compensation	-	-	-	-
Karine AUCLAIR, director				
Compensation (fixed, variable)	12,450	13,100	16,000	7,900
Other compensation	-	-	-	-
Mateus SCHREINER GARCEZ LOPES, director				
Compensation (fixed, variable)	12,450	14,700	26,000	16,300
Other compensation	-	-	-	-
Amandine DE SOUZA, director				
Compensation (fixed, variable)	13,050	16,300	22,000	11,900
Other compensation	-	-	-	-
Sandrine CONSEILLER, director				
Compensation (fixed, variable)	14,200	18,850	24,400	12,900
Other compensation	-	-	-	-

Jennifer SAENZ, director since June 20, 2024				
Compensation (fixed, variable)	6,850	-	-	-
Other compensation	-	-	-	-
Total	**117,150**	**131,550**	**185,900**	**172,743**

TABLE 6: FREE SHARES ALLOCATED TO EACH CORPORATE OFFICER

Free shares allocated to each Corporate Officer						
Free shares allocated by the Shareholders' Meeting during the fiscal year to each Corporate Officer by the issuer and by any Group company (nominative list)	**Plan number and date**	**Number of shares allocated during the fiscal year**	**Valuation of shares according to the method used for the consolidated financial statements(2)**	**Vesting date**	**Availability date**	**Performance conditions**
Emmanuel LADENT Chief Executive Officer until December 18, 2024	N°: 2023-1 Plan Date: September 27, 2023(1)	12,000	267,965	September 27, 2026	September 27, 2026	Yes(3)
Emmanuel LADENT Chief Executive Officer until December 18, 2024	N°: 2024-1 Plan Date: July 2, 2024 (4)	60,000	1,290,000	July 2, 2027	July 2, 2027	Yes(5)
Total	-	**72,000**	**1,557,997**	-	-	-
Philippe POULETTY Chairman of the Board of Directors, then Chairman and Chief Executive Officer until December 18, 2024, then Chairman and Chief Executive Officer from December 18, 2024 to March 20, 2025	N/A	N/A	N/A	N/A	N/A	N/A
TOTAL	-	-	-	-	-	-

(1) In accordance with the 22nd resolution adopted by the Combined Shareholders' Meeting of June 22, 2023, the Board of Directors, at its meeting of September 27, 2023, decided to allocate 84,150 free Company shares.
(2) Value of the shares at the time of their allocation as used in the context of the application of IFRS 2, after taking into account, in particular, any discount linked to performance criteria and the probability of presence in the company at the end of the vesting period, but before spreading the expense under IFRS 2 over the vesting period.
(3) a) for 30% of the free shares allocated to the beneficiary ("Tranche 1"): the achievement, in 2026, of a production rate at the PET biorecycling plant that complies with the specifications set by the Board of Directors;
b) for 30% of the free shares allocated to the beneficiary ("Tranche 2"): the commitment, by the end of 2026, of a significant number of plants operating under licenses for a total industrial capacity on PET technology in accordance with the business plan, as assessed by the Board of Directors;
c) for 25% of the free shares allocated to the beneficiary ("Tranche 3"): a quantity of shares equal to the product of (i) the maximum quantity of shares allocated in respect of Tranche 3 multiplied by (ii) a number "N" between 0 and 1 determined in the Plan Regulations;
d) for 15% of the free shares allocated to the beneficiary ("Tranche 4"): the achievement, at the end of the vesting period, of a GAIA score of 70 out of 100 (currently 64 for Carbios compared to a score of 57 for the companies in the benchmark according to GAIA).
(4) In accordance with the 18th resolution adopted by the Combined Shareholders' Meeting of June 20, 2024, the Board of Directors, at its meeting of July 2, 2024, decided to allocate 146,500 free Company shares.
(5) a) for 25% of the free shares allocated to the beneficiary ("Tranche 1"): the holding by the Carbios Group, before December 31, 2027, of at least two new international patent families reinforcing the protection of PET (process or enzymes) and at least two new international patent families strengthening the protection of new polymers, compared to December 31, 2023;
b) for 30% of the free shares allocated to the beneficiary ("Tranche 2"): the achievement by the Longlaville biorecycling plant, by the last quarter of 2027 at the latest, of an annual production rate in line with the plan adopted by the Board of Directors, which may not be less than 80% of the plant's full capacity (annual basis: 50,000 metric tons of incoming waste);
c) for 30% of the free shares allocated to the beneficiary ("Tranche 3"): the achievement by the Carbios Group, during the 2026 and 2027 fiscal years, of an overall income in line with the plan that will be validated by the Board of Directors in December 2024, including sales of PET biorecycling licenses, sales of Carbios Active (PLA) and the sold production of products from the Longlaville plant;
d) for 15% of the free shares allocated to the beneficiary ("Tranche 4"): the Carbios Group obtaining B Corp certification before December 31, 2025.

TABLE 7: ALLOCATED FREE SHARES THAT BECAME AVAILABLE DURING THE FISCAL YEAR FOR EACH EXECUTIVE CORPORATE OFFICER

None.

TABLE 10: HISTORY OF FREE SHARE ALLOCATIONS

None.

TABLE 11: DETAILS CONCERNING THE CONDITIONS APPLICABLE TO THE COMPENSATION AND OTHER BENEFITS GRANTED TO EXECUTIVE CORPORATE OFFICERS

	Employment contract		Supplementary pension scheme		Indemnities or benefits due or liable to be due on severance or change of position		Compensation under a non-compete clause	
Executive corporate officers	Yes	No	Yes	No	Yes	No	Yes	No
Philippe POULETTY **Chairman of the Board of Directors until December 18, 2024, then Chairman and Chief Executive Officer from December 18, 2024 to March 20, 2025** Start of term: 04/01/2022 End of term: 03/20/2025		X		X		X		X
Emmanuel LADENT **Chief Executive Officer and Director until December 18, 2024** Start of term: 12/01/2021 End of term: 12/18/2024		X		X	X(1)			X

(1) Emmanuel LADENT received severance pay related to the end of or change in duties under the social security regime for company managers (GSC).

Emmanuel LADENT benefited, in respect of his office as Chief Executive Officer, from job loss insurance, the contribution of which is 100% covered by the Company. In the event that this insurance provides for a waiting period during which Emmanuel LADENT cannot benefit from the proposed guarantees, the Company undertakes to indemnify Emmanuel LADENT so that he is paid, during this waiting period, a sum equivalent to 70% of his net compensation.

As of the date of this Universal Registration Document, no other member of the Board of Directors is bound to the Company by an employment contract and does not receive any compensation from the Company other than that paid to him or her in respect of their corporate office.

The directors are not entitled to any pension scheme, severance pay or non-compete compensation.

4.3 TRANSACTIONS CARRIED OUT BY EXECUTIVES ON THE COMPANY'S SHARES

To the Company's knowledge, no Executive or Corporate Officer has declared to the AMF, for publication on its website (www.amf-france.org), having carried out transactions on the Company's shares during the fiscal year ended December 31, 2024.

4.4 OPERATIONS WITH AFFILIATES

4.4.1 RELATED-PARTY TRANSACTIONS

The reader is invited to see Note 17 "Related parties" in section 5.3.4 of this Universal Registration Document.

The transactions with related parties shown in the table below generated operating income in 2024 of €6,400 thousand.

Affiliate	Transaction completion date	Nature of transaction	Amount
Carbiolice (company 99.99% owned by the Company as of the date of this document)	August 30, 2016 Amendment dated June 28, 2018	Licensing and sublicensing of patent and know-how licenses	The contract states that Carbios will receive a lump-sum royalty of €8 million and a variable royalty on revenue resulting from the use by Carbiolice of the technology licensed. No variable royalties were recognized in respect of 2024.
	September 17, 2018	Letter of agreement for service provision rebilling	Rebilling of services performed by service providers on behalf of Carbios and Carbiolice. This resulted in income of €228 thousand being recognized in 2024.
	January 1, 2023	Service agreement	The agreement provides for the payment of monthly compensation of €50 thousand for services rendered by Carbios staff. In addition, the agreement provides for the provision of Carbios premises free of charge. In this respect, income of €600 thousand was recognized in 2024.
	June 1, 2024	Cash management agreement	The cash management agreement provides for the free management of Carbiolice's cash flows for cash optimization purposes, with interest being paid as compensation. In this respect, advances amounted to €8.8 million at 12/31/2024 and financial income (interest) was recognized for €438 thousand in 2024.
Carbios 54 (company 100% owned by the Company as of the date of this document)	July 1, 2022	Employee secondment agreement	Rebilling of Carbios staff working as part of the Reference Unit project on behalf of Carbios 54. This resulted in income of €1,673 thousand being recognized in 2024.
	September 1, 2022	Employee secondment agreement	
	July 1, 2022	Cash management agreement	The cash management agreement provides for the free management of Carbios 54's cash flows for cash optimization purposes, with interest being paid as compensation. In this respect, advances amounted to €79.6 million of financial income (interest) for €3,340 thousand in 2024.
	January 1, 2023	Service agreement	The agreement provides for the payment of monthly compensation of €10 thousand for services rendered by Carbios staff. In addition, the agreement provides for the provision of Carbios premises free of charge. In this respect, income of €120 thousand was recognized in 2024.
	May 23, 2024 and July 8, 2024	Raw material purchase orders	Purchases of raw materials (flakes) from Carbios 54 inventories. In this respect, expenses of €20 thousand were recognized in 2024.

Michelin (company holding 3.09% of the Company's share capital as of the date of this document)	April 13, 2021	Leasing contract	The contract provides for the provision of premises and utilities for the so-called B80 building. In this respect, expenses of €416 thousand were recognized in 2024.
	April 13, 2021 Amendments dated September 14, 2021, July 1, 2022 and November 30, 2022	Leasing contract	The contract provides for the provision of premises and utilities for the so-called O24 building. In this respect, expenses of €679 thousand were recognized in 2024.
Kamergy company represented by Vincent KAMEL, director	November 28, 2023	Consulting contract	The contract provides for the performance of a marketing consulting mission. In this respect, an expense of €102 thousand was recognized in 2024.
	November 18, 2024	Consulting contract	The contract provides for the performance of an operations management consulting mission. In this respect, an expense of €64 thousand was recognized in 2024.

4.4.2 STATUTORY AUDITORS' REPORT ON REGULATED AGREEMENTS

The regulated agreements are mentioned in the Statutory Auditors' special reports presented below for the years 2023 and 2024.

4.4.2.1 Statutory Auditors' special report on regulated agreements (fiscal year ended December 31, 2023)

To the Shareholders' Meeting,

In our capacity as Statutory Auditors of your Company, we hereby present our report on regulated agreements.

It is our responsibility to inform you, on the basis of the information provided to us, of the characteristics, the main terms and conditions as well as the reasons justifying the interest for the Company of the agreements of which we have been informed or that we have discovered during our mission, without having to comment on their usefulness and merits or to seek the existence of other agreements. It is your responsibility, under the terms of Article R. 225-31 of the French Commercial Code, to assess the interest in signing these agreements in order to approve them.

In addition, it is our responsibility, where applicable, to provide you with the information provided for in Article R. 225-31 of the French Commercial Code relating to the execution, during the past fiscal year, of agreements already approved by the Shareholders' Meeting.

We have conducted our review in accordance with the procedures that we considered necessary with regard to the professional standards of the Compagnie Nationale des Commissaires aux Comptes [French National Company of Statutory Auditors] relating to this mission. These procedures consisted in verifying that the information provided to us was consistent with the source documents from which it was taken.

AGREEMENTS SUBJECT TO APPROVAL OF THE SHAREHOLDERS' MEETING

Agreements authorized and concluded during the past fiscal year

Pursuant to Articles L. 225-42 and L. 821-10 of the French Commercial Code, we inform you that the following agreements have not been subject to prior authorization by your Board of Directors.
It is our responsibility to inform you of the circumstances in which the procedure was not followed.

Service agreement with Carbiolice (Mr. Ladent, Chairman of Carbiolice and Chief Executive Officer of Carbios)

• *Type and purpose:*
Carbios may provide services to its subsidiary Carbiolice such as strategic guidelines, financial advice, R&D, intellectual property, legal, Human Resources and regulatory matters. Carbios also provides some of the premises in the O24 and B80 buildings free of charge.
The agreement takes effect retroactively, specifying the above services at January 1, 2023. The latter provides for a fixed monthly compensation of €50,000 excl. tax.

• *Modalities and financial implications:*
For 2023, Carbios recorded income of €600,000.

• *Reasons for its interest for the Company:*
The agreement improves the flexibility to organize and finance the Group's activities.

Current account advance agreement with Carbiolice (Mr. Ladent, Chairman of Carbiolice and Chief Executive Officer of Carbios)

• *Type and purpose:*
The agreement makes it possible to make cash advances to Carbiolice, without any financial interest.
The agreement was signed on January 25, 2023. This agreement will expire no later than December 31, 2026.

• *Modalities and financial implications:*
As of December 31, 2023, the amount of advances granted to Carbiolice was €4,720 thousand.

• *Reasons for its interest for the Company:*
The agreement improves the flexibility to organize and finance the Group's activities.

Consulting contract with Kamergy (Mr. Kamel, director of Carbios and Chairman of Kamergy)

• *Type and purpose:*
The contract provides for the performance of a marketing consulting mission.
The agreement was signed on November 28, 2023.

• *Modalities and financial implications:*
For 2023, Carbios recorded expenses of €4,074.

• *Reasons for its interest for the Company:*
The agreement allows Carbios to benefit from Vincent KAMEL's expertise in marketing under competitive economic conditions, given his experience in this area, and his knowledge of the company and its markets.
We note that the procedure for authorizing regulated agreements was not followed by simple omission.
We inform you that, at its meeting of April 10, 2024, your Board of Directors decided to authorize this agreement retrospectively.

AGREEMENTS ALREADY APPROVED BY THE SHAREHOLDERS' MEETING

Agreements approved in previous fiscal years
Pursuant to Article R. 225-30 of the French Commercial Code, we have been informed that the following agreements, already approved by the Shareholders' Meeting in previous fiscal years, continued during the past fiscal year.

Letter of agreement on the rebilling of services between Carbios and Carbiolice

• *Type and purpose:*
Carbios signed a letter of agreement on the rebilling of expenses related to regulatory matters and work related to enzymes with Carbiolice on September 17, 2018.
The terms of this letter were authorized by the Board of Directors on September 20, 2018.

• *Modalities and financial implications:*
During the 2023 fiscal year, Carbios recorded income of €181,939 in respect of the rebilling of expenses incurred in 2023.
Patent license agreement between Carbios and Carbiolice

• *Type and purpose :*
A patent and know-how license agreement was signed on August 30, 2016 at the creation of the company Carbiolice, including an option for the concession of a worldwide and exclusive exploitation right in the field of new developments as notified by Carbios.
The terms of this agreement were authorized by the Board of Directors on June 21, 2016.
In 2018, Carbios signed an amendment to the license agreement in order to extend the scope of the license to new families of patents, applications and products.
The terms of this letter were authorized by the Board of Directors on September 20, 2018.

• *Modalities and financial implications:*
The patent and know-how license agreement signed in 2016 is established for a period up to the expiry of the last of the granted patents and provides for flat-rate compensation of €8 million in capital upon signing the agreement and a variable amount on net sales of the products covered by the patents.
The amendment signed in 2018 provides for the payment of an additional lump sum in the form of a capital increase, subject to the achievement by Carbiolice of a cumulative amount of income.
No income or expense was recorded during the fiscal year in respect of this contract.

Lyon, April 19, 2024
The Statutory Auditor
PricewaterhouseCoopers Audit

Gonzague Van Royen

4.4.2.2 Statutory Auditors' special report on regulated agreements (fiscal year ended December 31, 2024)

To the Shareholders' Meeting,

In our capacity as Statutory Auditors of your Company, we hereby present our report on regulated agreements.

It is our responsibility to inform you, on the basis of the information provided to us, of the characteristics, the main terms and conditions as well as the reasons justifying the interest for the Company of the agreements of which we have been informed or that we have discovered during our mission, without having to comment on their usefulness and merits or to seek the existence of other agreements. It is your responsibility, under the terms of Article R. 225-31 of the French Commercial Code, to assess the interests in signing these agreements in order to approve them.

In addition, it is our responsibility, where applicable, to provide you with the information provided for in Article R. 225-31 of the French Commercial Code relating to the execution, during the past fiscal year, of agreements already approved by the Shareholders' Meeting.

We have conducted our review in accordance with the procedures that we considered necessary with regard to the professional standards of the Compagnie Nationale des Commissaires aux Comptes [French National Company of Statutory Auditors] relating to this mission. These procedures consisted in verifying that the information provided to us was consistent with the source documents from which it was taken.

AGREEMENTS SUBJECT TO APPROVAL OF THE SHAREHOLDERS' MEETING

Agreements authorized and concluded during the past fiscal year

Pursuant to Article L. 225-40 of the French Commercial Code, we have been informed of the following agreements entered into during the past fiscal year which were subject to the prior authorization of your Board of Directors.

Amendment to the current account advance agreement with Carbiolice

• *Nature, purpose:*
The agreement makes it possible to make cash advances with Carbiolice, remunerated on the basis of an annual rate equal to that provided for in Article 39-1-3° of the French General Tax Code.
The agreement was signed on January 25, 2023 and amended on June 1, 2024. The amendment takes effect from the date of signature of this amendment, namely on June 1, 2024. This agreement will expire no later than December 31, 2026.

• *Financial implications:*
At December 31, 2024, the amount of advances granted to Carbiolice was €8,848 thousand and financial income (interest) was recognized for €438 thousand in 2024.

• *Reasons for its interest for the Company:*
The agreement improves the flexibility to organize and finance the Group's activities.

Agreements not previously authorized

Pursuant to Articles L. 225-42 and L. 821-10 of the French Commercial Code, we inform you that the following agreements have not been subject to prior authorization by your Board of Directors.

It is our responsibility to inform you of the circumstances in which the procedure was not followed.

Consulting agreement with Kamergy (Vincent KAMEL, director and Chief Executive Officer (since March 20, 2025) of Carbios and Chairman of Kamergy)

• *Nature, purpose:*
The contract provides for the performance of a consulting assignment as External Operations Director.
The agreement was signed on November 18, 2024, amended on December 18, 2024 and terminated on March 20, 2025, the date on which Vincent Kamel became Chief Executive Officer of Carbios.

• *Financial implications:*
For 2024, Carbios recorded expenses of €64 thousand.

• *Reasons for its interest for the Company:*

The agreement allows Carbios to benefit from Vincent KAMEL's expertise as External Operations Director, given his experience in this area, and his knowledge of the Company and its markets.

We note that the procedure for authorizing regulated agreements was not followed by simple omission. We inform you that, at its meeting of November 25, 2024, your Board of Directors decided to authorize this agreement retrospectively.

AGREEMENTS ALREADY APPROVED BY THE SHAREHOLDERS' MEETING

Agreements approved in previous fiscal years whose performance continued during the past fiscal year

Pursuant to Article R. 225-30 of the French Commercial Code, we have been informed that the following agreements, already approved by the Shareholders' Meeting in previous fiscal years, continued during the past fiscal year.

Letter of agreement on the rebilling of services between Carbios and Carbiolice

• Nature, purpose:
Carbios signed a letter of agreement on the rebilling of expenses related to regulatory matters and work related to enzymes with Carbiolice on September 17, 2018. The terms of this letter were authorized by the Board of Directors on September 20, 2018.

• Financial implications:
During the 2024 fiscal year, Carbios recorded income of €228 thousand in respect of the rebilling of expenses incurred in 2024.

Service agreement with Carbiolice (Mr. LADENT, Chairman of Carbiolice and Chief Executive Officer of Carbios)

• Nature, purpose:
Carbios may provide services to its subsidiary Carbiolice such as strategic guidelines, financial advice, R&D, intellectual property, legal, Human Resources and regulatory matters. Carbios also provides some of the premises in the O24 and B80 buildings free of charge. The agreement took effect on January 1, 2023. The latter provides for a fixed monthly compensation of €50 thousand.

• Financial implications:
For 2024, Carbios recorded income of €600 thousand.

Consulting contract with Kamergy (Vincent KAMEL, director and Chief Executive Officer (since March 20, 2025) of Carbios and Chairman of Kamergy)

• Nature, purpose:
The contract provides for the performance of a marketing consulting mission.
The agreement was signed on November 28, 2023 and terminated on November 18, 2024.

• Financial implications:
For 2024, Carbios recorded expenses of €102 thousand.

Agreements approved in previous fiscal years but which were not implemented during the past fiscal year

In addition, we were informed of the continuation of the following agreements, already approved by the shareholders' meeting in previous fiscal years, which were not implemented during the past fiscal year.

Amendment to the patent license agreement between Carbios and Carbiolice

• Nature, purpose:
On June 28, 2018, Carbios signed an amendment to the license agreement extending the scope of the license to new patent families, applications and products. This agreement provides for the payment of an additional lump sum of €1 million in the form of a capital increase, subject to the achievement by Carbiolice of a defined revenue.
The terms of these agreements were authorized by the Board of Directors on September 20, 2018.

• Financial implications:
No income or expense was recorded during the fiscal year in respect of this contract.

Patent license agreement between Carbios and Carbiolice

• Nature, purpose:
Carbios entered into a secondary option to the patent and know-how license agreement (option for the concession of a worldwide and exclusive exploitation right in the field of New Developments as notified by Carbios). The patent and know-how license agreement was signed on August 30, 2016.
The terms of this agreement were authorized by the Board of Directors on June 21, 2016.

• Financial implications:
This patent and know-how license agreement is established for a period up to the expiry of the last of the granted patents and provides for flat-rate compensation of €8 million in capital upon signing the agreement (2016) and a variable amount on net sales of the products covered by the patents.
No income or expense was recorded during the fiscal year in respect of this contract.

Lyon, April 30, 2025
The Statutory Auditor
PricewaterhouseCoopers Audit

Gonzague Van Royen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5. FINANCIAL STATEMENTS

Pursuant to Article 19 of (EU) Regulation No. 2017/1129, the following elements are included by reference in this Universal Registration Document:

- the separate financial statements for the fiscal year ended December 31, 2023 and the related Statutory Auditors' report as presented in sections 5.3 (pages 175 to 201) and 5.4 (pages 202 to 203) of the Universal Registration Document filed with the AMF on April 19, 2024 under the number D. 24-0305; and
- the consolidated financial statements under IFRS for the fiscal year ended December 31, 2023 and the related Statutory Auditors' report as presented in sections 5.1 (pages 122 to 172) and 5.2 (pages 173 to 174) of the Universal Registration Document filed with the AMF on April 19, 2024 under the number D. 24-0305.
- the separate financial statements for the fiscal year ended December 31, 2024 and the related Statutory Auditors' report as presented in sections 5.3 (pages 179 to 207) and 5.4 (pages 208 to 211) of the Universal Registration Document filed with the AMF on April 30, 2025 under the number D. 25-0354;
- the consolidated financial statements under IFRS for the fiscal year ended December 31, 2024 and the related Statutory Auditors' report as presented in sections 5.1 (pages 124 to 174) and 5.2 (pages 175 to 178) of the Universal Registration Document filed with the AMF on April 30, 2025 under the number D. 25-0354.

5.1 CONSOLIDATED FINANCIAL STATEMENTS PREPARED UNDER IFRS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

5.1.1 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Consolidated statement of financial position (In thousands of euros)	**Notes**	**12/31/2024**	**12/31/2023**
ASSETS			
Goodwill	5.1	20,583	20,583
Intangible assets	5.1	21,352	21,874
Property, plant and equipment	5.2	107,624	49,199
Right-of-use assets	5.5	5,159	6,175
Non-current financial assets	6	21,691	1,219
TOTAL NON-CURRENT ASSETS		**176,407**	**99,049**
Trade receivables and related accounts	8	97	6
Inventories	7	1,538	511
Other current assets	8	8,826	10,621
Current financial assets	6	3,346	-
Cash and cash equivalents	11	89,767	191,821
TOTAL CURRENT ASSETS		**103,574**	**202,960**
TOTAL ASSETS		**279,981**	**302,009**

Consolidated statement of financial position (In thousands of euros)	**Notes**	**12/31/2024**	**12/31/2023**
EQUITY AND LIABILITIES			
Share capital		11,792	11,786
Share and Contribution premium		276,703	276,569
Consolidated reserves		(4,564)	(2,900)
Retained earnings		(51,142)	(23,917)
Net income – share attributable to equity holders of the parent company		(33,113)	(27,224)
SHARE CAPITAL	12	**199,675**	**234,314**
Non-current provisions	14 & 23	345	216
Current and non-current borrowings and financial liabilities	15	37,204	39,226
Non-current lease liabilities	5.5	3,904	4,639
Other non-current liabilities	9	98	449
Deferred tax liabilities	21	1,694	1,694
TOTAL NON-CURRENT LIABILITIES		**43,244**	**46,224**
Current provisions	14 & 23	-	-
Current borrowings and financial liabilities	15	3,518	3,524
Current lease liabilities	5.5	1,048	1,232
Trade payables and related accounts	9	4,577	4,829
Other current liabilities	9	27,919	11,888
TOTAL CURRENT LIABILITIES		**37,062**	**21,472**
TOTAL LIABILITIES AND EQUITY		**279,981**	**302,009**

5.1.2 CONSOLIDATED INCOME STATEMENT

Consolidated income statement (In thousands of euros)	**Notes**	**12/31/2024**	**12/31/2023**
Income	16	136	24
Research and development expenses	17	(14,285)	(10,958)
Research and development expenses	*17*	*(21,726)*	*(18,830)*
Subsidies and other income from activities	*17*	*4,278*	*5,385*
Capitalization of development costs	*17*	*3,164*	*2,487*
Sales and marketing expenses	17	(7,611)	(5,809)
General and administrative expenses	17	(15,747)	(12,134)
OPERATING INCOME/(EXPENSES)		**(37,507)**	**(28,878)**
FINANCIAL INCOME	**20**	**4,394**	**1,655**
Share of net income of equity-accounted companies	-	-	-
INCOME/(EXPENSES) BEFORE TAXES		**(33,113)**	**(27,224)**
INCOME TAX	**21**	**-**	**-**
NET INCOME/(LOSS) FOR THE PERIOD		**(33,113)**	**(27,224)**
Basic earnings per share (in euros)	*22*	*(1.97)*	*(1.96)*
Diluted earnings per share (in euros)	*22*	*(1.97)*	*(1.96)*

5.1.3 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Consolidated statement of comprehensive income (In thousands of euros)	12/31/2024	12/31/2023
Net income/(loss) for the period	**(33,113)**	**(27,224)**
Actuarial gains or losses	(16)	(3)
Other comprehensive income that cannot be reclassified in profit or loss	**(16)**	**(3)**
Translation differences	-	-
Other comprehensive income that can be reclassified in profit or loss	**-**	**-**
Comprehensive income/(loss)	**(33,129)**	**(27,227)**

5.1.4 CHANGE IN CONSOLIDATED EQUITY

Change in consolidated equity (In thousands of euros)	Carbios share capital Nb. outstanding shares	Share capital - ordinary shares	Share and Contribution premium	Consolidated reserves	Retained earnings	Profit or loss for the period	Total equity
AT DECEMBER 31, 2022	**11,242,666**	**7,870**	**146,967**	**(5,482)**	**3,827**	**(27,741)**	**125,441**
Appropriation of income/(loss) for the past fiscal year	-	-	-	-	(27,741)	27,741	-
Net income/(loss) for the period	-	-	-	-	-	(27,224)	(27,224)
Other items of comprehensive income	-	-	-	-	(3)	-	(3)
Comprehensive income/(loss)	**-**	**-**	**-**	**-**	**(3)**	**(27,224)**	**(27,227)**
Capital increase net of transaction costs	5,594,546	3,916	129,602	-	-	-	133,518
Change in treasury shares	-	-	-	26	-	-	26
Share-based payments	-	-	-	2,556	-	-	2,556
Other movements	-	-	-	-	-	-	-
AT DECEMBER 31, 2023	**16,837,212**	**11,786**	**276,569**	**(2,900)**	**(23,918)**	**(27,224)**	**234,314**
Appropriation of income/(loss) for the past fiscal year	-	-	-	-	(27,224)	27,224	-
Net income/(loss) for the period	-	-	-	-	-	(33,113)	(33,113)
Other items of comprehensive income	-	-	-	(16)	-	-	(16)
Comprehensive income/(loss)	**-**	**-**	**-**	**(16)**		**(33,113)**	**(33,129)**
Capital increase net of transaction costs	8,418	6	134	-	-	-	139
Change in treasury shares	-	-	-	(1,101)	-	-	(1,101)
Share-based payments	-	-	-	(587)	-	-	(587)
Other movements	-	-	-	40	-	-	40
AT DECEMBER 31, 2024	**16,845,630**	**11,792**	**276,703**	**(4,564)**	**(51,142)**	**(33,113)**	**199,675**

5.1.5 CONSOLIDATED CASH FLOW STATEMENT

Consolidated cash flow statement (In thousands of euros)	Notes	12/31/2024	12/31/2023
Cash flow from operating activities			
Net income/(loss) for the period		**(33,113)**	**(27,224)**
(-) Elimination of amortization and depreciation of fixed assets and right-of-use assets	5	8,109	6,375
(-) Gains or losses on asset disposals	5	188	237
(-) Employee provisions and benefits	23	186	20
(-) Cost of share-based payments	13	(587)	2,556
(-) Financial income	20	(4,549)	(1,655)
(-) Capital gains or losses on eliminated financial assets		(366)	-
Cash flow from operations before cost of net financial debt and taxes		**(30,132)**	**(19,247)**
(-) Changes in working capital requirements		(63)	(2,898)
Tax paid		-	-
Cash flow from operating activities		**(30,195)**	**(22,589)**
Cash flow from investing activities			
Acquisition of property, plant and equipment and intangible assets	5	(59,403)	(24,311)
Capitalized development costs	5	(3,165)	(2,487)
Disposal of fixed assets	5	1	2
Acquisition of financial assets	6	(24,606)	(396)
Decrease in financial assets	6	385	83
Change in scope		-	-
Changes in fixed asset liabilities	9	16,210	4,718
Cash flow from investing activities		**(70,578)**	**(22,391)**
Cash flow from financing activities			
Capital increase	12	139	133,518
Treasury shares	12	(71)	26
Issuance of loans and financial liabilities	15	760	5,633
Repayments of loans and financial liabilities	15	(3,831)	(3,291)
Payment of lease liabilities	5.5	(1,440)	(1,468)
Net financial interest paid	15	(1,639)	(1,944)
Other financial income and expenses	20	4,801	3,773
Cash flow from financing activities		**(1,281)**	**136,246**
Change in cash position		**(102,055)**	**91,265**
Cash and cash equivalents at beginning of period	11	191,821	100,556
Cash and cash equivalents at end of period	11	89,767	191,821
Change in cash position		**(102,055)**	**91,265**

5.1.6 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Unless otherwise indicated, the amounts mentioned in this note are in thousands of euros, except for data relating to shares. Certain amounts may be rounded in the calculation of the financial information contained in the consolidated financial statements. As a result, the totals in some tables may not add up exactly to the sum of the previous figures.

NOTE 1 • BUSINESS AND HIGHLIGHTS

Carbios' consolidated financial statements were approved by the Board of Directors on April 10, 2025 and authorized for publication.

The Company and its business

Carbios (the "Company") is an innovative green chemistry company, developing cutting-edge technologies for the recovery of plastic waste and the production of biopolymers.

The Company was created in April 2011 as a société par actions simplifiée (simplified joint stock company) and became a société anonyme (public limited company) on February 20, 2013. The Company's shares have been listed on the Euronext Growth Paris market since December 19, 2013.

The group formed by Carbios, Carbiolice and Carbios 54 is hereinafter referred to as the "Group".

The first financial statements prepared by the Group in accordance with International Financial Reporting Standards (IFRS) were at December 31, 2021, with a transition date of January 1, 2020.

Cataroux site

8 rue de la Grolière

63100 Clermont-Ferrand, France

Trade and Companies Register number: 531 530 228 - R.C.S. Clermont-Ferrand

Highlights of the fiscal year

The key events for the fiscal year were as follows:

- on March 5, 2024, Carbios announced that CARBIOS Active, its enzymatic solution for the biodegradation of PLA, is included in the inventory of food contact substances (FCS) of the US Food and Drug Administration (FDA) with the food contact notification (FCN) 2325, in force since February 29, 2024. Thanks to this step, CARBIOS Active can be used to manufacture food contact packaging in the United States (rigid and flexible packaging, and other applications);
- on February 14, 2024, Carbios announced that it had acquired the land (in Longlaville) from Indorama Ventures for the construction of the first PET biorecycling plant in the world;
- on April 3, 2024, Carbios announced the successful launch of its first employee shareholding plan for all Group employees who are members of the employee savings plan in France. This employee shareholding plan, launched on February 12, 2024, was subscribed by 123 employees, i.e. 88.49% of the employees concerned and thus made it possible to involve employees in the Group's development and performance. It contributes to bringing the employee shareholding of Carbios, within the meaning of Article L. 225-102 of the French Commercial Code, to around 0.08% of the share capital. The plan included a unilateral contribution corresponding to approximately 48 shares for each of the eligible employees. In total, a little more than €59,400 was subscribed by employees through the FCPE Carbios, which will invest them in Carbios shares, after adding the corresponding contribution of the Company for approximately €53,700 and the unilateral contribution of the latter for approximately €110,600, in the context of:
  > a reserved capital increase for a nominal amount of €5,892.60, corresponding to the issue of 8,418 new Carbios shares with a nominal value of €0.70 each, and
  > the acquisition of 4,823 existing Carbios treasury shares.

As a result, the Company's share capital was increased by €5,892.60 and thus went from €11,786,048.40 to €11,791,941.00;

- on December 19, 2024, Carbios announced a delay of six to nine months for the construction of its PET biorecycling plant in Longlaville, the construction and management of which are planned by its subsidiary Carbios 54, pending the conclusion of additional financing under satisfactory conditions. In addition, this delay is accompanied by tighter management of its expenses in order to maintain sufficient financial visibility over the coming months and not to jeopardize the Group's going concern.

Consequences of the conflict in Ukraine

Since the beginning of the conflict in Ukraine, the Company has not, as of the date of publication of this document, encountered any difficulties in pursuing its activities. To date, the Company has no direct or indirect relations with Ukraine or Russia, and the Company has managed to limit any delays directly related to this crisis in the industrial and commercial deployment of its technologies.

However, if this crisis were to continue and/or generate lasting economic consequences, the Company could have difficulties in containing the adverse effects of these measures and in particular, the increase in the cost as well as the extension to the lead times of supplies of certain materials, equipment and products necessary for the construction of its Longlaville plant. This extension of lead times and the increase in prices could negatively impact the costs and lead times of the plant project in Longlaville. In addition, the negative impact of this conflict on the financial markets and potentially on the Company's share price could intensify if the conflict continues.

In view of the current situation between Russia and Ukraine, the Company specifies that its economic and balance sheet exposure to these two countries is not significant. In 2024, Carbios did not record any expenses with suppliers based in Russia and Ukraine.

Going concern

At December 31, 2024, the Group had financial resources of €109 million of which €90 million in available cash plus €19 million in financial assets (current and non-current) corresponding to investments, meeting the definition of cash and cash equivalents, pledged to suppliers. Some guarantee releases have already been carried out at the closing date for an amount of €3 million, the balance, i.e. €16 million, corresponds to a guarantee given to a supplier which is the subject of advanced negotiations that should make it possible to obtain a release of the pledge in the very near future (the outcome of these negotiations does not call into question the financing horizon indicated below).

On the basis of these financial resources alone, and given its latest announcements based on a 6 to 9 month postponement of the plant construction project combined with a massive cost reduction plan including an employment protection plan (PSE), the Group is giving itself visibility over its financing horizon beyond the next twelve months while maintaining its strategic capabilities.

It should be noted that the Group's cash flow forecasts do not include disbursements related to the restart of construction of the Longlaville plant because they are subject to obtaining the necessary additional financing.

Events after the reporting period

As part of the tightened management of its expenses, announced on December 19, 2024, the Group announced on January 28, 2025 that it was undertaking a reorganization project that could result in job cuts at Carbios and Carbios 54, which could affect approximately 40% of positions. This reorganization should help Carbios to continue to execute its industrial and commercial strategy as well as the prudent management of its cash position (€90 million at December 31, 2024, plus €18 million in pledged investments classified in Financial assets), by reducing the Group's cash burn. The Group is committed to achieving its objectives of signing its first commercial contracts during the first half of 2025 and securing the financing for the continued construction of its first PET recycling plant in Longlaville.

The reorganization project is subject to an information-consultation procedure of the Social and Economic Committee (SEC). The Group's restructuring costs, including severance payments for the employees concerned, are estimated at around €3.4 million. As the announcement was made in January 2025, no provision was recorded in the financial statements at December 31, 2024.

NOTE 2 • SEGMENT INFORMATION

Accounting principles

According to IFRS 8, an operating segment is a component of a company:

- that engages in activities likely to generate income and incur expenses;
- for which the operating results are regularly monitored by the main operational decision-maker;
- for which separate financial information is available.

Management considers that the Group's only operating segment is research and development, on enzymatic recycling processes and on biodegradation processes, with the ultimate aim of bringing them to an industrial scale and marketing them. The Group benefits from significant R&D synergies, which should continue to increase across all activities following the full consolidation of Carbiolice in the 2021 fiscal year and the creation of Carbios 54 in 2022. All of the Group's activities and assets are located in France.

NOTE 3 • ACCOUNTING PRINCIPLES AND METHODS

Principles applied in the preparation of the financial statements

Declaration of compliance

Pursuant to European Regulation 16/06/2002 of July 19, 2002, the Group's consolidated financial statements have been prepared in accordance with IFRS as published by the International Accounting Standards Board (IASB) and adopted by the European Union at the date the financial statements were approved by the Board of Directors, which are applicable as of December 31, 2023.

All the texts adopted by the European Union are available on the European Commission website, incorporating international accounting standards (IAS and IFRS) and interpretations of the Interpretation Committees (IFRS Interpretations Committee, or IFRS IC, and Standing Interpretations Committee, or SIC). These are available on the European Commission website:

https://ec.europa.eu/info/business-economy-euro/accounting-and-taxes/annual-accounts_en

The accounting principles and methods set out below have been applied consistently to all periods presented in the consolidated financial statements, after taking into account the new standards and interpretations.

The first financial statements prepared by the Group in accordance with IFRS were at December 31, 2021, with a transition date of January 1, 2020. As a reminder, in accordance with the provisions of IFRS 1 "First-time adoption of International Financial Reporting Standards," the Group retrospectively applied all standards at the transition date with the exception of the following standards:

- In accordance with the IFRS 1 exemption relating to government loans, the Group elected to apply IFRS 9 and IAS 20 prospectively from the transition date to repayable advances and interest-free loans contracted prior to the date of transition.
- With regard to IAS 19 "Employee Benefits," it chose to recognize all cumulative actuarial gains and losses in shareholders' equity at the date of transition to IFRS.
- In accordance with the IFRS 1 exemption relating to share-based compensation plans falling within the scope of IFRS 2, the Group has not restated the BSA and BSPCE plans, which correspond to vested rights at the transition date.
- As part of the accounting for its leases under IFRS 16, the Group has chosen to apply the following exemptions provided for by IFRS 1:

- application of the definition of leases under IFRS 16 to existing leases at the transition date, based on the facts and circumstances existing at that date;
- valuation using the full retrospective method, which involves an assessment of the lease liability at the transition date as if IFRS 16 had always been applied. This has an impact on the Group's consolidated reserves;
- no restatement of contracts with a residual term of less than 12 months at the transition date;
- no restatement of leases of low-value assets (less than €5,000);
- use of the knowledge acquired a posteriori to determine the term of a lease that contains extension or termination options.

Principles applied in the preparation of the financial statements

The Group's consolidated financial statements have been prepared in accordance with the historical cost principle, with the exception of items measured at fair value, as mentioned in the notes to the financial statements.

Changes in accounting basis

The following main new standards, amendments to standards and interpretations have been published by the International Accounting Standards Board (IASB) and adopted by the European Union at the date of preparation of the financial statements. They are mandatory for the 2024 fiscal year.

• New standards and interpretations applicable after the period ended December 31, 2024

The accounting principles used are identical to those used to prepare the annual IFRS consolidated financial statements for the fiscal year ended December 31, 2024, except for the following new standards of mandatory application for the Company from January 1, 2024:

Standard/Interpretation	Expected application date by the IASB (fiscal years beginning on or after)	Expected EU application date (at the latest for fiscal years beginning on or after)
Amendment to IAS 1 - Presentation of financial statements: Classification of liabilities as current or non-current liabilities	01/01/2024	01/01/2024
Non-current liabilities with covenants	01/01/2024	01/01/2024
Amendment to IFRS 16 - Leases: Lease liability in a sale and leaseback	01/01/2024	01/01/2024
Amendments to IAS 7 - Statement of Cash Flows, and IFRS 7, Financial Instruments: Disclosures: Supplier finance arrangements	01/01/2024	01/01/2024

The adoption of the other mandatory new standards / amendments / interpretations listed above had no impact on the Group's consolidated financial statements.

• Standards and interpretations applicable after the period ended December 31, 2024

In addition, the Group has not anticipated the application of any standards, interpretations, amendments or revisions that have not yet been adopted by the European Union or whose application is not mandatory in the context of the preparation of its consolidated financial statements opened on January 1, 2024

Standard/Interpretation	Expected application date by the IASB (fiscal years beginning on or after)	Expected EU application date (at the latest for fiscal years beginning on or after)
Amendments to IAS 21 - The effects of changes in foreign exchange rates: Lack of exchangeability	01/01/2025	01/01/2025
Amendments to IFRS 9 and IFRS 7 - Contracts referencing nature-dependent electricity	01/01/2026	NC*
Amendments to the classification and measurement of financial instruments (amendments to IFRS 9 - Financial Instruments and IFRS 7 - Financial Instruments: Disclosures)	01/01/2026	NC*
IFRS 18 - Presentation and disclosure in financial statements	01/01/2027	NC*[1]
IFRS 19 - Subsidiaries without public accountability: Disclosures	01/01/2027	NC

These interpretations and amendments are not expected to have a material impact on the Group's consolidated financial statements. In addition, the Group's annual consolidated financial statements do not take into account the draft standards and interpretations which are only in the form of exposure drafts by the IASB and IFRIC at the closing date.

Use of estimates and judgments

As part of the preparation of the financial statements in accordance with IFRS, the Group has made judgments and estimates that could affect the amounts presented for assets and liabilities at the date of preparation of the financial statements, and the amounts presented in respect of income and expenses for the period.

These estimates are made by the Group's management on the basis of the going concern assumption based on the information available at the time these judgments and estimates were made. These estimates are evaluated on an ongoing basis and are based on past experience and various other factors considered reasonable that form the basis for assessing the carrying amount of assets and liabilities. Estimates may be revised if the circumstances on which they are based change or as new information becomes available. Actual results may differ materially from these estimates if assumptions or conditions change.

Significant estimates or judgments made by the Group relate in particular to the following items:

- Note 21 – Share-based payments – IFRS 2 – valuation of share subscription warrants and founders' warrants granted to employees, executives and members of the Board of Directors.
- Note 5.1 – Capitalization of development costs – IAS 38 – application of capitalization criteria.
- Note 5.5 – Right of use of lease purchases and leases – IFRS 16 – discount rate.
- Note 14 – Treatment of repayable advances and interest-free loans – IFRS 9 – discount rate and loan terms.
- Note 5.4 – Impairment tests – IAS 36 – procedures for performing impairment tests on assets.
- Note 16 – Deferred taxes – IAS 12 – procedures for recognizing deferred tax assets.

The estimates used by the Group to prepare the financial statements include the consideration of risks caused by climate change, whether physical, regulatory, or related to customer expectations and sector commitments. Due to its current research and development activity, the Group has little direct or indirect industrial activity. In this context, the effects of these long-term changes are not significant at this stage of development.

Consolidation scope and methods

The scope of consolidation is identical to that presented in the notes to the annual consolidated financial statements for the year ended December 31, 2024.

Consequently, the scope of consolidation is as follows:

	12/31/2024		12/31/2023	
	Percentage holding	Consolidation method	Percentage holding	Consolidation method
Carbios	Parent company (from a legal point of view)		Parent company (from a legal point of view)	
Carbiolice	100%	Full consolidation	100%	Full consolidation
Carbios 54	100%	Full consolidation	100%	Full consolidation

[1] (*) Approval of these texts by the EU expected before their date of first application as set by the IASB (source: EFRAG Endorsement Status Report December 23, 2024.pdf)

Information relating to the takeover of Carbiolice during the 2021 fiscal year

Acquisition price

Acquisition price (in thousands of euros)	06/04/2021
Acquisition price paid (37.29% share)	17,871
Fair value of non-controlling interests (62.71%) (1)	30,039
Loss related to unfavorable portion of pre-existing contracts (2)	(1,693)
Acquisition price (100%)	**46,217**

The acquisition price used for the purchase price allocation exercise thus amounts to €46,217 thousand. This amount notably includes:
(1) the revaluation of the stake of the 62.71% previously held
(2) the loss relating to the unfavorable portion of pre-existing contracts (see note below on reacquired rights)

Carbiolice purchase price allocation

Masterbatch Technology:

As part of its development strategy, the Company acquired on June 3, 2021, the remaining 37.29% of the share capital of Carbiolice from the SPI fund, whose management company is Bpifrance Investissement.

Since the creation of Carbiolice in 2016, the close collaboration between the Company and the SPI fund has enabled the development of the Carbios Active technology, an innovation aimed at plastics and PLA packaging applications which, by their nature, cannot be recycled. Carbios Active is an enzymatic additive that makes plant-based plastics compostable. Plastics containing Carbios Active are assimilated to biowaste, composted and transformed into compost in less than 200 days.

This solution makes it possible to combat the accumulation of plastic waste in the environment and becomes an effective lever for the deployment of an efficient solution for sorting biowaste at source.

Technology license - Rights reacquired:

According to IFRS 3, as part of a business combination, an acquiring company may record a right that it previously granted to the acquired company. The exclusive license agreement on French territory between Carbios and Carbiolice constitutes a pre-existing relationship giving the right to the recognition of an asset with reacquired rights.

This technology, which, in 2016, was the subject of an exclusive license in France from Carbiolice, is used in the form of an enzymatic additive called Carbios Active. This is easily integrated into conventional plastic and packaging manufacturing processes.

The value that represents the off-market portion of the contract corresponds to the unfavorable or favorable part of the contract for the purchaser. In the event that the terms represent a favorable or unfavorable situation for the buyer, the latter must recognize a profit or loss in respect of the contract. Such recognition leads to the recognition of an upward or downward adjustment of the acquisition price to be considered as part of the purchase price allocation exercise. In view of the terms of the contract, it appears that the latter is unfavorable for the Company. The value of the unfavorable portion of the license agreement amounts to €1,693 thousand (see below - Impacts of the change in scope).

Statement of financial position at the acquisition date and description of the assets identified by the Purchase Price Allocation (PPA) exercise

The net assets acquired from Carbiolice are detailed below:

Purchase Price Allocation (in thousands of euros)	**06/04/2021**
Intangible assets	22,505
Masterbatch technology	*9,813*
Technology license (rights reacquired)	*12,503*
Other intangible assets	*189*
Property, plant and equipment	1,294
Financial assets	17
Total non-current assets	**23,817**
Trade receivables & other current assets	727
Cash and cash equivalents	7,057
Total current assets	**7,784**
TOTAL ASSETS	**31,601**
Non-current provisions	53
Non-current borrowings and financial liabilities	3,806
Deferred tax liabilities	1,694
Total non-current liabilities	**5,554**
Trade payables	321
Other current liabilities	92
Total current liabilities	**413**
TOTAL LIABILITIES AND EQUITY	**5,967**
NET ASSETS ACQUIRED	**25,634**
GOODWILL	**20,583**
ACQUISITION COST	**46,217**

The 12-month period during which the amounts allocated to the identifiable assets and liabilities acquired and to goodwill are subject to change ended on June 3, 2022, with no changes.

Presentation currency

The Group's financial statements are prepared in euros (EUR).

Assessment of the effects of climate change

In view of:
- the nature of the Group's activities and its geographical presence in France;
- the commitments made by the Group in the environmental field, in particular with regard to its process for depolymerizing plastic waste into PET through its enzymatic recycling process.

The Group has not identified any significant effects for the 2024 fiscal year.

In particular:
- its commitments are not material as of December 31, 2024, and no liability is recognized in this respect in the consolidated statement of financial position;
- no provision for environmental risks and charges is included in the consolidated statement of financial position at December 31, 2024;
- in 2024, the Group did not identify any significant effects of the commitments made in this area on the value of its tangible assets. In particular, its production facilities under development take into consideration the Group's environmental commitments from the design stage.

NOTE 4 • RISK MANAGEMENT

Carbios may be exposed to different types of financial risk: market risk, credit risk and liquidity risk. Where applicable, the Group uses simple measures proportionate to its size to minimize the potentially adverse effects of these risks on financial performance.

Carbios' policy is not to subscribe to financial instruments for speculative purposes.

Market risk

INTEREST RATE RISK

The Group has no significant exposure to interest rate risk, as no floating-rate debt has been subscribed.

CREDIT RISK

Credit risk is the risk of financial loss for the Group in the event that a customer or counterparty to a financial instrument fails to meet its contractual obligations. The carrying amounts of financial assets represent the maximum exposure to credit risk.

Cash and cash equivalents

The Group's cash and cash equivalents are held with banking counterparties and leading financial institutions. The Group considers that its cash and cash equivalents present a very low credit risk in view of the external credit ratings of its counterparties.

Trade receivables and contract assets

The Group is limited in its exposure to credit risk related to trade receivables. At December 31, 2024, no impairment of receivables had been written off or impaired with actual losses ("credit-impaired").

Liquidity risk

Liquidity risk is the risk to which the Group is exposed when it experiences difficulties in meeting its obligations relating to financial liabilities that will be settled by remitting cash or other financial assets. The Group's objective in managing liquidity risk is to ensure, to the extent possible, that it will have sufficient liquidity to honor its liabilities when they fall due under normal or "stressed" conditions, without incurring unacceptable losses or damaging the Group's reputation.

The residual contractual maturities of financial liabilities at the closing date are detailed in Note 15. The amounts expressed in gross data and not discounted, include contractual interest payments.

NOTE 5 • PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

5.1 Intangible assets

Accounting principles

RESEARCH AND DEVELOPMENT EXPENSES

Research costs are expensed as incurred. Costs incurred on development projects are recognized as intangible assets when the following criteria are met:

- it is technically possible to complete the intangible asset so that it is available for use or sale;
- management plans to complete, use or sell the intangible asset;
- there is a possibility of using or selling the intangible asset;
- it can be demonstrated that the intangible asset will generate probable future economic benefits;
- adequate technical, financial and other resources necessary to complete the development, use or sale of the intangible asset are available; and
- the expenses attributable to the intangible asset during its development can be measured reliably.

Otherwise, the costs are expensed as incurred. After initial recognition, development expenses are recognized at cost less accumulated depreciation and impairment losses.

The Group's capitalized development costs relate to the PET and PLA technologies. The development costs incurred for the PET technology are capitalized from September 30, 2021, the date of commissioning of the Carbios demonstration plant, thus making it possible to cumulatively achieve the six activation criteria mentioned above. Concerning the PLA, ongoing development costs have been capitalized since March 1, 2024, following the announcement that CARBIOS Active, its enzymatic solution for the biodegradation of PLA, is now included in the inventory of food contact substances (FCS) of the US Food and Drug Administration (FDA).

PATENTS & SOFTWARE

In accordance with IAS 38 criteria, costs related to the acquisition of software patents and licenses are recognized as assets on the basis of the costs incurred to acquire and use the software in question.

The expenses for filing patents or industrial property rights acquired during the fiscal year have been capitalized and are amortized from the beginning of their utilization and over the duration of use of the patents. Additional costs and subsequent extensions on capitalized patents are amortized over the remaining term for the application to which they relate.

GOODWILL

In the event of an acquisition, the assets and liabilities assumed from the subsidiary are recognized at their fair value, and the goodwill or residual difference represents the difference between the acquisition cost of the securities and the Group's share in the measurement of the fair value of the assets and liabilities identified. The standard provides for a period of twelve months after the acquisition date to identify the assets and liabilities assumed from the acquiree that are not recognized at the time of the initial recognition of the business combination and to retroactively modify the values initially allocated. The measurement of the purchase price ("consideration transferred" in IFRS 3R), including, where applicable, the estimated fair value of the earn-out payments and conditional compensation ("contingent consideration" in IFRS 3R), must be finalized within twelve months of the acquisition. In accordance with IFRS 3R, any adjustments to the purchase price beyond the twelve-month period are recognized in the income statement. Direct costs related to the acquisition are recognized as expenses for the period.

The goodwill recognized is the result of the takeover of Carbiolice by the Company in June 2021.

MASTERBATCH TECHNOLOGY

Since the creation of Carbiolice in 2016, the work done has enabled the industrial development of a unique solution: the creation of a new generation of PLA-based plastics that are 100% compostable under universal conditions (industrial, domestic composting or methanization). This innovation solves one of the main problems posed by the end-of-life of plastics: the pollution of our environment. This process developed by Carbiolice consists of introducing enzymes into plastic materials to make them 100% biodegradable.

In accordance with the recommendations of IFRS 3, this asset is an integral part of the net assets acquired from Carbiolice by the Company when it took control in June 2021, and must be valued using the royalty and reconstitution costs method.

TECHNOLOGY LICENSE

According to IFRS 3, as part of a business combination, an acquiring company may record a right that it previously granted to the acquired company. The exclusive license agreement on French territory between Carbios and Carbiolice constitutes a pre-existing relationship giving the right to the recognition of an asset with reacquired rights.

In accordance with the recommendations of IFRS 3, this asset held by Carbiolice, and an integral part of the net assets acquired from Carbiolice by the Company when it took control in June 2021, must be valued based on the expected cash flows for the holder of the assets of this contract over the remaining term of the contract, without taking into account the possibility of renewal of the contract.

DEPRECIATION AND AMORTIZATION DURATION AND EXPENSE

Depreciation and amortization is calculated on a straight-line basis over the estimated useful lives of the assets. The estimated useful lives for the current period and the comparative period are as follows:

The depreciation and amortization methods, durations of use and residual values are reviewed at each closing date and adjusted, if necessary.

The technology license and the Masterbatch technology are amortized from June 4, 2021, the date of the takeover of Carbiolice, and the recognition of these assets following the purchase price allocation exercise. They are amortized over the remaining life of the patents underlying these technologies.

Development costs relating to PET technology have been amortized since January 1, 2024, and those relating to PLA technology have been amortized since July 1, 2024.

Depreciation and amortization is calculated on a straight-line basis over the estimated useful lives of the assets. The estimated useful lives for the current period and the comparative period are as follows:

Items	Depr./amort. period
Software, website	1 year - straight-line
Patents	10 years - straight-line
Technology license - rights reacquired	13 years - straight-line
Masterbatch technology	13 years - straight-line

The depreciation and amortization methods, durations of use and residual values are reviewed at each closing date and adjusted, if necessary.

SUBSEQUENT IMPAIRMENT TESTS

The goodwill is not amortized but is subject to an impairment test as soon as there is an indication of impairment and at least once a year in accordance with the procedures described in Note "Impairment Tests" below.

Statement of intangible assets

Intangible assets break down as follows:

Intangible assets (In thousands of euros)	12/31/2023	Increase	Decrease	Reclassification	12/31/2024
Goodwill	20,583	-	-		20,583
PET and PLA technologies - assets under construction	1,694	987	-	(2,681)	-
PET and PLA technologies - capitalized	-	430	-	3,281	3,711
Masterbatch technology	9,813	-	-	-	9,813
Concessions, patents and similar rights	3,681	941	-	-	4,621
Technology license (rights reacquired)	12,503	-	-	-	12,503
Software	229	-	(159)	-	70
Other intangible assets in progress	-	-	-	-	-
Advances and advance payments on intangible assets	3	-	(3)	-	-
TOTAL GROSS VALUES	**48,506**	**2,358**	**(162)**	**(600)**	**51,302**
Goodwill	-	-	-	-	-
PET and PLA technologies - capitalized	-	(514)	-	-	(514)
Masterbatch technology	(1,908)	(743)	-	-	(2,651)
Concessions, patents and similar rights	(1,594)	(1,234)	-	-	(2,828)
Technology license (rights reacquired)	(2,431)	(946)	-	-	(3,377)
Software	(116)	(34)	153	-	3
Other intangible assets in progress	-	-	-	-	-
Advances and advance payments on intangible assets	-	-	-	-	-
TOTAL DEPRECIATION AND AMORTIZATION	**(6,049)**	**(3,472)**	**153**	**-**	**(9,368)**
Goodwill	20,583	-	-	-	20,583
PET and PLA technologies - assets under construction	1,694	987	-	(2,681)	-
PET and PLA technologies - capitalized	-	(84)	-	3,281	3,197
Masterbatch technology	7,905	(743)	-	-	7,162
Concessions, patents and similar rights	2,087	(294)	-	-	1,793
Technology license (rights reacquired)	10,072	(946)	-	-	9,126
Software	112	(34)	(6)	-	73
Other intangible assets in progress	-	-	-	-	-
Advances and advance payments on intangible assets	3	-	(3)	-	-
TOTAL NET VALUES	**42,457**	**(514)**	**(9)**	**(600)**	**41,934**

For the 2024 fiscal year, the Group capitalized the development costs related to the PET project and the PLA project. The Group also filed new own patent applications during the fiscal year, the intellectual property portfolio of Carbios and Carbiolice at the end of 2024 therefore included 58 patent families (including one under an exclusive worldwide license with the CNRS and University of Poitiers), representing 502 patents filed across the world's key regions and covering the Company's areas of development (biodiversity, enzymatic recycling process, biodegradable plastic production process and bioproduction).

Intangible assets (Amounts in thousands of euros)	12/31/2022	Increase	Decrease	Reclassification	12/31/2023
Goodwill	20,583	-	-	-	20,583
PET technology - assets under construction	980	714	-	-	1,694
Masterbatch technology	9,813	-	-	-	9,813
Concessions, patents and similar rights	3,023	683	(26)	-	3,681
Technology license (rights reacquired)	12,503	-	-	-	12,503
Software	66	163	-	-	229
Other intangible assets in progress	-	-	-	-	-
Advances and advance payments on intangible assets	3	-	-	-	3
TOTAL GROSS VALUES	**46,972**	**1,560**	**(26)**	**-**	**48,506**
Goodwill	-	-	-	-	-
PET technology - assets under construction	-	-	-	-	-
Masterbatch technology	(1,167)	(741)	-	-	(1,908)
Concessions, patents and similar rights	(1,215)	(405)	26	-	(1,594)
Technology license (rights reacquired)	(1,487)	(944)	-	-	(2,431)
Software	(63)	(53)	-	-	(116)
Other intangible assets in progress	-	-	-	-	-
Advances and advance payments on intangible assets	-	-	-	-	-
TOTAL DEPRECIATION AND AMORTIZATION	**(3,932)**	**(2,142)**	**26**	**-**	**(6,049)**
Goodwill	20,583	-	-	-	20,583
PET technology - assets under construction	980	714	-	-	1,694
Masterbatch technology	8,326	(741)	-	320	7,905
Concessions, patents and similar rights	1,808	279	-	-	2,087
Technology license (rights reacquired)	11,336	(944)	-	(320)	10,072
Software	3	110	-	-	112
Other intangible assets in progress	-	-	-	-	-
Advances and advance payments on intangible assets	3	-	-	-	3
TOTAL NET VALUES	**43,040**	**(583)**	**-**	**-**	**42,457**

For the 2023 fiscal year, the Group is continuing to develop the industrial demonstration plant for the PET project. As a result, additional development costs related to the project were capitalized. The Group also filed patents during the fiscal year.

5.2 Property, plant and equipment

Accounting principles

Property, plant and equipment are measured at acquisition cost less accumulated depreciation and accumulated impairment losses.
The gain or loss on disposal of property, plant and equipment is recognized in net income.
Depreciation is calculated on a straight-line basis over the estimated useful life.
The estimated useful lives for the current period and the comparative period are as follows:

Items	Depr./amort. period
Fixtures and fittings	7 to 10 years - straight-line
Laboratory fittings and equipment	5 to 10 years - straight-line
Office and IT hardware	3 to 5 years - straight-line
Furniture	3 to 7 years - straight-line

Depreciation methods, useful lives and residual values are reviewed at each closing date and adjusted, if necessary.

Statement of property, plant and equipment

Property, plant and equipment can be broken down as follows:

Property, plant and equipment (amounts in thousands of euros)	12/31/2023	Increase	Decrease	Reclassification	12/31/2024
Land	-	5,000	-	-	5,000
Buildings	-	-	-	-	-
Technical installations, equipment and tooling	3,933	1,215	(730)	5,464	9,882
Transport equipment	7	-	-	-	7
Office equipment	970	400	(282)	87	1,176
Other property, plant and equipment	30,134	378	(130)	(6,151)	24,231
Property, plant and equipment under construction	254	381	-	-	635
Carbios 54 plant - assets under construction (1)	23,042	55,054	-	-	78,096
Advances and advance payments on property, plant and equipment	-	-	-	-	-
GROSS VALUES	**58,341**	**62,429**	**(1,141)**	**600**	**119,029**
Land	-	-	-	-	-
Buildings	-	-	-	-	-
Technical installations, equipment and tooling	(3,161)	(853)	628	(1,857)	(5,243)
Transport equipment	(15)	(1)	-	8	(7)
Office equipment	(575)	(237)	273	(21)	(559)
Other property, plant and equipment	(5,392)	(2,174)	101	1,870	(5,595)
Property, plant and equipment under construction	-	-	-	-	-
Carbios 54 plant - assets under construction	-	-	-	-	-
Advances and advance payments on property, plant and equipment	-	-	-	-	-
TOTAL DEPRECIATION AND AMORTIZATION	**(9,143)**	**(3,265)**	**1,002**	**-**	**(11,406)**
Land	-	5,000	-	-	5,000
Buildings	-	-	-	-	-
Technical installations, equipment and tooling	772	(362)	(102)	3,607	4,639
Transport equipment	(8)	(1)	-	8	-
Office equipment	396	163	(9)	67	617
Other property, plant and equipment	24,742	(1,796)	(29)	(4,281)	18,636
Property, plant and equipment under construction	254	391	-	(9)	635
Carbios 54 plant - assets under construction (1)	23,042	55,054	-	-	78,096
Advances and advance payments on property, plant and equipment	-	-	-	-	-
TOTAL NET VALUES	**49,200**	**59,164**	**(140)**	**(600)**	**107,624**

(1) €2.7 million in borrowing costs had been capitalized at December 31, 2024, of which €2.1 million in respect of the 2024 fiscal year (IAS 23 - non-monetary item)

During the 2024 fiscal year, the Company made investments worth €62 million, mainly attributable to the project to build the first PET biorecycling plant through Carbios 54. Property, plant and equipment also includes lease-back operations related to the industrial demonstration plant.

Property, plant and equipment (Amounts in thousands of euros)	**12/31/2022**	**Increase**	**Decrease[(2)]**	**Reclassification[(3)]**	**12/31/2023**
Buildings	82	-	(82)	-	-
Technical installations, equipment and tooling	4,265	58	(390)	-	3,933
Transport equipment	7	-	-	-	7
Office equipment	900	192	(122)	-	970
Other property, plant and equipment	17,451	4,611	(5)	8,077	30,134
Property, plant and equipment under construction	6,642	152	-	(6,540)	254
Carbios 54 plant - assets under construction [(1)]	2,095	20,947	-	-	23,042
GROSS VALUES	**31,442**	**25,959**	**(598)**	**1,537**	**58,341**
Buildings	(80)	-	80	-	0
Technical installations, equipment and tooling	(3,136)	(179)	154	-	(3,161)
Transport equipment	(5)	(10)	-	-	(15)
Office equipment	(539)	(156)	120	-	(575)
Other property, plant and equipment	(2,719)	(2,462)	5	(216)	(5,392)
Property, plant and equipment under construction	-	-	-	-	-
Carbios 54 plant - assets under construction	-	-	-	-	-
TOTAL DEPRECIATION AND AMORTIZATION	**(6,479)**	**(2,807)**	**359**	**(216)**	**(9,143)**
Buildings	2	-	(2)	-	0
Technical installations, equipment and tooling	1,130	58	(236)	-	772
Transport equipment	2	(10)	-	-	(8)
Office equipment	361	36	(2)	-	396
Other property, plant and equipment	14,732	2,148	-	7,861	24,742
Property, plant and equipment under construction	6,642	152	-	(6,540)	254
Carbios 54 plant - assets under construction [(1)]	2,095	20,947	-	-	23,042
TOTAL NET VALUES	**24,964**	**23,331**	**(239)**	**1,321**	**49,200**

(1) Of which €720 thousand in borrowing costs capitalized in the 2023 fiscal year (IAS 23 - non-monetary item)
(2) Including €237 thousand in scrapping (non-monetary transaction)
(3) Including €1,321 thousand in right-of-use assets reclassified as property, plant and equipment (see Note 5.5)

During the 2023 fiscal year, the Company made investments worth €26 million, mainly attributable to the project to build the first PET biorecycling plant through Carbios 54 as well as to the continuation of investments in its industrial demonstration plant. Property, plant and equipment also includes lease-back operations related to the industrial demonstration plant. At December 31, 2023, the operation covered €4.3 million of equipment amortized over a period of 10 years, in addition to the €1.5 million for the previous fiscal year. In addition, the Company invested nearly €2.1 million in the renovation of the building that housed the production line of its subsidiary Carbiolice, on the Cataroux site in Clermont-Ferrand.

5.3 Assets under construction

Accounting principles

Property, plant and equipment under construction consists of the costs relating to certain equipment of the Company's industrial demonstration plant and the project to build the first PET biorecycling plant through Carbios 54. This equipment will be reclassified to a property, plant and equipment account upon receipt of full invoices and the effective commissioning of the items.

5.4 Impairment tests

Accounting principles

GOODWILL

The goodwill was recognized in respect of the 2021 fiscal year as part of the takeover of Carbiolice and the purchase price allocation exercise. The 12-month period during which the amounts allocated to the identifiable assets and liabilities acquired and to goodwill are subject to change ended on June 3, 2022, with no changes.

The value in use is determined by reference to the impairment test, carried out by an external expert, and is based on the discounted cash flow method. To this end, the work is based on the Carbiolice Business Plan approved by its Board of Directors for which annual updates are also approved by the Board of Directors.

Assumptions used during the tests carried out for the annual closing:

- The business plan is projected over an eight-year horizon, to which must be added an additional so-called "normative" year and takes into account obtaining Food Contact approval in the United States.

- A terminal value calculated on a normal cash flow basis using an EBITDA margin rate of 27.85%, similar to the rate of comparable mature companies.

- Discount rate (WACC) used of 13.8% (compared to 13% last year), consisting of: (i) a WACC excluding the additional forecast risk premium, and (ii) an additional forecast risk premium, given the uncertainty of certain assumptions in the plan. This rate is corroborated by academic studies on high-growth companies in the marketing launch phase. The decrease in this rate is due to the more cautious modeling of future economic data.

- Tax rate: draft 2024 Finance Law (i.e. 25.8%).

The impairment tests performed at the end of fiscal year 2024 did not show any unrealized loss on the Carbiolice equity stake. In addition, sensitivity tests were carried out on certain key assumptions, in particular a 1 bp increase in the discount rate combined with a decrease in the EBITDA margin in terminal value to 20% which did not have an impact on the result of the impairment test.

OTHER DEPRECIABLE ASSETS

Pursuant to IAS 36 - Impairment of assets, depreciated assets are tested for impairment when, due to special events or circumstances, the recoverability of their carrying amounts is uncertain. An impairment loss is recognized to the extent of the excess of the carrying amount over the recoverable amount of the asset. The recoverable amount of an asset is the higher of its fair value less disposal costs and its value in use. For non-financial assets that have suffered an impairment loss, the possible reversal of the impairment is reviewed at each annual or interim closing date.

Longlaville plant

The Group has invested €83 million (including capitalized interest) in the construction of the Longlaville plant, including €5 million for the purchase of the land by Carbios.

The temporary suspension of construction and the renegotiation with suppliers constitute an indication of impairment requiring an impairment test given the financing requirement necessary to restart the project. If the value of the assets on the statement of financial position is higher than the value in use (determined by an impairment test), an impairment is recognized for the difference.

The Company is committed to finding financing for the project and appears confident in obtaining it, within the announced schedule, particularly in view of the discussions with the various partners.

However, to date, the Company has not ruled out the possibility of not mobilizing the necessary funds, or at least within the timeframe provided for.

Thus, the impairment test is based on a scenario, considered by Management as highly probable, including the obtaining of financing within the timeframe provided for by the temporary suspension of the project and the restart of construction in the second half of 2025.

To this end, the work is based on the Carbios 54 business plan approved by the Board of Directors on April 10, 2025.

The value in use was determined using the discounted cash flow method over the estimated life of the asset, i.e. 40 years. The business plan for the Longlaville plant is based on a 10-year period (2025-2034). The Company used an annual growth rate of 2% from the 11th year.

The main assumptions used for the impairment test at December 31, 2024 are:

- At business plan level
  - Projected investments required for construction as well as plant start-up costs, a significant portion of which is based on the amounts of orders signed or estimates obtained from suppliers.
  - The selling price of recycled PET
  - The cost of manufacturing recycled PET
  - The production volumes sold for which Management anticipates growth based on targeting customers who have shown their interest in Carbios' enzymatic solution and with whom Management has initiated commercial discussions with a view to achieving full use of the asset over the duration of the business plan.

- In terms of financial assumptions:
  - Discount rate ("WACC") used of 13.8% over the 10 years of the business plan. This rate is based on a sample of listed companies in the sector with a start-up profile and is corroborated by a benchmark of the discount rates used by financial analysts. A WACC of 11.1% from year 11, similar to mature companies in the sector.
  - Growth rate from the 11th year: 2%
  - Tax rate: draft 2024 Finance Law (i.e. 25.8%).

The impairment tests performed at the end of fiscal year 2024 did not show any unrealized loss. However, the recoverable amount obtained by the methodology described above is very close to the carrying amount of the asset tested, which makes the impairment test particularly sensitive to changes in assumptions.

For example:

- A 5% change in CAPEX and OPEX related to construction would lead, if it increased, to an impairment of €8 million, or if it decreased, to a margin of €12 million;
- A 5% change in normative EBITDA would lead, if it increased, to a margin of €24 million, or if it decreased, to an impairment of €20 million;
- A 10% change in revenue over the duration of the business plan would lead, if it increased, to a margin of €33 million, or if it decreased, to an impairment of €29 million;
- A one-point change in the WACC would lead, if it increased, to an impairment of €18 million, or if it decreased, to a margin of €27 million; or
- A one-point change in the growth rate would lead, if it increased, to a margin of €13 million, or if it decreased, to an impairment of €7 million.

It should be noted that an alternative method based on 10 years of operations from the first cash out and a terminal value, arrives at a value in use very close to the method described above.

5.5 Right-of-use assets

Accounting principles

In accordance with IFRS 16, upon signing a contract, the Group determines whether it constitutes, or contains, a lease.

The contract is, or contains, a lease if it confers the right to control the use of an identified asset for a period in exchange for consideration. To assess whether a contract gives the right to control an identified asset throughout the useful life of the asset, the Group assesses whether: i) the contract involves the use of an identified asset, ii) the Group has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use, and iii) the Group has the right to decide on the use of the asset.

The Group recognizes a lease asset and a lease liability on the date the leased asset is made available. The asset is initially measured at cost, i.e. the initial amount of the lease liability plus any lease payments already made at the start date of the contract, any initial direct costs incurred and an estimate of the costs of dismantling and removing the underlying asset or of restoring it or the site where it is located, less any lease incentive that may be received.

The asset is then amortized on a straight-line basis from the beginning to the end of the lease, unless the lease provides for a transfer to the Group of the ownership of the underlying asset at the end of the lease or if the cost of the asset takes into account the fact that the Group will exercise a purchase option. In this case, the asset will be amortized over the useful life of the underlying asset, determined on the same basis as that of the property, plant and equipment.

In addition, the value of the asset will be regularly revised downwards in the event of losses due to impairment and will be subject to adjustments for certain revaluations of the lease liability.

The lease liability is initially measured at the present value of the lease payments not yet paid at the start date of the contract. The discount rate used corresponds to the interest rate implicit in the contract or, if it cannot be easily determined, the Group's incremental borrowing rate.

The lease payments included in the measurement of the lease liability include the following items:

- fixed rents, including fixed rents in substance;
- variable rents indexed to an index or rate, initially measured on the basis of the index or rate in question at the start date of the contract;
- amounts payable under the residual value guarantee; and
- the exercise price of a purchase option that the Group is reasonably certain to exercise, the rents paid during the renewal period if the Group is reasonably certain to exercise an extension option and termination penalties for early termination of the lease, unless the Group is reasonably certain not to terminate the lease early;
- net of incentives granted by the lessor.

The lease liability is measured at amortized cost using the effective interest rate method. It is revalued in the event of a change in future rents due to a change in index or rate, in the event of a revaluation by the Group of the amount expected under the residual value guarantee, if the Group reviews its probability of exercising an option to purchase, extend or terminate, or in the event of a revision of a fixed rent in substance.

When the lease liability is revalued, an adjustment is made to the carrying amount of the right-of-use asset or is recognized in profit or loss, if the amount of the right-of-use asset has been reduced to zero.

Lastly, the Group has chosen not to recognize right-of-use assets and lease liabilities for short-term contracts with a lease term of 12 months or less, as well as leases of low-value assets (less than €5,000). These rents are, therefore, recognized as expenses. They represented €395 thousand for the 2024 fiscal year and €176 thousand for the 2023 fiscal year.

In the event of renegotiation of a lease (amount of rent and/or term) that goes beyond the initial provisions of the contract, the contract amendments generally lead the lessee to recalculate the lease liability using a revised discount in exchange for a change in the right of use.

In the course of its business, the Group leases premises, vehicles and miscellaneous equipment.

With regard to real estate leases, a 9-year lease term has been used for the 3/6/9 commercial leases, taking into account the reasonably certain nature of the exercise of the realization and renewal options.

Vehicle leases have fixed rents and terms of approximately 3 years. In cases where the contracts provide for a purchase option, it has been assumed that the Group would not exercise them.

The lease and lease purchase terms used correspond to the terms of the various contracts, ranging from one to nine years.

Short-term exempt contracts are mainly temporary premises. Contracts exempted for low value mainly correspond to IT equipment.

Changes in right-of-use assets

The corresponding liability breaks down as follows:

Change in right of use assets (Amounts in thousands of euros)	**Premises**	**Technical installations, equipment & tooling**	**Vehicles**	**Total**
AT JANUARY 1, 2023	**4,506**	**1,962**	**297**	**6,765**
Change in scope	-	-	-	-
(-) Depreciation expense for the fiscal year	(965)	(314)	(172)	(1,450)
(+) Reversal of depreciation for the fiscal year	-	-	-	-
(+) Additions to "right-of-use" assets	2,059	-	126	2,184
(-) Disposals of "right-of-use" assets	-	-	(2)	(2)
(-) Reclassification to property, plant and equipment (see Note 5.2)	-	(1,321)	-	-
AT DECEMBER 31, 2023	**5,600**	**327**	**248**	**6,175**
Change in scope	-	-	-	-
(-) Depreciation expense for the fiscal year	(934)	(255)	(198)	(1,387)
(+) Reversal of depreciation for the fiscal year	-	-	-	-
(+) Additions to "right-of-use" assets	174	61	205	440
(-) Disposals of "right-of-use" assets	(69)	-	-	(69)
AT DECEMBER 31, 2024	**4,772**	**132**	**255**	**5,159**

The corresponding liability breaks down as follows:

Change in lease liabilities (Amounts in thousands of euros)	**Current portion of lease liabilities**	**Non-current portion of lease liabilities**	**Total lease liabilities**
AT JANUARY 1, 2023	**1,346**	**5,143**	**6,489**
Change in scope	-	-	-
Non-monetary changes - New contracts	442	1,744	2,186
Non-monetary changes - Reclassifications and other impacts	1,196	(1,199)	(3)
Repayments lease liabilities	(1,468)	-	(1,468)
Reclassification as financial liabilities (see Note 15)	(285)	(1,049)	(1,334)
AT DECEMBER 31, 2023	**1,231**	**4,639**	**5,870**
Change in scope	-	-	-
Non-monetary changes - New contracts	108	154	264
Non-monetary changes - Contract withdrawals	(79)	-	(79)
Non-monetary changes - Reclassifications and other impacts	1,068	(890)	178
Repayments lease liabilities	(1,281)	-	(1,281)
AT DECEMBER 31, 2024	**1,048**	**3,904**	**4,952**

NOTE 6 • FINANCIAL ASSETS

Financial assets break down as follows:

Financial assets (amounts in thousands of euross)	12/31/2023	Increase	Decrease	12/31/2024
Non-current financial assets (1)	1,219	21,594	(1,122)	21,691
Current financial assets (2)	-	3,346	-	3,346
TOTAL GROSS VALUES	**1,219**	**24,940**	**(1,122)**	**25,037**
Non-current financial assets	-	-	-	-
Current financial assets	-	-	-	-
TOTAL DEPRECIATION AND AMORTIZATION	**-**	**-**	**-**	**-**
Non-current financial assets (1)	1,219	21,594	(1,122)	21,691
Current financial assets (2)	-	3,346	-	3,346
TOTAL NET VALUES	**1,219**	**24,940**	**(1,122)**	**25,037**

(1) Of which €5 million paid into an escrow account relating to the land at December 31, 2024 and €16 million related to financial instruments and term deposits pledged with suppliers at December 31, 2024
(2) Corresponding to financial instruments and term deposits pledged with suppliers as of December 31, 2024

The Group's financial assets consist of:
- loans and receivables initially recognized at acquisition cost, then measured at amortized cost using the effective interest rate (EIR) method;
- guarantee deposits and the liquidity agreement.

Financial assets with a maturity of more than one year are classified as "non-current financial assets."

The classification and fair value of financial instruments is described in Note 10.

Liquidity agreement

As part of the transactions relating to the liquidity agreement that the Company has entered into with an independent financial intermediary, the cash paid to the financial intermediary and not yet used is recognized in the "Liquidity agreement" account. It represented €127 thousand at December 31, 2024 and €512 thousand at December 31, 2023.

Deposits and guarantees

These represent €339 thousand at December 31, 2023 and €5,212 thousand at December 31, 2024, of which €5,000 thousand in respect of the escrow relating to the Longlaville land.

NOTE 7 • INVENTORIES

Accounting principles

In accordance with IAS 2, inventories of raw materials are valued at their purchase cost.

For the 2024 fiscal year, inventories of raw materials, mainly PET waste, were recorded for a total amount of €1,538 thousand compared to €511 thousand in 2023. These inventories were not impaired at the end of the fiscal year.

NOTE 8 • TRADE RECEIVABLES AND OTHER CURRENT ASSETS

Accounting principles

Trade receivables and other current assets break down as follows:

Trade receivables & other current assets (In thousands of euros)	**12/31/2024**	**12/31/2023**
Trade receivables	97	6
Other current assets	8,826	10,621
Tax & social security receivables	*7,789*	*6,685*
Advance payments made on orders	*3*	*33*
Prepaid expenses	*1,000*	*311*
Other receivables (1)	*35*	*3,591*
CUSTOMER RECEIVABLES AND OTHER CURRENT ASSETS	**8,923**	**10,627**

(1) At December 31, 2023, other receivables mainly consisted of a down payment of €3.3 million paid to the notary for the acquisition of the land in Longlaville, as well as receivables to suppliers for fixed assets of €0.1 million.

The fair value classifications of financial instruments are described in Note 10.

NOTE 9 • TRADE PAYABLES AND OTHER CURRENT AND NON-CURRENT LIABILITIES

Accounting principles

Trade payables are initially recognized at their fair value, which generally corresponds to their nominal value.

The fair value of other current liabilities is assimilated to their value in the statement of financial position, given the very short payment terms.

Trade payables and other current and non-current liabilities (In thousands of euros)	**12/31/2024**	**12/31/2023**
Trade payables	4,577	4,829
Other current liabilities	27,919	11,888
Social security liabilities	*3,375*	*3,035*
Tax liabilities	*317*	*398*
Debts on fixed assets and related accounts	*23,753*	*7,390*
Translation adjustments	*12*	-
Other liabilities	*1*	*394*
Deferred income	*461*	*671*
TRADE PAYABLES AND OTHER CURRENT AND NON-CURRENT LIABILITIES	**32,496**	**16,716**

Other current liabilities at December 31, 2024

Other current liabilities concern:

- debt on fixed assets mainly concern the fixed assets of the Carbios 54 plant;
- social security liabilities, including balances due to the various funds at the closing date, as well as provisions for awards and bonuses, paid leave and related social security contributions;
- tax liabilities mainly include VAT liabilities;
- deferred income related to restatements of repayable advances and interest-free loans in accordance with IFRS 9 for €447 thousand.

Other current liabilities at December 31, 2023

Other current liabilities concern:

- debt on fixed assets mainly concern the fixed assets of the Carbios 54 plant;
- social security liabilities, including balances due to the various funds at the closing date, as well as provisions for awards and bonuses, paid leave and related social security contributions;
- tax liabilities mainly include VAT liabilities;
- deferred income consists of the following items:
  - deferred income related to restatements of repayable advances and interest-free loans in accordance with IFRS 9 for €628 thousand, and
  - other deferred income related to rebilling for €43 thousand.

NOTE 10 • CLASSIFICATION AND FAIR VALUE OF FINANCIAL INSTRUMENTS

Accounting principles

There are three categories of financial instruments according to the consequences that their characteristics have on their valuation method. This classification is used to set out some of the disclosures required by IFRS 7:

(1) level 1 category: only quoted prices on an active market for an identical instrument and without any adjustment;
(2) level 2 category: fair value determined from observable data, either directly (such as a price) or indirectly (i.e. calculated on the basis of another price), but other than a price quoted on an active market falling within level 1,
(3) level 3 category: fair value determined on the basis of unobservable market data.

The Group's assets and liabilities are valued as follows at the end of the fiscal years presented:

	12/31/2024						
Summary of financial assets and liabilities (In thousands of euros)	**Accounting category**	**Fair value hierarchy level**	**Total net carrying amount**	**Assets carried at amortized cost**	**Assets recognized at fair value through profit or loss**	**Liabilities carried at amortized cost**	**Fair value**
Financial assets		Note 6	21,691	21,691	-	-	21,691
Trade receivables and related accounts	Amortized cost	Note 8	97	97	-	-	97
Other current assets	Amortized cost	Note 8	8,826	8,826	-	-	8,826
Cash and cash equivalents	Amortized cost	Note 11	89,767	89,767	-	-	89,767
TOTAL ASSETS			**120,380**	**120,380**	**-**	**-**	**120,380**
Non-current borrowings and financial liabilities	Amortized cost	Level 2 - Note 15	37,204	-	-	37,204	37,204
Other non-current liabilities	Amortized cost	Note 9	98	-	-	98	98
Non-current lease liabilities	Amortized cost	Note 5.5	3,904	-	-	3,904	3,904
Current borrowings and financial liabilities	Amortized cost	Level 2 - Note 15	3,518	-	-	3,518	3,518
Current lease liabilities	Amortized cost	Note 5.5	1,048	-	-	1,048	1,048
Trade payables and related accounts	Amortized cost	Note 9	4,577	-	-	4,577	4,577
Other current liabilities	Amortized cost	Note 9	27,919	-	-	27,919	27,919
TOTAL LIABILITIES			**78,268**	**-**	**-**	**78,268**	**78,268**

Summary of financial assets and liabilities (In thousands of euros)	Accounting category	Fair value hierarchy level	Total net carrying amount	Assets carried at amortized cost	Assets recognized at fair value through profit or loss	Liabilities carried at amortized cost	Fair value
			12/31/2023				
Financial assets		Note 6	1,219	1,219	-	-	1,219
Trade receivables and related accounts	Amortized cost	Note 8	6	6	-	-	6
Other current assets	Amortized cost	Note 8	10,621	10,621	-	-	10,621
Cash and cash equivalents	Amortized cost	Note 11	191,821	191,821	-	-	191,821
TOTAL ASSETS			**203,667**	**203,667**	**-**	**-**	**203,667**
Non-current borrowings and financial liabilities	Amortized cost	Level 2 - Note 15	38,912	-	-	38,912	38,912
Other non-current liabilities	Amortized cost	Note 9	449	-	-	449	449
Non-current lease liabilities	Amortized cost	Note 5.5	4,639	-	-	4,639	4,639
Current borrowings and financial liabilities	Amortized cost	Level 2 - Note 15	3,838	-	-	3,838	3,838
Current lease liabilities	Amortized cost	Note 5.5	1,232	-	-	1,232	1,232
Trade payables and related accounts	Amortized cost	Note 9	4,829	-	-	4,829	4,829
Other current liabilities	Amortized cost	Note 9	11,888	-	-	11,888	11,888
TOTAL LIABILITIES			**65,786**	**-**	**-**	**65,786**	**65,786**

NOTE 11 • CASH AND CASH EQUIVALENTS

Cash and cash equivalents (In thousands of euros)	12/31/2024	12/31/2023
Bank accounts	3,042	19,284
Marketable securities	13,933	-
Term deposits	72,792	172,537
Total cash and cash equivalents	**89,767**	**191,821**

Cash and cash equivalents consist of cash at bank, cash on hand and term deposits. They are held to meet short-term cash commitments, are readily convertible into a known amount of cash and are exposed to an insignificant risk of change in value.

For the purposes of the cash flow statement, net cash includes cash and cash equivalents as defined above.

NOTE 12 • SHARE CAPITAL

Accounting principles

The classification in equity depends on the specific analysis of the characteristics of each instrument issued. The Company's ordinary shares are classified as equity instruments.
Incidental costs directly attributable to the issue of shares or stock options are recognized, net of tax, as a deduction from equity.

Liquidity agreement

The portion of the contract that is invested in the Company's treasury shares is recognized as a deduction from the Company's equity at the acquisition cost.
The gain or loss on the sale of these treasury shares is also recognized directly in equity.
The cash reserve related to the liquidity agreement is presented in "Non-current financial assets."

Share capital

	12/31/2024	12/31/2023
Share capital (in euros)	11,791,941.00	11,786,048.40
Number of ordinary shares outstanding	16,845,630	16,837,212
Nominal value (in euros)	€0.70	€0.70

Capital transactions carried out before the period and recognized during the period
N/A.

Capital transactions performed during the period

By decision dated April 8, 2024, the Chief Executive Officer of the Company noted the definitive completion of a capital increase reserved for employees and subscribed through the FCPE CARBIOS for a nominal amount of €5,892.60, increasing it from €11,786,048.40 to €11,791,941, through the issue of 8,418 new ordinary shares at a unit price of €16.56 (including the issue premium).

As a result, as of December 31, 2024, the share capital amounting to €11,791,941 consisted of 16,845,630 ordinary shares, with a par value of €0.70 each, entirely subscribed and fully paid up.

Movements of securities	Number	Nominal value	Share capital
Securities at the beginning of the fiscal year	**16,837,212**	**€0.70**	**€11,786,048.40**
Capital reduction	-	-	-
Securities issued	8,418	€0.70	€5,892.60
Securities redeemed or canceled	-	-	-
Shares at year-end	**16,845,630**	**€0.70**	**€11,791,941.00**

Share capital composition:

At December 31, 2024, the 16,845,630 shares comprising the share capital were distributed as follows:

Shareholders	Number of shares	% of share capital	Number of voting rights	% of voting rights
BOLD	943,211	5.60%	943,211	5.60%
Copernicus Wealth Management S.A.(1)	654,271	3.88%	654,271	3.88%
Michelin Ventures	519,742	3.09%	519,742	3.08%
L'Occitane Group	392,852	2.33%	392,852	2.33%
Truffle Capital Funds	176,565	1.05%	176,565	1.05%
EIB	0	0.00%	0	0.00%
Directors(2)	1,656	0.01%	1,656	0.01%
Employees and former employees (3) *of which FCPE CARBIOS*	13,241 *13,241*	0.08% *0.08%*	0 *0*	0.00% *0.00%*
Treasury shares	43,723	0.26%	0	0.00%
Free-float	14,112,265	83.77%	14,159,542	84.04%
Total	**16,845,630**	**100.00%**	**16,849,184**	**100.00%**

(1) Shares held by funds and/or individuals with Copernicus Wealth Management SA as their management company.

(2) The "directors" line of the table does not take into account holdings of BOLD or Michelin Ventures. Specific lines are dedicated to these directors. BOLD, Business Opportunity for L'Oréal Development, represented by Laurent SCHMITT and Michelin Ventures, represented by Nicolas SEEBOTH, have been members of the Board of Directors since June 23, 2021.

(3) See description of the Employee shareholding program in 6.5.2.4.

By collective decision of shareholders on February 20, 2013, it was decided to allocate a double voting right to all fully paid-up shares documented to have been held in registered form in the name of the same shareholder for at least two years.

As of December 31, 2024, 47,277 registered shares included in the free float met these criteria.

Issue premiums

In accordance with the decision made by the sole partner followed by the collective decision of the shareholders and, finally, by the Board of Directors based on the delegation of the Shareholders' Meeting, the issue premiums paid as part of the capital increases were recorded under "Liabilities" on the statement of financial position in a special "Issue premium" account, to which the former and new shareholders' rights shall be applicable.

Capital issue costs are recognized in the statement of financial position as a deduction from the issue premium.

At December 31, 2024, the issue premiums paid after deducting capital increase costs amounted to €276,699,584.00.

Transaction	Transaction date	Issue premiums	Direct costs charged	Exercise of BSA/ BCE against payment (1)	Total issue premium	BSA
At 12/31/2023		**€294,058,973.35**	**€(17,533,050.95)**	**€40,152.12**	**€276,566,074.52**	**€2,969.28**
Capital increase	04/08/2024	€133,509.48	-	-	-	-
At 12/31/2024		**€294,192,482.83**	**€(17,533,050.95)**	**€40,152.12**	**€276,699,584.00**	**€2,969.28**

(1) At 12/31/2023 the amounts of this item came from the exercise of:

- *28,841 BSAs acquired for €0.22 per share, i.e. €6,341.82;*
- *3,759 BSAs acquired for €0.10 per share, i.e. €375.90;*
- *19,200 BSAs acquired for €0.85 per share, i.e. €16,320;*
- *9,600 BSAs acquired for €0.59 per share, i.e. €5,664;*
- *acquisition of the BSA plan by Kepler Cheuvreux: €500.*

These amounts, together with the additional €2,790.40 paid at the subscription of 12,800 BSA warrants acquired for €0.22 (which have now expired) and the additional €8,160.00 paid upon subscription of 9,600 vested BSA warrants for €0.85 (which have now expired), initially recorded under "warrants," were included in the issue premium when the expiry of the said warrants was recognized.

Expenses inherent to the various increases were charged in full to the issue premium.

As a reminder, the direct costs associated with the listing of the Company on the Euronext Growth Paris market that took place in 2013 amounted to €1,196,108. The expenses relating to the fundraising carried out in 2019 amounted to €770,395, those relating to the transactions carried out in 2020 to €1,957,332, those for 2021 to €6,003,554 and, finally, the expenses incurred for the share capital increase in 2023 to €7,605,661.

The "Issue premiums" item recorded under "Liabilities" on the statement of financial position also includes the sums received at the time of the subscription of the share subscription warrants (see Note 12.3 below), i.e. €2,969.28 at December 31, 2024.

Capital management

The Group's policy is to maintain a sufficient financial base to preserve the confidence of investors and creditors and to support the Company's future growth.

Following the IPO of the Company on EURONEXT GROWTH, the Company entered into a liquidity agreement in order to limit the intra-day volatility of the Company's shares.

Under this agreement, 22,546 treasury shares representing €175 thousand were recognized as a deduction from equity at December 31, 2024 (4,047 shares representing €103 thousand were recognized at December 31, 2023).

Cash paid to the intermediary and not yet used is recognized as non-current financial assets and represented €127 thousand at December 31, 2024 (€512 thousand at December 31, 2023).

In December 2023, the Company announced the launch of an employee shareholding plan with the upcoming creation of an FCPE, and at the same time launched a share buyback program with this in mind. At December 31, 2024, the Company held 21,177 shares intended for the implementation of employee shareholding transactions reserved for members of a company savings plan for a theoretical value of €142 thousand at December 31, 2024. The Company also had €86 thousand in unused cash.

Dividends

The Group did not pay any dividends for the fiscal years presented.

NOTE 13 • SHARE-BASED PAYMENTS

Accounting principles

The Company has set up several equity-settled compensation plans in the form of share subscription warrants ("BSA"), free preference share allocation plans ("AGAP") and founders' warrants ("BSPCE" or "BCE") allocated to employees and directors.

In accordance with IFRS 2, the grant-date fair value of equity-settled share-based payments is recognized as an expense with a corresponding increase in equity over the vesting period of the awards.

For plans whose vesting is not linked to the achievement of a market performance condition, the valuation model used is that of Black & Scholes.

For plans whose vesting is linked to the achievement of a market performance condition, Monte Carlo simulations were carried out in order to project the Carbios share price and thus estimate the fair value of the options.

The valuation methods used to estimate the fair value of the options are described below:

- the maturity of plans with only a presence condition was estimated by tranche by considering an exercise half-life (corresponding to the mid-period between the vesting date of the tranche and the plan's end-of-life date). That of plans with performance conditions was estimated based on the most likely date of the achievement of each performance condition for the vesting date, plus the remaining half-life of the exercise;
- for plans granted prior to 2019, the expected volatility was determined on the basis of a panel of comparable listed companies in the sector, over a period equivalent to the expected duration of the option. For plans granted after 2019, the expected volatility was determined on the basis of the Carbios price history restated for values deemed not representative of future volatility.

13.1 Share subscription warrants ("BSA")

The table below shows the status of the BSA issued since the creation of the Company that were still outstanding at December 31, 2024, as well as additional information regarding their status as of that date.

	BSA EIB
Date of Shareholders' Meeting	Decision of the Shareholders' Meeting of 02/02/2022
Total number of shares that may be subscribed or purchased (1)	318,158
Warrant exercise start date	05/27/2022
Expiration date	05/26/2030
Price of subscription or purchase of warrant	0.01
Warrant exercise method	The subscription must be recognized by a subscription form which must be given to the Company
Exercise price (in euros)	€40 for 50% of the BSA EIB €38.89 for 50% of the BSA EIB
Number of shares subscribed at December 31, 2024	0
Cumulative number of subscription or purchase warrants canceled or null and void	0
Share subscription warrants that may be exercised at December 31, 2024	296,928

(1) Subscription price determined on the basis of a report prepared and delivered by an independent expert.

At its meeting of February 3, 2022, the Board of Directors implemented the delegation granted by the Combined Shareholders' Meeting of February 2, 2022 to decide to issue, with cancellation of preferential subscription rights, 296,928 share subscription warrants (BSA), giving the right to subscribe for 296,928 new ordinary Company shares for the benefit of the EIB. The Chairman recalled that under the loan agreement of €30 million signed with the EIB, the Company has committed, under the terms of a share subscription warrants agreement drafted in English (Subscription Agreement for Warrants in the Capital of Carbios S.A.) on December 20, 2021 (the "Issue Agreement"), to issue 296,928 share subscription warrants ("BSA") to the EIB. These share subscription warrants (BSA) would represent 2.5% of the Company's diluted share capital, and could be exercised for a period of eight years from their issue at a price corresponding to:

- €40 for 50% of the BSAs to be issued; and
- an amount equal to the volume-weighted average of the last three trading days preceding the fifth day preceding the signing of the contract relating to the issuance of the share subscription warrants (BSAs), i.e. €38.8861 for the remaining 50% of the BSAs.

During the 2024 fiscal year, CARBIOS did not issue any new BSA share subscription warrants.

No BSA share subscription warrants were exercised during the 2024 fiscal year.

As of December 31, 2024, 296,928 BSA giving rights to 318,158 shares were still exercisable.

13.2 Founder share subscription warrants ("BSPCE")

The table below shows the status of BSPCE issued since the creation of the Company that were still outstanding at December 31, 2024, as well as additional information regarding their status at that date.

When subscribing to the BSPCE plan, the beneficiary will not have to pay a subscription price to the Company. As soon as the BSPCEs are exercised, the Company will recognize the capital increase (account 101 "Capital") and an issue premium (account 1041 "Issue premium", for the difference between the exercise price and the par value of the share).

If BSPCE has lapsed, no accounting entry will be required.

	BCE 2015-2	BCE-2020-3	BCE-2020-6
Date of Shareholders' Meeting	Shareholders' Meeting of 06/24/2015	Shareholders' Meeting of 06/19/2019	Shareholders' Meeting of 06/18/2020
Date of Board of Directors' meeting	Decision of the Board of Directors of 06/24/2015	Decision of the Board of Directors of 03/12/2020	Decision of the Board of Directors of 07/09/2020
Total number of shares that may be subscribed or purchased, of which the number that may be subscribed or purchased(1)	16,073	42,592	30,806
Warrant exercise start date	06/24/2016	03/12/2020	07/09/2020
Expiration date	06/24/2025	03/12/2030	07/09/2030
Price of subscription or purchase of warrant	Free	Free	Free
Warrant exercise method	Possibility of exercising x warrants per complete monthly period beginning on 06/24/2015, and for the first time from 06/24/2016, calculated according to the following rule: x = (total nb of BCEs 2015-2 allocated to the beneficiary * nb. of months since 06/24/2015)/48.	To be exercised, these warrants must satisfy four performance conditions. Each condition met gives the right to exercise one fourth of the BSPCEs allocated. In the event of acquisition of the entire Company by a manufacturer, an accelerated vesting is provided for according to the acquisition price per share.	To be exercised, these warrants must satisfy four performance conditions. Each condition met gives the right to exercise one fourth of the BSPCEs allocated. In the event of acquisition of the entire Company by a manufacturer, an accelerated vesting is provided for according to the acquisition price per share. For the other 14,000 warrants: possibility of exercising y warrants where y = (number of warrants not yet exercisable) * % determined by the performance of the Carbios share price.
Exercise price (in euros)	12.4581	7.75934	20.6050
Number of shares subscribed at December 31, 2024	16,000	6,500	0
Cumulative number of subscription or purchase warrants canceled or null and void	0	0	0
Share subscription warrants that may be exercised at December 31, 2024	15,000	39,750	28,750

(1) By decision of August 4, 2023, the Chief Executive Officer of the Company decided to adjust the securities already issued by the Company in accordance with Article L.228-99 of the French Commercial Code. Consequently, each BSPCE gives the right to subscribe for 1.0715 shares of the Company.

	BCE-2021-1, BCE-2021-3 to BCE-2021-5 and BCE-2021-7 to BCE-2021-14	BCE 2021-16	BCE 2021-17	BCE-2022-1 to BCE-2022-2
Date of Shareholders' Meeting	Shareholders' Meeting of 06/18/2020	Shareholders' Meeting of 06/18/2020	Shareholders' Meeting of 06/18/2020	Shareholders' Meeting of 06/22/2022
Date of Board of Directors' meeting	Decision of the Board of Directors of 01/15/2021	Decision of the Board of Directors of 11/05/2021	Decision of the Board of Directors of 11/05/2021	Decision of the Board of Directors of 06/29/2022
Total number of shares that may be subscribed or purchased(1), of which the number that may be subscribed or purchased by:	51,152	39,362	6,847	53,575
Emmanuel LADENT	-	39,362	-	-
Warrant exercise start date	01/15/2022	12/01/2022	11/05/2022	06/29/2025
Expiration date	01/15/2032	12/01/2032	11/05/2032	06/29/2032
Price of subscription or purchase of warrant	Free	Free	Free	Free
Warrant exercise method	Possibility of exercising x warrants per full monthly period, and for the first time from 01/15/2022, calculated according to the following rule: x = total number of BCE-2021 granted to the beneficiaries * (number of months since 01/15/2021)/48. In the event of acquisition of the entire Company by a manufacturer, an accelerated vesting is provided for according to the acquisition price per share.	For the first 18,367 warrants: possibility of exercising x warrants per full monthly period beginning on 12/01/2021, and for the first time from 12/01/2022, calculated according to the following rule: x = 18,367 * (number of months since 12/01/2021)/48. The remaining 18,368 warrants are subject to four performance conditions to be exercised. Each condition met gives the right to exercise 5,510 warrants, 6,429 warrants, 2,755 warrants and 3,677 warrants, respectively. In the event of acquisition of the entire Company by a manufacturer, an accelerated vesting is provided for according to the acquisition price per share. In the event of acquisition of the entire Company by a manufacturer, an accelerated vesting is provided for according to the acquisition price per share.	Possibility of exercising x warrants per full monthly period, and for the first time from 11/05/2022, calculated according to the following rule: x = total number of BCE-2021 granted to the beneficiaries * (number of months since 11/05/2021)/48.	To be exercised, these warrants must satisfy four performance conditions. Each condition met gives the right to exercise 40%, 20%, 20% and 20% of the warrants respectively.
Exercise price (in euros)	44.5049	37.7340	39.7863	30.1316
Number of shares subscribed at December 31, 2024	0	0	0	0
Cumulative number of subscription or purchase warrants canceled or null and void	9,847	0	0	138,265
Share subscription warrants that may be exercised at December 31, 2024	47,739	36,735	6,390	50,000(2)

(1) By decision of August 4, 2023, the Chief Executive Officer of the Company decided to adjust the securities already issued by the Company in accordance with Article L. 228-99 of the French Commercial Code. Consequently, each BSPCE gives the right to subscribe for 1.0715 shares of the Company.

(2) May be exercised from June 29, 2025.

	BCE-2022-4	BCE-2022-5 to BCE-2022-6 and BCE-2022-13 to BCE-2022-14	BCE-2022-7 to BCE-2022-11	BCE-2022-12
Date of Shareholders' Meeting	Shareholders' Meeting of 06/18/2020	Shareholders' Meeting of 06/19/2019	Shareholders' Meeting of 06/18/2020	Shareholders' Meeting of 06/22/2022
Date of Board of Directors' meeting	Decision of the Board of Directors of 09/29/2022	Decision of the Board of Directors of 12/13/2022	Decision of the Board of Directors of 12/13/2022	Decision of the Board of Directors of 12/13/2022
Total number of shares that may be subscribed or purchased, of which the number that may be subscribed or purchased by(1):	53,575	57,927	64,708	-
Emmanuel LADENT	-	-	-	-
Warrant exercise start date	09/29/2025	12/13/2025	12/13/2025	12/13/2025
Expiration date	09/29/2032	12/13/2032	12/13/2032	12/13/2032
Price of subscription or purchase of warrant	Free	Free	Free	Free
Warrant exercise method	To be exercised, these warrants must satisfy four performance conditions. Each condition met gives the right to exercise 40%, 20%, 20% and 20% of the warrants respectively.	To be exercised, these warrants must satisfy four performance conditions. Each condition met gives the right to exercise 40%, 20%, 20% and 20% of the warrants respectively.	To be exercised, these warrants must satisfy four performance conditions. Each condition met gives the right to exercise 40%, 20%, 20% and 20% of the warrants respectively.	To be exercised, these warrants must satisfy four performance conditions. Each condition met gives the right to exercise 40%, 20%, 20% and 20% of the warrants respectively.
Exercise price (in euros)	26.59321	33.27455	33.27455	33.27455
Number of shares subscribed at December 31, 2024	0	0	0	0
Cumulative number of subscription or purchase warrants canceled or null and void	0	50,000	22,023	31,735
Share subscription warrants that may be exercised at December 31, 2024	50,000(2)	54,062(3)	60,390(3)	0

(1) By decision of August 4, 2023, the Chief Executive Officer of the Company decided to adjust the securities already issued by the Company in accordance with Article L. 228-99 of the French Commercial Code. Consequently, each BSPCE gives the right to subscribe for 1.0715 shares of the Company.

(2) May be exercised from September 29, 2025.

(3) May be exercised from December 13, 2025.

During the 2024 fiscal year, CARBIOS did not issue any new BSPCE founders' warrants.

During the 2024 fiscal year, no BSPCE founders' warrants were exercised.

At December 31, 2024, 388,816 BSPCE giving rights to 416,616 shares were still exercisable.

13.3 Free Allocation of Preference Shares ("AGAP")

On September 27, 2023 and October 16, 2023, the Board of Directors decided to set up a free share allocation plan ("AGA 2023") for the benefit of some of its employees and corporate officers with a vesting period of three years and allocated 84,150 free Company shares.

On July 2, 2024 and October 1, 2024, the Board of Directors decided to set up a free share allocation plan ("AGA 2024") for the benefit of some of its employees and corporate officers with a vesting period of over three years and allocated 171,450 free Company shares.

There is no lock-up period attached to the free shares definitively acquired.

All free share plans give entitlement to the delivery of Carbios shares.

The free share allocation plans in force at December 31, 2024 are as follows:

	2023-1 Plan	2023-2 Plan
Date of the Shareholders' Meeting that authorized the allocation of free shares	June 22, 2023	June 22, 2023
Grant date	September 27, 2023	October 16, 2023
Vesting period	3 years	3 years
Retention period	-	-
Total number of free shares allocated	74,150	10,000
Of which subject to performance conditions	74,150	10,000
Of which allocated to corporate officers	12,000(1)	-
Number of shares vested in 2024	-	-
Number of shares canceled at December 31, 2024	16,900(2)	-

(1) Emmanuel LADENT Chief Executive Officer of the Company until December 18, 2024.

(2) Including 12,000 shares granted to Emmanuel LADENT, Chief Executive Officer of the Company, which lapsed following the end of his term of office on December 18, 2024.

	2024-1 Plan	2024-2 Plan	2024-3 Plan
Date of the Shareholders' Meeting that authorized the allocation of free shares	June 20, 2024	June 20, 2024	June 20, 2024
Grant date	July 2, 2024	July 2, 2024	October 1, 2024
Vesting period	3 years and 10 months	3 years and 7 months	3 years and 6 months
Retention period	-	-	
Total number of free shares allocated	136,500	10,000	24,950
Of which subject to performance conditions	136,500	10,000	24,950
Of which allocated to corporate officers	60,000(1)	-	-
Number of shares vested in 2024	-	-	-
Number of shares canceled at December 31, 2024	63,000(2)	-	400

(1) Emmanuel LADENT, Chief Executive Officer of the Company until December 18, 2024.

(2) Of which 60,000 shares granted to Emmanuel LADENT, Chief Executive Officer of the Company, lapsed following the end of his term of office on December 18, 2024.

At December 31, 2024, 175,300 AGAs giving rights to 175,300 shares were still exercisable.

13.4 Breakdown of expense recognized in accordance with IFRS 2 during the periods presented

	12/31/2024				12/31/2023			
(In thousands of euros) Type	Probabilized cost of the plan to date	Cumulative expense at the beginning of the period	Expense for the period	Cumulative expense to date	Probabilized cost of the plan to date	Cumulative expense at the beginning of the period	Expense for the period	Cumulative expense to date
BCE 2015-2	175	175	-	175	175	175	-	175
BCE 2020	1,997	1,732	265	1,997	1,997	1,445	287	1,732
BCE 2021	1,746	1,815	(72)	1,743	1,930	1,581	234	1,815
BCE 2022	1,910	2,334	(1,261)	1,072	6,634	460	1,873	2,334
AGAP 2023	893	161	213	374	1,853	-	161	161
AGAP 2024-1	1,580	-	210	210	-	-	-	-
AGAP 2024-2	215	-	29	29	-	-	-	-
AGAP 2024-3	414	-	29	29	-	-	-	-
Total	**8,931**	**6,217**	**(587)**	**5,630**	**12,589**	**3,662**	**2,556**	**6,217**

NOTE 14 • PROVISIONS

Accounting principles

A provision is recognized when the Company has a legal or constructive obligation at the closing date that results from a past event that will probably result in an outflow of resources and the amount of which can be reliably estimated.

The amount recognized as a provision corresponds to the best estimate of the expenditure required to settle the present obligation at the closing date.

Apart from provisions for pension commitments (see Note 23), no provision has been recognized.

NOTE 15 • LOANS AND FINANCIAL LIABILITIES

Accounting principles

Unless otherwise indicated, borrowings and financial liabilities are recognized, after their initial recognition at fair value, at amortized cost calculated using the effective interest rate in accordance with IFRS 9.

The portion of borrowings at less than one year is presented under "Current financial liabilities."

Loans and current and non-current financial liabilities (In thousands of euros)	**12/31/2024**	**12/31/2023**
Loans from credit institutions	31,173	33,350
Conditional advances	6,031	5,563
Lease liabilities (1)	3,904	4,639
Loans and financial liabilities – non-current portion	**41,108**	**43,551**
Loans from credit institutions	2,737	2,680
Conditional advances	781	1,157
Lease liabilities (1)	1,048	1,232
Loans and financial liabilities – current portion	**4,566**	**5,069**
Total loans and financial liabilities	**45,674**	**48,620**

(1) Information on lease liabilities is discussed in the dedicated note "Note 5.5 Right of use".

The classification and fair value of financial instruments are described in Note 10.

15.1 Loans from credit institutions

Loans (In thousands of euros)	**Fixed/ floating rate**	**Nominal interest rate**	**EIR**	**Initial nominal amount**	**Remaining nominal amount**	**Year of maturity**	**12/31/2024**	**12/31/2023**
(1) Bpifrance Innovation loan	Fixed	3.2%	3.2%	1,500	450	2025	450	750
(1) Bpifrance Innovation loan	Fixed	4.5%	4.5%	1,500	750	2026	750	1,050
(2) State-guaranteed loan (SGL) (a)	Fixed	0.6%	1.2% - 3%	1,000	500	2026	492	750
(3) EIB Loan - debt component	Fixed	5%	8.8%	30,000	30,000	2030	27,037	26,484
(4) TZ Bpifrance loan (a)	Fixed	0%	3%	500	100	2025	98	193
(4) TZ Bpifrance loan (a)	Fixed	0%	3%	250	113	2027	108	154
(4) TZ Bpifrance loan (a)	Fixed	0%	3%	250	113	2027	108	154
(5) CEPAL loan	Fixed	1.1%	1.1%	177	15	2024	15	51
(5) CEPAL loan	Fixed	2.1%	2.1%	334	96	2026	96	163
(6) CEPAL SGL (a)	Fixed	0.7%	1.1% - 3%	950	360	2026	355	584
(6) Bpifrance SGL (a)	Fixed	2.2%	2.2% - 3%	950	416	2026	413	645
(7) Financial liability related to the lease-back - Batch 1	Fixed	N/A	3.9%	1,534	768	2027	768	1,065
(7) Financial liability related to the lease-back - Batch 2	Fixed	N/A	7.1%	4,256	3,195	2028	3,195	3,954
Accrued interest	N/A	N/A	N/A	N/A	N/A	N/A	24	31
TOTAL				**43,201**	36,875		**33,910**	**36,030**

(a) In the EIR column, the first rate represents the effective interest rate, while the second rate reflects the market interest rates at the time of issue, in accordance with IAS 20. The difference between the two rates is a subsidy recognized in profit or loss.

Details of Loans from credit institutions

(1) BPIFRANCE INNOVATION LOANS

Two innovation loans were granted by Bpifrance in 2018 and 2019 for a total amount of €3,000 thousand. The two loans provide for a payment deferral of 2 years, and annual straight-line repayment over the following 5 years, i.e. repayments at constant capital of €75 thousand. The total nominal amount outstanding was €1,200 thousand at December 31, 2024.

They bear interest at 3.21% and 4.45% respectively and were subject to a guarantee deposit of €75 thousand, each recognized in financial assets.

(2) STATE-GUARANTEED LOAN (SGL)

On August 31, 2020, receipt of a loan guaranteed by the French State in the amount of €1,000 thousand for a period of 12 months. On June 26, 2021, the Company decided to extend the PGE for an additional 5 years.

The SGL bears interest at the rate of 0.25% and will be repaid in 8 equal and consecutive half-yearly installments of principal of €125 thousand from 2023, for an amount outstanding of €500 thousand at December 31, 2024.

(3) EIB LOAN

In June 2022, CARBIOS received the loan of €30 million granted by the European Investment Bank (EIB) to the Company, as announced on December 20, 2021. Supported by the European Commission's InnovFin energy demonstration program, the contract provides for annual repayments at constant capital, from June 29, 2026 to June 29, 2031.

As a reminder, the objective of this type of financing is to support innovative projects with high potential, developed by companies aiming to achieve major changes in line with the EU's climate objectives and contributing to the leadership of European industry in the development of sustainable technologies. This loan of €30 million, disbursed in a single tranche by the EIB, carries a fixed annual interest of 5%, with a maturity of 8 years and an annual repayment at constant capital to begin in 2025. This agreement is supplemented by a warrant issuance agreement where Carbios will issue 2.5% of the fully diluted share capital in warrants to the benefit of the EIB, of which 1.25% with an exercise price of €40 per share, and 1.25% with an exercise price of €38.8861 per share, corresponding to the volume-weighted average of the trading price of an ordinary share of the Company over the last three (3) trading days preceding the fifth day prior to the signing date. The creation and issue of these EIB share subscription warrants, and therefore the disbursement of the loan of €30 million, were subject to a vote by Carbios' Extraordinary Shareholders' Meeting of February 2, 2022 of a delegation of authority to the Board of Directors, and a decision of the Company's Board of Directors using this delegation of authority.

Moreover, after analysis of the plan and its characteristics, given that these are instruments with a fixed parity, (1 BSA for 1 Ordinary Share with a fixed exercise price) where the issuer has the unconditional right not to ever pay cash, such as a preferred dividend or a repurchase obligation (in the context of a put/call), the share subscription warrants issued are qualified as equity instruments.

Instruments should, therefore, be valued on the issue date and not subsequently revalued at each reporting date.

The calculation of the fair value is as follows:

Plan features	BSA BEI-1	BSA BEI-2
Grant date	05/27/2022	05/27/2022
Plan end-of-life date	06/29/2030	06/29/2030
Vesting date	Immediately, at the grant date	Immediately, at the grant date
Start date of exercise period	From the disbursement date, i.e. 06/29/2022	From the disbursement date, i.e. 06/29/2022
Number of options granted	148,464	148,464
Exercise price	€40.00	€38.8861
Price of the underlying	€34.12	€34.12
Estimated maturity	8.09 years	8.09 years
Volatility	39.35%	39.35%
Dividend rate	0.00%	0.00%
Risk-free rate	1.258%	1.258%
Subscription price	€0.01	€0.01
Fair value	€13.9	€14.18
Total expenses	€2,064 thousand	€2,105 thousand

As the instruments are classified as equity, the fair value is not intended to be updated at the next closing dates.

The total fair value of the following instruments is to be taken as a deduction from the total debt which will be recognized at amortized cost:

In thousands of euros	TOTAL
BSA EIB-1	2,064
BSA EIB-2	2,105
Total	**4,169**

(4) INTEREST-FREE LOANS

Subscription of three interest-free loans for a total amount of €1,000 thousand with Bpifrance. These loans were received in 2018 for €500 thousand then in 2019 for €500 thousand. They entered into the scope of consolidation with the takeover of Carbiolice in June 2021. The total nominal amount outstanding was €326 thousand at December 31, 2024.

(5) INVESTMENT LOANS

Subscription of two investment loans with CEPAL for €177 thousand and €334 thousand respectively. The amounts were received in 2019 and 2020 respectively. These loans bear interest at a rate of 1%. They entered into the scope of consolidation with the takeover of Carbiolice in June 2021. The total nominal amount outstanding was €111 thousand at December 31, 2024.

(6) CEPAL AND BPI STATE-GUARANTEED LOANS (SGL)

Subscription of two State-guaranteed loans (PGE) in 2020 in the amount of €950 thousand each. The first one bears interest at the rate of 1.09% with a two-year grace period. The second bears interest at a rate of 2.09% with a two-year grace period. They entered into the scope of consolidation with the takeover of Carbiolice in June 2021. The total nominal amount outstanding was €776 thousand at December 31, 2024.

(7) FINANCIAL LIABILITY RELATED TO THE LEASE-BACK - BATCH 1 AND BATCH 2

At December 31, 2023, the financing for the industrial demonstration plant comprised €4.3 million in equipment (batch 2), thus adding to the €1.5 million (batch 1) financed during the previous fiscal year. These investments were subject to two lease-back transactions.
As of December 31, 2024, no new lease-back transactions had been carried out.

Change in cash flows on loans

Current portion (in thousands of euros)	(1) Bpifrance Innovation loan	(1) Bpifrance Innovation loan	(2) State-guaranteed loan (SGL)	(3) EIB loan	(4) TZ Bpifrance loan	(4) TZ Bpifrance loan	(4) TZ Bpifrance loan	(5) CEPAL loan	(5) CEPAL loan	(6) CEPAL State-guaranteed loan	(6) Bpifrance State-guaranteed loan	(7) Financial liability related to the lease-back - Batch 1	(7) Financial liability related to the lease-back - Batch 2	Total
At January 1, 2023	**300**	**300**	**240**	**347**	**93**	**45**	**45**	**36**	**68**	**223**	**231**	**-**	**-**	**1,927**
Change in scope	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash flows - receipt of new debts	-	-	-	-	-	-	-	-	-	-	-	-	802	802
Cash flows - repayment of debts	(300)	(300)	(250)	-	(100)	(50)	(50)	(36)	(66)	(236)	(238)	(323)	(359)	(2,308)
Non-monetary changes	300	300	252	(347)	101	51	51	36	66	242	239	335	316	1,944
Reclassification of lease liabilities as financial liabilities (Note 5.5)	-	-	-	-	-	-	-	-	-	-	-	285	-	285
At December 31, 2023	**300**	**300**	**242**	**-**	**93**	**46**	**46**	**36**	**68**	**229**	**233**	**297**	**760**	**2,650**
Change in scope	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash flows - receipt of new debts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash flows - repayment of debts	(300)	(300)	(250)	-	(100)	(50)	(50)	(36)	(67)	(238)	(238)	(333)	(1,009)	(2,971)
Non-monetary changes	300	300	253	-	105	51	51	15	66	244	240	344	1,063	3,034
Reclassification of lease liabilities as financial liabilities (Note 5.5)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At December 31, 2024	**300**	**300**	**245**	**-**	**98**	**47**	**47**	**15**	**67**	**235**	**235**	**308**	**814**	**2,713**

Non-current portion (in thousands of euros)	Bpifrance Innovation loan	Bpifrance Innovation loan	State-guaranteed loan (SGL)	EIB loan	Bpifrance Innovation loan	Bpifrance Innovation loan	Bpifrance Innovation loan	CEPAL loan	CEPAL loan	CEPAL SGL loan	Bpifrance Innovation loan	Financial liability related to the lease-back - Batch 1	Financial liability related to the lease-back - Batch 2	Total
At January 1, 2023	**750**	**1,050**	**726**	**25,371**	**194**	**154**	**154**	**51**	**161**	**584**	**645**	**0**	**0**	**29,840**
Change in scope	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Cash flows - receipt of new debts	-	-	-	-	-	-	-	-	-	-	-	-	3,454	3,454
Cash flows - repayment of debts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-monetary changes	(300)	(300)	(219)	1,114	(94)	(46)	(46)	(36)	(66)	(229)	(233)	(281)	(259)	(994)
Reclassification of lease liabilities as financial liabilities (Note 5.5)	-	-	-	-	-	-	-	-	-	-	-	1,049	-	1,049
At December 31, 2023	**450**	**750**	**508**	**26,484**	**100**	**108**	**108**	**15**	**95**	**355**	**412**	**768**	**3,194**	**33,349**
Change in scope	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash flows - receipt of new debts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash flows - repayment of debts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-monetary changes	(300)	(300)	(261)	553	(100)	(47)	(47)	(15)	(66)	(235)	(235)	(308)	(814)	(1,983)
Reclassification of lease liabilities as financial liabilities (Note 5.5)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At December 31, 2024	**150**	**450**	**247**	**27,038**	**0**	**61**	**61**	**0**	**29**	**120**	**177**	**460**	**2,381**	**31,173**

15.2 Repayable advances

Accounting principles

The Group benefits from public subsidies granted in the form of subsidies or conditional advances.

They were recognized in accordance with IAS 20 Accounting for Government subsidies. As these financial advances are granted at interest rates below the market rate, they are remeasured in accordance with IFRS 9 at amortized cost. The treatment is as follows:

- the initial difference between the advance received and its amortized cost is a subsidy recognized in the income statement in accordance with IAS 20;
- the financial cost of repayable advances calculated at the effective interest rate is then recorded in financial expenses.

If the project benefiting from the repayable advance fails, the repayable advance is generally canceled.

Repayable advances (In thousands of euros)	Fixed/ floating rate	Nominal interest rate	EIR	Initial nominal amount	Remaining nominal amount	Year of maturity	12/31/2024	12/31/2023
(1) Bpifrance - THANAPLAST™ - Cond. adv. [(a)]	Fixed	2.7%	1.5% - 3%	3,707	3,707	2031	3,739	3,648
(2) ADEME CE-PET - Repayable adv. & cond. adv. [(a)]	Fixed	0.7%	0.8% - 3%	3,102	1,551	2026	1,575	2,261
(3) ADEME - OPTI-ZYME - Repayable adv. & cond. adv. [(a)]	Fixed	4.1%	3.8% - 4.8%	1,515	1,515	2028	1,498	726
(4) Bpifrance - Innovation grant Repayable adv. [(a)]	/	N/A	0.5% - 3%	400	-	2024	-	84
(5) ADI BPI Repayable adv. [(a)]	/	N/A	0.5% -3%	265	0	2023	-	-
TOTAL				**8,989**	**6,774**		**6,812**	**6,719**

(a) In the EIR column, the first rate represents the effective interest rate, while the second rate reflects the market interest rates at the time of issue, in accordance with IAS 20. The difference between the two rates is a subsidy recognized in profit or loss.

Detail of repayable advances and subsidies by project

(1) BPIFRANCE GRANT (FORMERLY KNOWN AS OSEO-ISI): THANAPLASTTM

• Subsidy

The ThanaplastTM project has been closed since June 30, 2017.

• Repayable advance

In the event of a successful research program, the Company is committed to reimbursing the repayable advance to Bpifrance for an amount of €4,525 thousand, according to the payment schedule below, upon achieving a cumulative income generated by the utilization of the products resulting from the ThanaplastTM project of €10 million.

Year 1* on June 30 at the latest	€300,000
Year 2 on June 30 at the latest	€500,000
Year 3 on June 30 at the latest	€800,000
Year 4 on June 30 at the latest	€975,000
Year 5 on June 30 at the latest	€1,950,000

** Following the crossing of the €10,000 thousand income threshold.*

According to the Company's forecasts, this threshold is not expected to be reached before 2026.

In addition, as soon as the reimbursement of the repayable advance has been completed in accordance with the above payment schedule, the agreement stipulates that the Company shall pay a bonus equal to 4% of revenue generated by the utilization of the products, if this exceeds a cumulative amount of €100,000 thousand. This additional payment is, however, subject to a time limit (applicable only for a period of five consecutive years from the date of the end of the reimbursement of the advance), and an amount cap (ceiling of €7,100 thousand).

(2) ADEME GRANT: CE-PET PROJECT

On April 8, 2019, the Company obtained a grant from ADEME for the CE-PET project, composed of repayable advances totaling €3,102 thousand and subsidies of €1,034 thousand spread over a 48-month period from 2018 to 2022. The grants were released according to the project's progress and the submission of reports regarding the completion of each key stage stipulated in the framework agreement signed with ADEME. The agreement provides for a total grant rate of 60% that is applied to total eligible expenditures and used for each key stage, 25% of which is a subsidy and 75% a repayable advance (with conditions).

At December 31, 2024, the Company has completed all work on the project. Since its creation, the Company has received:

(In euros)	1st payment	2nd payment	3rd payment	4th payment	5th payment	Total
Date of payment	06/07/2019	10/21/2019	06/30/2020	12/06/2021	04/17/2023	
Subsidy	€155,100	€206,800	€258,500	€206,800	€206,800	€1,034,000
Repayable advance	€465,300	€620,400	€775,500	€620,400	€620,400	€3,102,000
TOTAL	**€620,400**	**€827,200**	**€1,034,000**	**€827,200**	**€827,200**	**€4,136,000**

• Subsidy

The subsidy rate therefore amounts to 15% of the Industrial Research and Experimental Development expenses incurred by the Company in the context of the CE-PET project.

Eligible expenses incurred between January 31, 2018, the start date of eligibility, and December 31, 2022 are higher than the expenses provided for in the agreement signed with ADEME and make the entire amount of the subsidy to be received eligible.

Following the validation of key stage 4 and more generally the success of the project by ADEME at the end of 2022, the Company received the expected balance of the grant of €207 thousand on April 17, 2023 and thus received the entire program subsidy, i.e. €1,034 thousand.

• Repayable advance

The Company received €3,102 thousand in respect of the ADEME conditional advances, i.e. the total amount provided for in the agreement following the recognition of the complete success of the project.

The repayment of this amount is scheduled in four annual installments of €802,247, including €775,500 in capital and €26,747 in interest. The first two payments were made on December 29, 2023 and June 28, 2024. And the outstanding capital therefore amounts to €1,551 thousand at December 31, 2024.

(3) ADEME GRANT: OPTI-ZYME PROJECT

At the end of 2022, the Company obtained a grant from ADEME for the OPTI-ZYME project, composed of repayable advances totaling €5,043 thousand and subsidies of €3,119 thousand spread over a 48-month period from 2023 to 2026. The grants were released according to the project's progress and the submission of reports regarding the completion of each key stage stipulated in the framework agreement signed with ADEME. The agreement provides for a total grant rate of 62.97% of eligible expenses of which 75% that is applied to industrial research expenses and 50% to experimental development expenses with a breakdown of 38.21% in subsidies and 61.79% in repayable advances (with conditions).

The contract agreement stipulates that the completion of each key stage (KS) and the associated conditions provide entitlement to the following payments, capped based on a maximum % of cumulative grants:

(In euros)	KS1 (50%)	KS2 (30%)	KS3 (0%)	KS4 (20%)	Total
Planned payment year	**2023**	**2024**	**2025**	**2026**	
Subsidy	€1,559,238	€935,543	€0	€623,695	€3,118,476
Repayable advance	€2,521,538	€1,512,923	€0	€1,008,615	€5,043,076
TOTAL	**€4,080,776**	**€2,448,466**	**€0**	**€1,632,310**	**€8,161,552**

As of December 31, 2024, had received:

(In euros)	1st payment	2nd payment	Total
Date of payment	12/04/2023	06/27/2024	
Subsidy	€467,771	€469,325	€937,096
Repayable advance	€756,462	€758,974	€1,515,436
TOTAL	**€1,224,233**	**€1,228,299**	**€2,452,532**

The amount received corresponds to an advance of 15% of the total amount of the grant.

• Subsidy

The subsidy rate therefore amounts to 28.66% of the Industrial Research expenses and 19.11% of the Experimental Development expenses incurred by the Company in the context of the OPTI-ZYME project.
Eligible expenses incurred since January 1, 2023, the start date of eligibility, and December 31, 2024 generate a theoretical subsidy of €1,415 thousand. To date, the Company has received €937 thousand in ADEME subsidies since the start of the program (see table above). Nevertheless, given the uncertainty at closing as to the validation of key stage 2, the amount of subsidy to be received of €478 thousand was not provisioned out of prudence.

• Repayable advance

The amount that Carbios owes ADEME for repayment of the amount of the Repayable Advance Paid (hereinafter the "Total Amount Payable") shall be equal to the total of the following two amounts:
- an "Ms1 Amount" which depends on the achievement of a threshold of Cumulated Certified Income excluding tax associated with the marketing of the 1st Generation enzymatic recycling process (operating licenses and/or depolymerization enzymes and/or related services);
- an "Ms2 Amount" which depends on the achievement of a threshold of Cumulated Certified Income excluding tax associated with the marketing of the 2nd Generation enzymatic recycling process (operating licenses and/or depolymerization enzymes and/or related services).

Repayment of the Ms1 Amount

a) Determination of the Ms1 Amount

The R1 Rate is set at 4.06%.

The Beneficiary shall repay ADEME an amount whose Discounted Value using R1 Rate is equal to 80% of the Discounted Value using R1 Rate of the amount of the Repayable Advance Paid (hereinafter "Ms1 Amount").

b) Repayment terms for the Ms1 Amount

The Ms1 Amount is due when the following two events have occurred (hereinafter the "Ms1 Generating Event"):

- the achievement of a Cumulative Certified Income excluding tax of a minimum amount set at €150 million (or any other currency);
- the Term of the Investment Phase.

However, if the Ms1 Generating Event has not yet occurred at the end of the Fiscal Year taking place three (3) years after the occurrence of the Term of the Investment Phase, the Beneficiary will be released from any obligation to repay the Ms1 Amount. In this case, the Agreement will be terminated, without further formality, provided, however, that the Beneficiary has otherwise fulfilled all of its obligations to ADEME, as defined in the Agreement.

Repayment of the Ms1 Amount shall be made in two (2) annual installments of the same amount.

The first installment shall be paid six (6) months after the end of the Beneficiary's Fiscal Year in which the Ms1 Generating Event is recorded.

The following withdrawals will be made annually, one (1) year after the previous one

c) Early repayment of the Ms1 Amount

Upon the achievement of an Income Excluding Tax of at least one (1) euro (or any other currency), and after the Term of the Investment Phase, the Beneficiary will be able to repay in advance and in a single payment, the Ms1 Amount, less any sums it would have already paid in respect of this amount.

The Beneficiary must inform ADEME in writing of its intention to make use of this option of early repayment of the Ms1 Amount. ADEME will then debit the amount due from a period of two (2) months following receipt of the Beneficiary's request.

Repayment of the Ms2 Amount

a) Determination of the Ms2 Amount

The R1 Rate is set at 4.06%.

The Beneficiary shall repay ADEME an amount whose Discounted Value using R2 Rate is equal to 20% of the Discounted Value using R2 Rate of the amount of the Repayable Advance Paid (hereinafter "Ms2 Amount").

b) Repayment terms for the Ms2 Amount

The Ms2 Amount is due when the following two events have occurred (hereinafter the "Ms2 Generating Event"):

- the achievement of a Cumulative Certified Income excluding tax of a minimum amount set at €150 million (or any other currency);
- the Term of the Investment Phase.

However, if the Ms2 Generating Event has not yet occurred at the end of the Fiscal Year taking place six (6) years after the occurrence of the Term of the Investment Phase, the Beneficiary will be released from any obligation to repay the Ms2 Amount. In this case, the Agreement will be terminated, without further formality, provided, however, that the Beneficiary has otherwise fulfilled all of its obligations to ADEME, as defined in the Agreement.

Repayment of the Ms2 Amount shall be made in two (2) annual installments of the same amount.

The first installment shall be paid six (6) months after the end of the Beneficiary's Fiscal Year in which the Ms2 Generating Event is recorded.

The following withdrawals will be made annually, one (1) year after the previous one.

c) Early repayment of the Ms2 Amount

Upon the achievement of an Income Excluding Tax of at least one (1) euro (or any other currency), and after the Term of the Investment Phase, the Beneficiary will be able to repay in advance and a single payment, the Ms2 Amount, less any sums it would have already paid in respect of this amount.

The Beneficiary must inform ADEME in writing of its intention to make use of this option of early repayment of the Ms2 Amount. ADEME will then debit the amount due from a period of two (2) months following receipt of the Beneficiary's request.

The Company received €1,515 thousand from ADEME, but this debt remains subject to the achievement of the income thresholds set out above and is therefore recognized as quasi-equity.

(4) BPIFRANCE - INNOVATION GRANT (DOS0060297)

This repayable advance entered into the scope of consolidation with the takeover of Carbiolice in June 2021.

A repayable advance obtained from Bpifrance to finance an innovation project for a total amount of €500 thousand, of which €400 thousand paid in November 2017 and the balance of €100 thousand in October 2018. The acknowledgment of program success will make it eligible for the repayment of the full amount. With an initial repayment period of 5 years with deferral and a deferral of maturities of 6 months following the Covid-19 government provisions, the quarterly repayments began on March 31, 2019 and ended on June 30, 2024.

The last part of the advance was repaid in the 2024 fiscal year.

(5) ADI BPI

The Company obtained a recoverable advance of €265 thousand from Bpifrance for an innovation project, of which €215 thousand was paid out in 2017 and the balance of €50 thousand in December 2018. Repayments began in 2019. The acknowledgment of program success will make it eligible for the repayment of the full amount. If the program fails, the Company may file a statement of failure and thus reduce the total amount repayable, set at a minimum of €106 thousand. The Company settled the last repayment on June 30, 2023.

Change in cash flows on repayable advances

Current portion (In thousands of euros)	**(1) Bpifrance - THANAPLAST™ (Cond. adv.)**	**(2) ADEME - CE-PET (Repayable adv. & Cond. adv.)**	**(3) ADEME - OPTI-ZYME (Repayable adv. & Cond. adv.)**	**(4) Bpifrance - Innovation grant (Repayable adv.)**	**(5) ADI BPI (Re-payable adv.)**	**Total**
At January 1, 2023	**60**	**576**	**-**	**57**	**146**	**838**
Change in scope	-	-	-	-	-	-
Cash flows - receipt of new debts	-	-	-	-	-	-
Cash flows - repayment of debts	-	(776)	-	(57)	(150)	(982)
Non-monetary changes	(60)	958	-	-	88	987
At December 31, 2023	**-**	**759**	**-**	**-**	**84**	**843**
Change in scope	-	-	-	-	-	-
Cash flows - receipt of new debts	-	-	-	-	-	-
Cash flows - repayment of debts	-	(776)	-	-	(84)	(982)
Non-monetary changes	-	798	-	-	-	987
At December 31, 2024	**-**	**781**	**-**	**-**	**-**	**781**

Non-current portion (In thousands of euros)	**(1) Bpifrance - THANAPLAST™ (Cond. adv.)**	**(2) ADEME - CE-PET (Repayable adv. & Cond. adv.)**	**(3) ADEME - OPTI-ZYME (Repayable adv. & Cond. adv.)**	**(4) Bpifrance - Innovation grant (Repayable adv.)**	**(5) ADI BPI (Re-payable adv.)**	**Total**
At January 1, 2023	**3,612**	**1,858**	**-**	**-**	**84**	**5,555**
Change in scope	-	-	-	-	-	-
Cash flows - receipt of new debts	-	620	756	-	-	1,377
Cash flows - repayment of debts	-	-	-	-	-	-
Non-monetary changes	36	(977)	(30)	-	(84)	(1,055)
At December 31, 2023	**3,648**	**1,502**	**726**	**-**	**-**	**5,876**
Change in scope	-	-	-	-	-	-
Cash flows - receipt of new debts	-	-	759	-	-	759
Cash flows - repayment of debts	-	-	-	-	-	-
Non-monetary changes	91	(708)	13	-	-	(604)
At December 31, 2024	**3,739**	**794**	**1,498**	**-**	**-**	**6,031**

15.3 Other projects funded solely by subsidies

LIFE AID: LIFE CYCLE OF PET

On October 25, 2021, the Company obtained aid consisting exclusively of subsidies for a total amount of €3,300 thousand for the LIFE CYCLE OF PET project from the European Agency of Climate and the Environment, of which €600 thousand concerns investment expenses and €2,700 thousand operating expenses. The program includes the participation of Deloitte and T.EN Zimmer GmbH, whose total share represents €80 thousand. Carbios is the project coordinator.

The total amount of expenses to be incurred by Carbios under the project amounts to €8,880 thousand, of which €8,343 thousand is eligible. Carbios' share of the subsidy is €2,620 thousand (€2,700 thousand - €80 thousand), i.e. a financing rate of 36.26% of total estimated costs and a subsidy rate of 38.59% of eligible expenses. Capital expenditure is 100% financed, i.e. €600 thousand.

The payments are planned as follows:

- 1st pre-financing of 40% within 30 days following the signature of the contract, i.e. €1,320 thousand collected on November 5, 2021, of which €32 thousand to partners and €1,288 thousand to CARBIOS;

- 2nd pre-financing of 40% subject to having used 100% of the pre-financing deposit previously paid, i.e. €1,320 thousand collected on August 8, 2023, of which €32 thousand goes to partners and €1,288 thousand to CARBIOS;

- the balance of 20% at the end of the project.

The expenses incurred since the start of the program were calculated on the basis of actual expenses, i.e. an amount of €6,645 thousand. The corresponding theoretical subsidy amounts to €2,086 thousand (€6,645 thousand x 31.40%). Out of prudence, the Company did not recognize any accrued income.

All capital expenditure, i.e. €600 thousand, was recognized in equity.

OTHER PUBLIC AND PRIVATE GRANTS OBTAINED

The Company also obtained:

- a subsidy from the Auvergne Region (FIAD) of €397 thousand, of which €181 thousand was paid in 2013 and the balance of €216 thousand was paid in November 2015. The remaining portion of the investment subsidy associated with the acquisition of the Setup Performance patent is recorded in income at the rate that the patent is amortized;

- a subsidy from the European Commission for the WhiteCycle project, led by Michelin (lead partner), starting on July 1, 2022, for a period of 48 months, with an amount of eligible expenses for Carbios of €805 thousand (total project of €9 million), and for which the Company will be able to obtain a subsidy of up to €563 thousand (out of the €7 million allocated to the complete project). In this respect, the Company received an advance of €272 thousand (48.3%). As of December 31, 2024, the Company had incurred only €293 thousand in expenses, i.e. a theoretical subsidy of €205 thousand. The difference, i.e. €67 thousand, was recognized as deferred income;

- a subsidy from the European Commission for a collaborative R&D project named PRESERVE, for a total amount of €8,000 thousand, of which €331 thousand for Carbiolice. The project began on January 1, 2021 for a period of 48 months, with eligible expenses of €331 thousand and a subsidy rate of 100%. The project provides for the payment of two pre-financing payments of €136 thousand, then interim payments according to the actual expenses incurred, and finally the balance. As such, Carbiolice received the first pre-financing payments of €136 thousand in 2021, as well as an additional payment of €146 thousand in 2024. As the expenses incurred at December 31, 2024 exceeded the €331 thousand, which should enable the full subsidy to be obtained, accrued income was therefore recognized in the amount of: €331 thousand - €281 thousand = €50 thousand; and

- a subsidy obtained from the European Commission in the total amount of €8,340 thousand, of which €86 thousand for Carbiolice, to finance the collaborative R&D project named SISTERS. The project began on November 1, 2021, for a period of 54 months, with eligible expenses amounting to €123 thousand and a subsidy rate of 70%. The project provides for the payment of two pre-financing payments of €21 thousand, then interim payments according to the actual expenses incurred, and finally the balance. As such, Carbiolice received the first two pre-financing payments as well as two additional payments for a total amount of €46 thousand. The expenses incurred at December 31, 2024 amounted to €24 thousand and do not justify the receipt of all the grant. Deferred income was therefore recognized for an amount of: €46 thousand - €17 thousand = €29 thousand.

NOTE 16 • INCOME

Accounting principles

The principle of IFRS 15 "Revenue from Contracts with Customers" is based on the transfer of control of goods and services to the customer.

The standard defines a general approach for revenue recognition in five stages:

- step 1: Contract identification;
- step 2: Identification of "performance obligations" within the contract. "Performance obligations" serve as a unit of account for revenue recognition;
- step 3: Evaluation of the contract price;
- step 4: Allocation of the contract price to each "performance obligation";
- step 5: Recognition of revenue when the "performance obligation" is satisfied, either on a given date or on a percentage-of-completion basis.

For the 2024 and 2023 fiscal years, the income recognized concerns:
- on the one hand, feasibility studies, tests and research services with a performance obligation: income is recognized when the study report is submitted; and

on the other hand, deliveries of raw materials and Masterbatch samples to various customers: income is recognized upon delivery.

NOTE 17 • BREAKDOWN OF INCOME AND EXPENSES BY FUNCTION

Accounting principles

The Group presents its income statement by function in the following categories:

- research and development expenses;
- sales and marketing expenses;
- general and administrative expenses;
- other operating income and expenses.

The research tax credit and other operating subsidies are presented as a deduction from the expenses to which they are related.

In addition, the Company entered into contracts with its subsidiary Carbiolice (before the takeover and the transition to full consolidation) and industrial partners for various re-invoicing and research services. This income is analyzed as contributions to the Company's expenses. They do not fall within the definition of income (see Note 16) insofar as they do not involve any performance obligation. Carbios recognizes as expenses the costs that these rebillings are intended to offset. All these income items are identified in the details below under "Other rebillings."

17.1 Research and development expenses

Research and development (In thousands of euros)	**12/31/2024**	**12/31/2023**
Raw materials and consumables	(1,343)	(1,152)
Studies and research	(2,193)	(3,200)
Subcontracting	(4)	(12)
Employee expenses	(9,175)	(6,735)
Maintenance and repairs	(357)	(661)
Depreciation, amortization and impairment	(6,837)	(5,522)
Other	(1,817)	(1,548)
RESEARCH AND DEVELOPMENT EXPENSES	**(21,726)**	**(18,830)**
Research tax credit	3,184	2,685
Subsidies	833	1,769
Other rebillings	260	931
SUBSIDIES AND OTHER INCOME FROM ACTIVITIES	**4,278**	**5,385**
CAPITALIZATION OF DEVELOPMENT COSTS	**3,164**	**2,487**
RESEARCH AND DEVELOPMENT EXPENSES	**(14,285)**	**(10,958)**

For the 2024 fiscal year

- Research and development expenses amounted to €21,726 thousand. The overall increase in expenses is mainly due to personnel expenses, a direct effect of the increase in teams over the previous fiscal year.
- Subsidies and other income from the Group's activity amounted to €4,278 thousand in the 2024 fiscal year. The balance is mainly composed of the amount of the research tax credit ("CIR") to be received for €3,032 thousand for Carbios, and €505 thousand for Carbiolice. It should be noted that the total amount of the CIR is reduced by €352 thousand due to capitalization as a fixed asset.

Lastly, the Group continued to capitalize Development costs related to the PET enzymatic recycling project for €2,487 thousand for the 2023 fiscal year and €3,164 thousand for the 2024 fiscal year.

17.2 Sales and marketing expenses

Sales and marketing expenses (In thousands of euros)	12/31/2024	12/31/2023
Purchases and supplies not held in inventories	90	(66)
Employee expenses	(4,468)	(3,427)
Rental expenses	(9)	4
Maintenance and repairs	(40)	(5)
Consulting fees	(2,736)	(1,932)
Advertising	(33)	(105)
Transport, Travel	(217)	(247)
Depreciation, amortization and impairment	(50)	(62)
Other rebillings	(147)	31
SALES AND MARKETING EXPENSES	**(7,612)**	**(5,809)**

For the 2024 fiscal year, sales and marketing expenses amounted to €7,676 thousand compared to €5,809 thousand at 12/31/2023. The increase in these expenses is mainly due to the efforts made by the Company to target the market and sell its licenses in the near future. The Group is also continuing its structuring work with a reinforcement of its teams in order to be able to achieve its development objectives and secure market opportunities.

17.3 General and administrative expenses

General and administrative expenses (In thousands of euros)	12/31/2024	12/31/2023
Travel expenses and missions	(491)	(353)
Fees	(7,294)	(3,192)
Insurance	(492)	(167)
Taxes and duties	(203)	(161)
Employee expenses	(3,962)	(5,918)
Depreciation, amortization and impairment	(1,250)	(791)
Other	(2,055)	(1,553)
GENERAL AND ADMINISTRATIVE EXPENSES	**(15,747)**	**(12,134)**

General and administrative expenses amounted to €15,747 thousand for the 2024 fiscal year compared to €12,134 thousand the previous fiscal year. Carbios continues to structure itself, in particular with the construction of the plant, which explains the increase in general expenses, more specifically in personnel expenses. Fee items also increased sharply, partly due to the ERP and digital transformation project for around €2.8 million, and also to a significant increase in HR fees related to the increase in headcount and recruitments made.

NOTE 18 • RELATED PARTIES

Executive compensation

The compensation recognized as expenses for the main executives, corresponding to the members of the Board of Directors and the Executive Management, is as follows:

Executive compensation (In thousands of euros)	**12/31/2024**	**12/31/2023**
Short-term employee benefits	977	879
Post-employment benefits	0	1
Share-based payments (1)	38	407
TOTAL EXECUTIVE COMPENSATION	**1,015**	**1,287**

(1) Only the compensation for BSPCE and free share plans (AGA) not forfeited at the end of the fiscal year is expensed.

Compensation recognized as expenses for the Company's main executives includes their salaries and bonuses, benefits in kind and directors' fees. In addition, compensation includes post-employment benefits (Note 23) as well as share-based compensation (Note 13).

Compensation of directors

On December 31, 2024, in respect of their participation in the meetings of the Board of Directors and the various Committees in 2024, CARBIOS paid (and provisioned) compensation to the members of the Board of Directors in the amount of €155 thousand (excluding social security contributions). Over the full year, the average attendance rate of directors at Board of Directors meetings was 92%.

Agreements with related parties

Affiliate	**Transaction completion date**	**Nature of transaction**	**Amount**
Carbiolice (company 99.99% owned by the Company as of the date of this document)	August 30, 2016 Amendment dated June 28, 2018	Licensing and sublicensing of patent and know-how licenses	The contract states that Carbios will receive a lump-sum royalty of €8 million and a variable royalty on revenue resulting from the use by Carbiolice of the technology licensed. No variable royalties were recognized in respect of 2024.
	September 17, 2018	Letter of agreement for service provision rebilling	Rebilling of services performed by service providers on behalf of Carbios and Carbiolice. This resulted in income of €228 thousand being recognized in 2024.
	January 1, 2023	Service agreement	The agreement provides for the payment of monthly compensation of €50 thousand for services rendered by Carbios staff. In addition, the agreement provides for the provision of Carbios premises free of charge. In this respect, income of €600 thousand was recognized in 2024.
	June 1, 2024	Cash management agreement	The cash management agreement provides for the free management of Carbiolice's cash flows for cash optimization purposes, with interest being paid as compensation. In this respect, advances amounted to €8.8 million at 12/31/2024 and financial income (interest) was recognized for €438 thousand in 2024.

Carbios 54 (company 100% owned by the Company as of the date of this document)	July 1, 2022	Employee secondment agreement	Rebilling of Carbios staff working as part of the Reference Unit project on behalf of Carbios 54. This resulted in income of €1,673 thousand being recognized in 2024.
	September 1, 2022	Employee secondment agreement	
	July 1, 2022	Cash management agreement	The cash management agreement provides for the free management of Carbios 54's cash flows for cash optimization purposes, with interest being paid as compensation. In this respect, advances amounted to €79.6 million of financial income (interest) for €3,340 thousand in 2024.
	January 1, 2023	Service agreement	The agreement provides for the payment of monthly compensation of €10 thousand for services rendered by Carbios staff. In addition, the agreement provides for the provision of Carbios premises free of charge. In this respect, income of €120 thousand was recognized in 2024.
	May 23, 2024 and July 8, 2024	Raw material purchase orders	Purchases of raw materials (flakes) from Carbios 54 inventories. In this respect, expenses of €20 thousand were recognized in 2024.
Michelin (company holding 3.09% of the Company's share capital as of the date of this document)	April 13, 2021	Leasing contract	Le contrat prévoit la mise à disposition de locaux et d'utilités pour le bâtiment dit B80. A ce titre, des charges de 416 K€ ont été constatées en 2024.
	April 13, 2021 Amendments dated September 14, 2021, July 1, 2022 and November 30, 2022	Leasing contract	The contract provides for the provision of premises and utilities for the so-called O24 building. In this respect, expenses of €679 thousand were recognized in 2024.
Kamergy company represented by Vincent KAMEL, director	November 28, 2023	Consulting contract	The contract provides for the performance of a marketing consulting mission. In this respect, an expense of €102 thousand was recognized in 2024.
	November 18, 2024	Consulting contract	The contract provides for the performance of an operations management consulting mission. In this respect, an expense of €64 thousand was recognized in 2024.

NOTE 19 • STATUTORY AUDITORS' FEES

Statutory auditors' fees (Amounts in thousands of euros excl. tax)	**12/31/2024 PWC**	**12/31/2023 PWC**
Statutory audit(1)	108	88
Other services and due diligence directly related to the Statutory Auditors' assignment	-	-
Services other than certification of financial statements (2)	74	197
SUB-TOTAL	**182**	**285**
Other services rendered		
- Tax	-	-
- Other	-	-
SUB-TOTAL	**-**	**-**
TOTAL	**182**	**285**

(1) taken into account in the consolidated financial statements for the certification of the statutory auditors of the consolidating entity, as well as of the French subsidiaries.

(2) in 2024, of which €66 thousand for the audit of the consolidated financial statements (voluntary consolidation)/Of which €71 thousand for the audit of the consolidated financial statements and €126 thousand for services other than the certification of the financial statements.

NOTE 20 • NET FINANCIAL INCOME

Accounting principles

Financial income includes:
- expenses related to the Company's financing: interest paid and accretion of repayable advances and financial liabilities;
- income related to interest on term deposits and the capitalization contract;
- income related to repayable advances.

Net financial income/(expenses) (In thousands of euros)	**12/31/2024**	**12/31/2023**
Foreign exchange gains	6	3
Other financial income	5,213	3,781
FINANCIAL INCOME	**5,219**	**3,784**
Cost of borrowing	(798)	(2,118)
Monetary interest expenses	*(1,613)*	*(1,644)*
Non-monetary interest expenses (EIR)	*(1,069)*	*(1,030)*
Interest expense on lease liabilities	*(159)*	*(155)*
Interest expense on employee benefit obligations IAS 19	*(11)*	*(10)*
Capitalization of borrowing costs (1)	2,053	721
Net cost of borrowing	(798)	(2,118)
Other financial expenses	(28)	(11)
FINANCIAL EXPENSES	**(826)**	**(2,129)**
NET FINANCIAL INCOME/(EXPENSES)	**4,394**	**1,655**

(1) Capitalization of borrowing costs related to the PET biorecycling plant (IAS 23 Borrowing costs - non-monetary item) - See note 5.2

The Company's financial income consists of interest on money-market investments and term account deposits. All available cash is placed in risk-free money market products. The significant increase in financial income is mainly due to the increase in liquidity following the capital increase during the fiscal year.

Financial expenses come from interest expenses on loans and repayable advances.

NOTE 21 • INCOME TAX

Accounting principles

Tax assets and liabilities due in respect of the fiscal year and prior years are measured at the amount expected to be recovered or paid to the tax authorities. The tax rates and tax rules applied to determine these amounts are those adopted or substantially adopted at the closing date.

The income tax expense for the fiscal year includes current tax payable and deferred tax. Tax is recognized in the income statement, unless it is related to items recognized in "Other comprehensive income" or directly in equity. In this case, the tax is also recognized in "Other comprehensive income" or directly in equity, respectively.

Current taxes

Current tax is calculated on the basis of tax regulations enacted or substantively enacted at the closing date in the countries where the Company's subsidiaries operate and generate taxable profits.

Deferred taxes

Deferred taxes are recognized according to the balance sheet approach of the liability method, for all temporary differences between the carrying amount of assets and liabilities and their tax bases. The valuation of deferred tax assets and liabilities is based on the way in which the Group expects their repayment using the tax rates that have been enacted or substantively enacted at the closing date.

In accordance with IAS 12, deferred tax assets and liabilities are not discounted.

The main temporary differences are related to tax losses carried forward.

Deferred tax assets are recognized for unused tax loss carryforwards to the extent that taxable temporary differences are available, and beyond that, when it is probable that the Company will have future taxable profits on which these unused tax losses may be allocated. The determination of the amount of deferred tax assets that may be recognized requires Management to make estimates both on the period of consumption of tax loss carryforwards, and on the level of future taxable profits, with regard to tax management strategies.

Deferred tax liabilities are recognized for all temporary taxable differences, except if the Group is able to control the date on which the temporary difference will reverse and it is probable that the temporary difference will not reverse in a foreseeable future.

The deferred tax calculations carried out on Carbios, Carbiolice and Carbios 54 show a deferred tax asset position of €496 thousand. These amounts were not recognized.

Deferred tax liabilities recognized as part of the Carbiolice purchase price allocation exercise:

For Carbiolice, deferred tax liabilities were recognized as follows in connection with the purchase price allocation exercise:

Recognition of deferred tax liabilities (In thousands of euros)	**12/31/2024**	**12/31/2023**
Tax losses	1,547	1,960
Right-of-use assets	1	6
Provision - employee benefits	6	3
DEFERRED TAX ASSETS	**1,553**	**1,969**
Intangible assets	(3,247)	(3,662)
DEFERRED TAX LIABILITIES	**(3,247)**	**(3,662)**
DEFERRED TAX LIABILITIES RECOGNIZED	**(1,693)**	**(1,693)**

Tax rate and tax loss carryforwards

The income tax rate applicable to the Group is the rate currently in force in France, i.e. 25%.

The Group has tax losses that can be carried forward indefinitely in France. At December 31, 2024, they amounted to €70,201 thousand.

The Company recorded tax losses in the 2024 fiscal year. As the recoverability of these tax losses is not considered probable over the coming periods due to the uncertainties inherent to the Group's business, no deferred tax assets were recognized in this respect at December 31, 2024.

In addition, Group companies still benefit from individual tax losses obtained before the implementation of the tax consolidation of:
- €73,712 thousand for Carbios;
- €27,606 thousand for Carbiolice; and
- €3,283 thousand for Carbios 54.

Reconciliation of theoretical and effective tax

Tax proof (In thousands of euros)	**12/31/2024**	**12/31/2023**
INCOME/(EXPENSES) BEFORE TAXES	**(33,113)**	**(27,224)**
Current tax rate	25.0%	25.0%
THEORETICAL TAX AT THE CURRENT RATE	**8,278**	**6,806**
Research tax credit (CIR)	885	801
Permanent differences (1)	(31)	1,869
Non-capitalized tax loss	(9,211)	(8,340)
Deferred tax assets not capitalized	(68)	(497)
Impact of share-based payments	147	(639)
INCOME TAX	**0**	**0**
Effective tax rate	0.00%	0.00%

(1) In 2023, the permanent differences are mainly composed of the costs of the capital increase, for €1.9 million.

Tax credits correspond to the research tax credit (CIR), non-taxable income, recognized as a deduction from research and development expenses (see the paragraph "Research and development expenses" in note 17).

NOTE 22 • EARNINGS PER SHARE

Accounting principles

Basic earnings per share are calculated by dividing the earnings attributable to equity holders of the Company's shares by the weighted average number of shares outstanding during the period.

Diluted earnings per share are determined by adjusting the income attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all potentially dilutive ordinary shares.

If an anti-dilutive effect is generated by taking into account the instruments giving entitlement to deferred capital (BSA, BSPCE) for the calculation of the diluted earnings per share, these instruments are not taken into account.

Earnings per share	12/31/2024	12/31/2023
Weighted average number of shares outstanding	16,843,353	13,874,560
Number of diluted shares	17,753,427	14,963,366
Net income for the period - attributable to shareholders of the parent company (in thousands of euros)	(33,113)	(27,224)
BASIC EARNINGS PER SHARE (€/SHARE)	**(1.97)**	**(1.96)**
DILUTED EARNINGS PER SHARE (€/SHARE)	**(1.97)**	**(1.96)**

For the 2024 fiscal year, diluted earnings per share are identical to basic earnings per share. Potentially dilutive shares for the 2024 fiscal year (910,074 shares - 318,158 from BSAs, 416,616 from BSPCEs and 175,300 from AGAP) were excluded from the calculation of diluted earnings per share, as these shares had an anti-dilutive effect due to the reported losses.

The Group's companies have not distributed any dividends or other income (Art. 243 bis of the French General Tax Code) during the last three fiscal years.

NOTE 23 • EMPLOYEE BENEFIT OBLIGATIONS

Accounting principles

Defined benefit plans

The Group's defined benefit plans correspond to retirement benefits paid to employees in France.

The Group's obligation under this plan is recognized as a liability and measured using an actuarial method that takes into account the employee turnover rate, their life expectancy, the employee progression rate and a discount rate. The calculation is based on the projected unit credit method with final salary.

The cost of services is recognized in personnel expenses and includes:

(1) the cost of services rendered during the period;

(2) the cost of past services resulting from the amendment or reduction of the plan (fully recognized in profit or loss for the period in which it occurred); and

(3) gains and losses resulting from liquidations.

The interest expense, corresponding to the effect of unwinding the discount on commitments, is recognized in financial expenses.

Revaluations of the liability (actuarial difference) are recognized in other items that cannot be reclassified to comprehensive income.

Defined contribution plans

The contributions to be paid to a defined contribution plan are recognized as expenses when the corresponding service is rendered. Prepaid contributions are recognized as assets to the extent that a cash repayment or a reduction in future payments is possible. This is the general social security pension scheme and supplementary schemes.

The main actuarial assumptions used to measure retirement benefits are as follows:

ACTUARIAL ASSUMPTIONS	12/31/2024	12/31/2023
Retirement age	65 years	65 years
Collective bargaining agreement	Chemicals: Industry	
Discount rate	3.40%	3.60%
Mortality table	INSEE 2016-2018	INSEE 2016-2018
Rate of salary increases	0% the first year, then 3% the following years	3.00%
Turnover rate	18 to 29 years old from 6.22% to 2.77% 30 to 39 years old from 2.77% to 2.18% 40 to 49 years old from 2.04% to 0.15% 50 to 54 years old 0.1% 55 to 64 years old 0.05% Over 65 years old 0%	
Social security contribution rate		
Carbios	42%	42%
Carbios 54	45%	40%
Carbiolice	43%	39%

The provision for retirement commitments changed as follows:

(In thousands of euros)	Pension commitment
At January 1, 2023	**184**
Change in scope	-
Cost of services rendered	20
Interest expense	10
Actuarial gains or losses	3
At December 31, 2023	**216**
Change in scope	-
Cost of services rendered	101
Interest expense	11
Actuarial gains or losses	16
At December 31, 2024	**344**

The pension obligation, at December 31, 2024, was subject to sensitivity tests concerning the discount rate and the rate of salary increase. The impacts on the commitment are as follows:

In thousands of euros	Change in the discount rate	Change in the salary increase rate
Impact on the commitment with an increase of +0.25%	14	-16
Impact on the commitment with a decrease of -0.25%	-16	15

NOTE 24 • OFF-BALANCE SHEET COMMITMENTS

Risk hedging set up for the benefit of funders

The two Bpifrance loans are covered by life insurance policies - PTIA underwritten for Alain MARTY (50%) and, initially, Martin STEPHAN (50%). Following the departure of the latter, the contract is being transferred to Stéphane FERREIRA. The term of loans provides for a 2-year deferred repayment and annual straight-line repayment over the following 5 years.

A guarantee of €303 thousand was also put in place by Bpifrance as part of the lease-back contract to counter-guarantee part of the refinancing by the banks.

Other commitments

Due to the impact of IFRS 16, the off-balance sheet commitments existing at December 31, 2024 and December 31, 2023 are not considered to be significant.

5.2 STATUTORY AUDITOR'S AUDIT REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF CARBIOS S.A. PREPARED IN ACCORDANCE WITH IFRS AS ADOPTED BY THE EUROPEAN UNION

To the Shareholders' Meeting,

Qualified opinion

Pursuant to the mission entrusted to us by your Shareholders' Meeting, we have audited the consolidated financial statements of Carbios for the fiscal year ended December 31, 2024, as appended to this report.

Subject to the reserve described in the "Basis for the qualified opinion" section, we certify that the consolidated financial statements are, in accordance with IFRS as adopted by the European Union, regular and fair and give a true and fair view of the results of operations for the past fiscal year as well as of the financial position and assets, at the end of the fiscal year, of the group consisting of the persons and entities included in the consolidation.

Basis for the qualified opinion

Reasons for the reserve

As mentioned in the paragraph "Significant events of the fiscal year" in Note 1 "Business and significant events" to the consolidated financial statements, the Group announced on December 19, 2024, the temporary suspension of the construction of the Longlaville plant from 6 to 9 months while waiting to obtain the financing necessary to restart the project and has begun renegotiations with its suppliers.

In this context, Carbios implemented an impairment test on the fixed assets of the Longlaville plant at December 31, 2024, using the discounted cash flow method over the estimated useful life of the asset as described in the "Longlaville plant" section of Note 5.4 "Impairment tests" to the financial statements. This test did not lead to the recognition of any impairment. However, the result of this test is highly sensitive to changes in assumptions, it being recalled that it shows a small excess of the value in use over the carrying amount.

The cash flow forecasts used in the impairment test are based on the business plan prepared by Management and validated by the governance on April 10, 2025 for the period from 2025 to 2034. Beyond this period, Management has considered a growth rate of 2% per year.

The assumptions underlying these cash flow forecasts, in the context of the project launch, are subject to major risks and uncertainties, which are accentuated by the current geopolitical and economic context, which is evolving and uncertain:

- These forecasts are subject to obtaining the additional external financing necessary for the construction of the plant. Given the ongoing discussions with its financial and commercial partners, Management considers that it has the ability to obtain this financing within the timeframe provided for by the temporary suspension of construction. Given the current geopolitical and economic context, obtaining this financing remains uncertain.

- The projections of investments required for the construction and start-up costs of the Longlaville plant are based in particular on:

- The temporary nature of the suspension of the project, the restart of which is subject to obtaining the financing described above.

- Budget estimates conducted by the Company and its partner in charge of project management and detailed engineering, a significant part of which is based on the amounts of orders signed or quotes obtained from suppliers.

The number of players and the complexity of the project pose an additional risk to the total cost of the project, the estimate of which is likely to change.

- The level of profitability expected from the Longlaville plant is based in particular on certain structuring assumptions, including:

- The selling price of recycled PET from Carbios' enzymatic solution, which may be subject to changes in the price of recycled PET from new available technological solutions and that of petro-sourced PET, which appears volatile.

- The cost of manufacturing recycled PET from Carbios' enzymatic solution is also subject to changes in raw material prices inherent in commodity markets.

- The production volumes sold for which Management anticipates growth based on targeting customers who have shown their interest in Carbios' enzymatic solution and with whom Management has initiated commercial discussions with a view to achieving full use of the asset over the period the duration of the business plan. However, these commercial agreements are not yet finalized and their terms and conditions remain uncertain.

These major contingencies and uncertainties, the impact of which must be assessed in conjunction with the high sensitivity of the impairment test to the assumptions used, weigh on the discounted cash flow forecasts used for the valuation of the "Longlaville plant" asset at December 31, 2024. As a result, a provision for impairment of this asset may be necessary.

For these reasons, we are not in a position to assess the probative nature of the projections used, and therefore to express an opinion on the net carrying amount of the asset concerned, which amounted to €83 million at December 31, 2024 (including the value of the Longlaville land for an amount of €5 million).

Audit guidelines

We conducted our audit in accordance with the professional standards applicable in France. We believe that the information we have collected is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are indicated in the section "Statutory Auditors' responsibilities with regard to the audit of the consolidated financial statements" in this report.

Independence

We carried out our audit in compliance with the rules of independence provided for by the French Commercial Code and by the Statutory Auditors' Code of Ethics for the period from January 1, 2024 to the date of issue of our report.

Comment

Without calling into question the opinion expressed above, we draw your attention to the paragraph "Going concern" in Note 1 "Business and significant events" to the consolidated financial statements, which sets out the elements underlying the maintaining of the going concern principle.

Justification for the assessments

In application of the provisions of Articles L. 821-53 and R. 821-180 of the French Commercial Code relating to the justification of our assessments, in addition to the item described in the section "Basis for the qualified opinion", we draw your attention to the following assessments, which, in our professional judgment, were the most important for the audit of the consolidated financial statements for the fiscal year.

The assessments made come within the context of the audit of the consolidated financial statements taken as a whole and the formation of our opinion expressed above. We do not express an opinion on the elements of these consolidated financial statements taken separately.

Accounting estimates

The goodwill resulting from the takeover of Carbiolice, the net amount of which appears in the consolidated statement of financial position December 31, 2024 and stands at €20,583 thousand, is tested for impairment as soon as an indication of impairment appears and at least annually, in accordance with the procedures described in the paragraph “Subsequent impairment tests” in note 5.1 “Intangible assets” and in the paragraph "Goodwill" in note 5.4 “Impairment tests” in the notes to the financial statements. We examined the methods used to implement the impairment test, verified the consistency of the assumptions used with the forecast data from the Carbiolice business plan, assessed the consistency and reasonable nature of the main assumptions selected (including the growth rate, EBITDA margin and discount rate) and verified that Note 5.4 provides appropriate information.

As part of our assessments, we verified the reasonableness of these estimates.

Specific checks

In accordance with professional standards applicable in France, we have also performed the specific verifications required by laws and regulations of the information relating to the Group provided in the Board of Directors' management report.

Excluding any impact of the item described in the “Basis for the qualified opinion” section, we have no matters to report as to its fair presentation and consistency with the consolidated financial statements..

Responsibilities of Management and the people comprising the corporate governance with regard to the consolidated financial statements

The management team is responsible for preparing consolidated financial statements that present a true and fair view in accordance with IFRS, as adopted by the European Union, and to implement the internal control that it deems necessary for preparing consolidated financial statements that do not include material misstatements, whether due to fraud or error.

When preparing the consolidated financial statements, it is the responsibility of management to assess the Company’s ability to continue as a going concern, to present in these financial statements, where applicable, the necessary information relating to the going concern and to apply the going concern accounting convention, unless it is planned to liquidate the Company or cease operations.

The consolidated financial statements were approved by the Board of Directors.

Responsibilities of the Statutory Auditors with regard to the audit of the consolidated financial statements

It is our responsibility to prepare a report on the consolidated financial statements. Our aim is to obtain the reasonable assurance that the consolidated financial statements taken as a whole do not include material misstatements. Reasonable assurance corresponds to a high level of assurance, but does not guarantee that an audit conducted in accordance with professional standards will systematically detect all material misstatements. Misstatements may come from fraud or result from errors and are considered as material when we can reasonably expect that they may, taken individually or cumulatively, influence the economic decisions that users of the financial statements may make based on the financial statements.

As stipulated in Article L. 821-55 of the French Commercial Code, our certification task for the financial statements does not consist of guaranteeing the viability or quality of your Company.

As part of an audit conducted in accordance with the professional standards applicable in France, the Statutory Auditor exercises his/her professional judgment throughout this audit.

Moreover:

- he/she identifies and assesses the risks that the consolidated financial statements include material misstatements, either from fraud or resulting from errors, defines and implements audit procedures to address these risks and collects the elements that he/she considers sufficient and appropriate on which to base his/her opinion. The risk of non-detection of a material misstatement from fraud is higher than for a material misstatement resulting from an error, as fraud may involve collusion, falsification, voluntary omission, false declaration or circumvention of internal control;

- he/she takes note of the relevant internal control for the audit in order to define the appropriate audit procedures and not to express an opinion on the effectiveness of the internal control;

- he/she assesses the appropriate nature of the selected accounting methods and the reasonable nature of the accounting estimates made by management, as well as the information about them provided in the consolidated financial statements;

- he/she assesses the appropriate nature of management's application of the going concern convention and, depending on the elements collected, whether or not a material uncertainty or circumstances exist that are likely to call into question the company's ability to continue its operations. This assessment is based on the elements collected up to the date of his/her report, it being recalled that subsequent circumstances or events may call into question the going concern. If he/she concludes that a material uncertainty exists, he/she draws the readers' attention to the information provided in the consolidated financial statements on the subject of this uncertainty or, if this information is not provided or is not relevant, he/she formulates a certification with reserves or refuses the certification;

- he/she assesses the presentation of the consolidated financial statements as a whole and assesses whether the consolidated financial statements reflect the underlying operations and events so as to provide a true and fair view;

- concerning the financial information of the persons or entities included in the scope of consolidation, he/she collects the elements that he/she considers sufficient and appropriate to express an opinion on the consolidated financial statements. He/she is responsible for the management, supervision and performance of the audit of the consolidated financial statements as well as the opinion expressed thereon.

Lyon, April 30, 2025
The Statutory Auditor
PricewaterhouseCoopers Audit

Gonzague Van Royen

5.3 ANNUAL SEPARATE FINANCIAL STATEMENTS

5.3.1 STATEMENT OF FINANCIAL POSITION

ASSETS		12/31/2024			12/31/2023
Audited separate financial statements – French standards (In thousands of euros)	**Note**	**Gross**	**Depreciation and amortization**	**Net**	**Net**
FIXED ASSETS					
Intangible assets	5	**10,022**	**3,243**	**6,779**	**5,370**
R&D expenses		4,630	792	3,839	0
Concessions, patents, licenses, software		5,392	2,452	2,940	1,795
Goodwill		0	0	0	0
Intangible assets under construction		0	0	0	3,576
Property, plant and equipment	5	**32,090**	**7,143**	**24,947**	**20,320**
Land		5,000	0	5,000	0
Buildings		0	0	0	0
Technical installations, industrial equipment and tooling		6,947	2,462	4,484	4,207
Other property, plant and equipment		19,508	4,681	14,827	15,881
Property, plant and equipment under construction		635	0	635	233
Financial assets	5	**144,931**	**459**	**144,471**	**67,258**
Equity investments		38,381	0	38,381	38,381
Receivables related to equity investments		92,211	0	92,211	27,560
Other non-current financial assets		14,338	459	13,879	1,316
TOTAL FIXED ASSETS		**187,043**	**10,846**	**176,197**	**92,948**
CURRENT ASSETS					
Inventories and work-in-progress	7	**-**	**-**	**-**	**-**
Raw materials and other supplies		-	-	-	-
Work in progress of goods		-	-	-	-
Goods		-	-	-	-
Advance payments made on orders		3	-	3	32
Trade receivables and related accounts	7	2,425	-	2,425	2,730
Other receivables	7	4,649	-	4,649	7,680
Subscribed capital - called up, not paid up		3	-	3	3
Marketable securities	10	10,035	-	10,035	20
Cash and cash equivalents	10 and 11	74,984	-	74,984	191,246
Prepaid expenses	7	440	-	440	352
TOTAL CURRENT ASSETS		**92,539**	**0**	**92,539**	**202,060**
Expense to be spread over the loan	9	344	-	344	413
Translation adjustments and valuation differences - assets		32	-	32	-
OVERALL TOTAL		**279,957**	**10,846**	**269,111**	**295,422**

LIABILITIES

Audited separate financial statements – French standards (In thousands of euros)	Note	12/31/2024	12/31/2023
EQUITY	12		
Share capital		11,792	11,786
Issue, merger and contribution premiums		276,703	276,569
Legal reserve		-	-
Retained earnings		(44,180)	(28,263)
Profit and loss for the period		**(23,406)**	**(15,917)**
Investment subsidies	13	532	604
Regulated provisions		-	-
Total equity		**221,440**	**244,779**
OTHER EQUITY CAPITAL			
Income from issues of equity securities		-	-
Conditional advances	13	5,223	4,464
TOTAL OTHER EQUITY CAPITAL		**5,223**	**4,464**
PROVISIONS	6		
Provisions for risks		-	-
Provisions for charges	6	443	384
TOTAL PROVISIONS		**443**	**384**
DEBT			
Loans and debt from credit institutions	13	33,273	34,904
Miscellaneous loans and financial liabilities	11	505	672
Trade payables and related accounts	8	4,332	4,787
Tax and social liabilities	8	3,818	3,115
Other liabilities	8	-	1,862
Deferred income	8	67	455
TOTAL LIABILITIES		**41,994**	**45,795**
Translation adjustments and valuation differences - liabilities		12	-
OVERALL TOTAL		**269,111**	**295,422**

5.3.2 INCOME STATEMENT

Audited separate financial statements – French standards (In thousands of euros)	**Note**	**France**	**Exports**	**12/31/2024**	**12/31/2023**
Sales of goods				-	-
Production sold, goods				-	-
Production sold, services		783	199	982	1,747
Net revenue	14	**783**	**199**	**982**	**1,747**
Stored production				-	-
Capitalized production	5			1,357	1,637
Operating subsidy	13			653	1,616
Reversals of depreciation, amortization and provisions, expense transfers				2,066	2,444
Other income				-	2
Total operating revenues	14			**5,057**	**7,446**
Purchases of goods				-	-
Inventory change (goods)				-	-
Purchases of raw materials and other supplies				365	343
Inventory change (raw materials and supplies)				-	52
Other purchases and external expenses				16,716	13,309
Taxes and similar payments				180	124
Salaries and wages				11,265	8,500
Social security contributions				4,648	3,367
Depreciation of fixed assets	5			4,132	2,587
Provisions for fixed assets	5			-	-
Provisions on current assets	5			-	-
Provisions for contingencies and charges	5			-	-
Other expenses				182	255
Total operating expenses	15			**37,487**	**28,537**
OPERATING INCOME				**(32,430)**	**(21,091)**

Audited separate financial statements – French standards (In thousands of euros)	Note	France	Exports	12/31/2024	12/31/2023
Profit allocated or loss transferred				-	-
Loss incurred or profit transferred				-	-
Financial income from investments				3,779	647
Income from other securities and fixed asset receivables				-	-
Other interest and similar income				4,683	3,778
Reversals of provisions and expense transfers				-	2
Positive exchange rate differences				3	2
Net income on sales of marketable securities				-	-
Total financial income				**8,464**	**4,430**
Depreciation, amortization and provisions	5			518	58
Interest and similar expenses				1,592	1,615
Negative exchange rate differences				21	8
Net expenses on sales of marketable securities				-	-
Total financial expenses				**2,130**	**1,681**
FINANCIAL INCOME	19			**6,334**	**2,748**
CURRENT INCOME BEFORE TAXES				**(26,096)**	**(18,343)**
Extraordinary income on management transactions				23	-
Extraordinary income on equity transactions				78	4,279
Reversals of provisions and expense transfers				-	-
Total extraordinary income				**101**	**4,279**
Extraordinary expenses on management transactions				12	23
Extraordinary expenses on capital transactions				435	4,358
Extraordinary depreciation and provisions	5			0	-
Total extraordinary expenses				**446**	**4,381**
EXTRAORDINARY GAIN OR LOSS	20			**(345)**	**(102)**
Employee profit-sharing				-	-
Income tax	21			(3,036)	(2,528)
TOTAL INCOME				**13,622**	**16,155**
TOTAL EXPENSES				**37,028**	**32,072**
PROFIT OR LOSS				**(23,406)**	**(15,917)**

5.3.3 CASH FLOW STATEMENT

Audited separate financial statements – French standards (In thousands of euros)	12/31/2024	12/31/2023
CASH FLOW FROM OPERATING ACTIVITIES		
Profit and loss for the period	(23,406)	(15,917)
Depreciation, amortization and impairment (including investment subsidies)	4,508	2,674
Gains or losses on asset disposals	63	2
Changes in working capital requirements	(63,489)	(26,275)
Net cash absorbed by operations	**(82,324)**	**(39,516)**
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisitions of fixed assets	(10,166)	(7,456)
Acquisition of non-current financial assets	(13,022)	(391)
Disposals of fixed assets	6	4,277
Changes in fixed asset liabilities	(84)	(314)
Net cash from (absorbed by) investments	**(23,266)**	**(3,884)**
CASH FLOW FROM FINANCING ACTIVITIES		
Net proceeds from the issuance of shares and BSAs	139	133,518
Inflows from loans	0	0
Reimbursement of loans	(1,626)	(1,661)
Expense to be spread over the loan	70	35
Inflows from repayable advances and investment subsidies	759	1,733
Net cash from financing activities	**(657)**	**133,625**
Change in cash and cash equivalents	**(106,248)**	**90,226**
Cash and cash equivalents at the beginning of the period	**191,266**	**101,041**
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**85,019**	**191,266**

5.3.4 NOTES TO THE ANNUAL FINANCIAL STATEMENTS

NOTE 1 • THE COMPANY

Carbios ("the Company") is an innovative green chemistry company, developing cutting-edge technologies for the recovery of plastic waste and the production of biopolymers.

The Company was created in April 2011 as a société par actions simplifiée (simplified joint stock company) and became a société anonyme (public limited company) on February 20, 2013.

The Company's shares have been listed on the Euronext Growth Paris market since December 19, 2013. Euronext Growth is an organized multilateral trading system that does not require the application of IFRS. The accounting principles applied in the statutory financial statements are those generally accepted in France. These financial statements cover the fiscal year ended December 31, 2024, it being the Company's thirteenth accounting period.

NOTE 2 • HIGHLIGHTS OF THE FISCAL YEAR

With new own patent applications filed during the fiscal year, the intellectual property portfolio of Carbios and Carbiolice at the end of 2024 included 58 patent families (including one under an exclusive worldwide license with the CNRS and University of Poitiers), representing 502 patents filed across the world's key regions and covering the Company's areas of development (biodiversity, enzymatic recycling process, biodegradable plastic production process and bioproduction).

The key events for 2024 were as follows:

On March 5, 2024, the Company announced that CARBIOS Active, its enzymatic solution for the biodegradation of PLA, is included in the inventory of food contact substances (FCS) of the US Food and Drug Administration (FDA) with the food contact notification (FCN) 2325, in force since February 29, 2024. Thanks to this step, CARBIOS Active can be used to manufacture food contact packaging in the United States (rigid and flexible packaging, and other applications).

On February 14, 2024, Carbios announced that it had acquired the land (in Longlaville) from Indorama Ventures for the construction of the first PET biorecycling plant in the world.

On April 3, 2024, Carbios announced the successful launch of its first employee shareholding plan for all Group employees who are members of the employee savings plan in France. This employee shareholding plan, launched on February 12, 2024, was subscribed by 123 employees, i.e. 88.49% of the employees concerned and thus made it possible to involve employees in the Group's development and performance. It contributes to bringing the employee shareholding of Carbios, within the meaning of Article L. 225-102 of the French Commercial Code, to around 0.08% of the share capital. The plan included a unilateral contribution corresponding to approximately 48 shares for each of the eligible employees. In total, a little more than €59,400 was subscribed by employees through the FCPE Carbios, which will invest them in Carbios shares, after adding the corresponding contribution of the Company for approximately €53,700 and the unilateral contribution of the latter for approximately €110,600, in the context of:

- a reserved capital increase for a nominal amount of €5,892.60, corresponding to the issue of 8,418 new Carbios shares with a nominal value of €0.70 each; and
- the acquisition of 4,823 existing Carbios treasury shares.

As a result, the Company's share capital was increased by €5,892.60 and thus went from €11,786,048.40 to €11,791,941.00.

The Company advanced €8.5 million to its subsidiary Carbiolice, mainly to finance its current expenses and €79.6 million to its subsidiary Carbios 54, as part of the project to build the PET biorecycling plant at the Longlaville site.

On December 19, 2024, the Company announced a delay of six to nine months for the construction of its PET biorecycling plant in Longlaville, the construction and management of which are planned by its subsidiary Carbios 54, pending the conclusion of additional financing under satisfactory conditions. In addition, this delay is accompanied by tighter management of its expenses in order to maintain sufficient financial visibility over the coming months and not to jeopardize the Group's going concern.

Consequences of the conflict in Ukraine

Since the beginning of the conflict in Ukraine, the Company has not, as of the date of publication of this document, encountered any difficulties in pursuing its activities. To date, the Company has no direct or indirect relations with Ukraine or Russia, and the Company has managed to limit any delays directly related to this crisis in the industrial and commercial deployment of its technologies.

However, if this crisis were to continue and/or generate lasting economic consequences, the Company could have difficulties in containing the adverse effects of these measures and in particular, the increase in the cost as well as the extension to the lead times of supplies of certain materials, equipment and products necessary for the construction of its Longlaville plant. This extension of lead times and the increase in prices could negatively impact the costs and lead times of the plant project in Longlaville. In addition, the negative impact of this conflict on the financial markets and potentially on the Company's share price could intensify if the conflict continues.

In view of the current situation between Russia and Ukraine, the Company specifies that its economic and balance sheet exposure to these two countries is not significant. In 2024, Carbios did not record any expenses with suppliers based in Russia and Ukraine.

Going concern

At December 31, 2024, Carbios had financial resources of €93.2 million, including cash and cash equivalents of €2.4 million plus marketable securities for an amount of €75.0 million to which is added marketable securities for an amount of €10.0 million and an amount of €8.2 million in non-current financial assets corresponding to investments, meeting the definition of cash and cash equivalents, pledged to a supplier. At the closing date of the financial statements, negotiations are under way with this supplier and should enable a release of the pledge to be obtained very soon (the outcome of these negotiations does not call into question the financing horizon indicated below).

As the Group's parent company, the Company has undertaken to provide its subsidiaries Carbiolice and Carbios 54, at least for the next 12 months, with the financial support necessary to maintain their activity and enable them to meet their commitments.

On the basis of these financial resources alone, and given its latest announcements based on a 6 to 9 month postponement of the plant construction project combined with a massive cost reduction plan including an employment protection plan (PSE), Carbios is giving itself visibility over its financing horizon beyond the next twelve months while maintaining its strategic capabilities.

It should be noted that the Group's cash flow forecasts do not include disbursements related to the restart of construction of the Longlaville plant because they are subject to obtaining the necessary additional financing.

NOTE 3 • EVENTS AFTER THE REPORTING PERIOD

As part of the tightened management of its expenses, announced on December 19, 2024, the Company announced on January 28, 2025 that it was undertaking a reorganization project that could result in job cuts at Carbios and Carbios 54, which could affect approximately 40% of positions. This reorganization should help Carbios to continue to execute its industrial and commercial strategy as well as the prudent management of its solid cash position (€109 million at December 31, 2024), by reducing the Group's cash burn. Carbios is committed to achieving its objectives of signing its first commercial contracts during the first half of 2025 and securing the financing for the continued construction of its first PET recycling plant in Longlaville.

The reorganization project is subject to an information-consultation procedure of the Social and Economic Committee (SEC).

The Group's restructuring costs, including severance payments for the employees concerned, are estimated at around €3.4 million, of which €2.6 million for Carbios alone.

NOTE 4 • ACCOUNTING PRINCIPLES AND METHODS

General principles and conventions

The financial statements for the fiscal year ended were prepared and presented in accordance with the accounting rules in compliance with the principles set out in Articles 121-1 to 121-5 et seq. of the French General Accounting Plan.

The general accounting conventions have been applied in compliance with the principle of prudence, in accordance with the basic assumptions: going concern, consistency of accounting methods from one fiscal year to the next, independence of fiscal years and in accordance with the general rules for preparing and presenting annual financial statements.

The basic method used to measure the items recorded in the accounts is the historical cost method.

The accounting conventions have been applied in accordance with the provisions of the French Commercial Code, the accounting decree of November 29, 1983, as well as the ANC regulation 2014-03 and the ANC regulation 2018-07 relating to the rewriting of the French General Accounting Plan applicable to the closing of fiscal years.

Consistency of methods

The valuation methods used for this fiscal year were unchanged compared to the previous fiscal year.

The information communicated below is an integral part of the 2024 financial statements, which were approved on April 10, 2025 by the Board of Directors.

Financial information is accordingly compared to that of the Company's twelfth fiscal year, ended on December 31, 2023, for a period of 12 months.

NOTE 5 • PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE AND FINANCIAL ASSETS

The movements with an impact on fixed assets were the following:

2024 fiscal year (In euros)	At the beginning of the period 01/01/2024	Increase	Decrease	At the end of the period 12/31/2024
FIXED ASSETS				
INTANGIBLE ASSETS	**7,084,445**	**3,263,239**	**325,717**	**10,021,967**
Software, website	65,609	1,228,822	3,443	1,290,988
Patents	3,222,288	652,672	20,327	3,854,633
Patents licensed	220,937	25,110	-	246,047
Pending patents	13,349	-	13,349	-
Development costs	3,562,263	1,356,634	288,598	4,630,299
PROPERTY, PLANT AND EQUIPMENT	**25,233,814**	**7,393,936**	**538,026**	**32,089,723**
Fixtures and fittings	-	5,000,000	-	5,000,000
Laboratory fittings and equipment	17,921,541	326,353	-	18,247,894
Office and IT hardware	6,192,721	1,075,726	142,133	7,126,314
Furniture	574,144	323,907	182,564	715,487
Assets under construction	312,603	76,591	24,244	364,951
Advance payments made	-	-	-	-
FINANCIAL ASSETS	**67,257,931**	**79,048,117**	**1,375,116**	**144,930,931**
Equity interests	38,381,461	-	-	38,381,461
Receivables related to equity investments	27,560,473	64,650,844	-	92 211 317
Guarantees and security deposits	339,111	5,000,000	144,640	5,194,471
Other non-current financial assets	-	8,175,527	-	8,175,527
Liquidity agreement	511,941	800,000	1,098,393	213,548
Treasury shares	464,944	421,746	132,083	754,608
TOTAL	**99,576,190**	**89,705,291**	**2,238,860**	**187 042 621**

The methods and terms of depreciation and amortization of assets are the following:

2024 fiscal year (In euros)	**Depr./amort. period**	**At the beginning of the period 01/01/2024**	**Increase**	**Decrease**	**At the end of the period 12/31/2024**
DEPRECIATION, AMORTIZATION AND PROVISIONS					
INTANGIBLE ASSETS					
Software, website	1 year	34,193	96,078	3,443	126,827
Patents	10 years	1,522,870	606,468	20,327	2,109,012
Patents licensed	10 years	157,006	58,917	-	215,922
Development costs	5 years	-	791,666	-	791,666
PROPERTY, PLANT AND EQUIPMENT					
Fixtures and fittings	7 to 10 years	2,604,571	1,573,796	-	4,178,367
Laboratory fittings and equipment	5 to 20 years	1,881,881	699,955	80,840	2,500,996
Office and IT hardware	3 to 5 years	285,925	169,103	176,436	278,592
Furniture	3 to 7 years	141,469	66,201	22,541	185,129
FINANCIAL ASSETS					
Treasury shares		-	459,422	-	459,422
TOTAL		**6,627,914**	**4,521,606**	**303,587**	**10,845,933**

Movements during the fiscal year affecting expenses spread over several fiscal years (In euros)	**At the opening**	**Augmentation**	**Diminution**	**À la clôture 12/31/2024**
Expenses to be spread over several years	413,267	-	69,719	343,548

Development costs

These are development expenses for "PET recycling" project capitalized following the commissioning of the Cataroux site and the inauguration of the industrial demonstration plant on September 30, 2021 and the "PULSE" project, which consists of the implementation of an ERP for the Carbios group.

The expenses incurred have been recorded as fixed assets, as the project meets the criteria for capitalization.

Capitalized expenses during the fiscal year amounted to €2,297 thousand and consisted of:

"PET Recycling" project for €1,357 thousand (with a total amount of €4,630 thousand at 12/31/2024) consisting of:
- Employee expenses: €724 thousand
- Patents: €314 thousand
- Raw materials and supplies: €168 thousand
- R&D subcontracting and consultants: €150 thousand

This asset was commissioned on January 1, 2024, after validation of the so-called FEL3 phase.

"PULSE" project: €940 thousand, consisting solely of capitalized consultant expenses, for a total of €1,228 thousand at 12/31/2024.

The asset was commissioned on July 1, 2024.

Intangible assets

Intangible assets are valued at their acquisition cost and are amortized on a straight-line basis over the duration of their utilization by the Company. The amortization period for the patents held by the Company is estimated at 10 years, corresponding to the period stipulated for consumption and the economic benefits expected from the industrial property portfolio of the Company.

The licensed patents are capitalized over a 10-year period. The acquisition costs of these patents correspond to the fixed and variable license fees in the signed exclusive licensing agreement.

The expenses for filing patents or industrial property rights acquired during the fiscal year have been capitalized and are amortized from the beginning of their utilization. Additional expenses and later extensions on capitalized patents are amortized (as well as licensed patents) over the remaining period for the application to which they are connected.

The type of expenses for research undertaken by the Company during the fiscal year results in their being recorded entirely as operating expenses.

Impairment is recognized when the current value of an asset is lower than the net carrying amount. In addition, the Company conducts an annual review of its patent portfolio and discards any patents that are not retained.

Property, plant and equipment

Property, plant and equipment are valued at their acquisition cost or their production cost by the Company, taking into account the expenses required for the preparation of these goods for use and after deduction of commercial discounts, rebates and reductions of payments received.

Assets are depreciated on a straight-line basis depending on the actual period of utilization of the asset.

Depreciation periods are between 3 and 20 years depending on the type and lifespan of the assets in question.

Impairment is recognized when the current value of an asset is lower than the net carrying amount.

Assets under construction

The “Assets under construction” item consists mainly of the costs relating to the installation of the Company’s industrial demonstration plant.

These assets are not amortized and will be reclassified to “property, plant and equipment” when they are brought into service.

Equity interests and related receivables

1) Carbios acquired the share capital of **Carbiolice** (a simplified joint-stock company) when it was created on June 10, 2016 and later subscribed to several share capital increases of its subsidiary during the following fiscal years. As of December 31, 2024, Carbios owned 29,502,000 Carbiolice SAS shares, representing a stake of 99.99100%. Equity interests are assessed at their acquisition value, i.e. €38,371,461. If this value exceeds the value in use, impairment is recognized for the difference.

The value in use is determined by reference to the impairment test, carried out by an external expert, and is based on the discounted cash flow method. To this end, the work is based on the Carbiolice Business Plan approved by its Board of Directors for which annual updates are also approved by the Board of Directors.

Assumptions used during the tests carried out for the annual closing:

- The business plan is projected over an eight-year horizon, to which must be added an additional so-called “normative” year and takes into account obtaining Food Contact approval in the United States.
- A terminal value calculated on a normal cash flow basis using an EBITDA margin rate of 27.5%, similar to the rate of comparable mature companies.
- Discount rate (WACC) used of 13.8% (compared to 13% last year), consisting of: (i) a WACC excluding the additional forecast risk premium, and (ii) an additional forecast risk premium, given the uncertainty of certain assumptions in the plan. This rate of 13% is corroborated by academic studies on high-growth companies in the marketing launch phase. The decrease in this rate is due to the more cautious modeling of future economic data.
- Tax rate: draft 2024 Finance Law (i.e. 25.8%).

The impairment tests performed at the end of fiscal year 2024, as well as the sensitivity tests carried out, did not show any unrealized loss on the Carbiolice equity interest.

In addition, sensitivity tests were carried out on certain key assumptions. A two-point increase in the discount rate combined with a decrease in the terminal value of the EBITDA margin to 22% had no impact on the result of the impairment test.

2) Carbios subscribed to the share capital of the simplified joint-stock company **Carbios 54** at its incorporation on May 30, 2022. As of December 31, 2024, Carbios continues to own 10,000 Carbios 54 SAS shares, representing a stake of 100%. Equity interests are assessed at their acquisition value, i.e. €10,000. If this value exceeds the value in use, impairment is recognized for the difference.Since its creation, the Company has financed the activity of its subsidiary Carbios 54 through a related receivable for a total amount of €83 million (including accrued interest).

The temporary suspension of the construction of the Longlaville plant and the renegotiation with suppliers constitute an indication of impairment requiring an impairment test given the financing requirement necessary to restart the project. If the value of the receivable on the statement of financial position is higher than the value in use (determined by an impairment test), an impairment is recognized for the difference.

Management is committed to finding financing for the project and appears confident in obtaining it, within the announced schedule, particularly in view of the discussions with the various partners.

However, to date, the Company has not ruled out the possibility of not mobilizing the necessary funds, or at least within the timeframe provided for.

Thus, the impairment test is based on a scenario, considered by Management as highly probable, including the obtaining of financing within the timeframe provided for by the temporary suspension of the project and the restart of construction in the second half of 2025.

To this end, the work is based on the Carbios 54 business plan approved by the Board of Directors on April 10, 2025.

The recoverable amount of the related receivable was determined on the basis of the enterprise value of Carbios 54, based on the discounted cash flow method, and after deducting the adjusted net debt from the carrying amount of the receivable tested.

As the Longlaville plant is the only asset of Carbios 54, cash flow forecasts have been limited to the estimated useful life of the asset, i.e. 40 years, without consideration of terminal value. The business plan for the Longlaville plant is based on a 10-year period (2025-2034). The Company used an annual growth rate of 2% from the 11th year.

The main assumptions used for the impairment test at December 31, 2024 are:

- At business plan level:
  - Projected investments required for construction as well as plant start-up costs, a significant portion of which is based on the amounts of orders signed or estimates obtained from suppliers.
  - The selling price of recycled PET.
  - The cost of manufacturing recycled PET.
  - The production volumes sold for which Management anticipates growth based on targeting customers who have shown their interest in Carbios’ enzymatic solution and with whom Management has initiated commercial discussions with a view to achieving full use of the asset over the duration of the business plan.
- In terms of financial assumptions:
  - Discount rate ("WACC") used of 13.8% over the 10 years of the business plan. This rate is based on a sample of listed companies in the sector with a start-up profile and is corroborated by a benchmark of the discount rates used by financial analysts. A WACC of 11.1% from year 11, similar to mature companies in the sector.
  - Growth rate from the 11th year: 2%.
  - Tax rate: draft 2024 Finance Law (i.e. 25.8%).

The impairment tests performed at the end of fiscal year 2024 did not show any unrealized loss. However, the recoverable amount obtained by the methodology described above is very close to the carrying amount of the asset tested, which makes the impairment test particularly sensitive to changes in assumptions.

For example:

- a 5% change in CAPEX and OPEX related to construction would lead, if it increased, to an impairment of €8 million, or if it decreased, to a margin of €12 million;
- a 5% change in normative EBITDA would lead, if it increased, to a margin of €24 million, or if it decreased, to an impairment of €20 million;
- a 10% change in revenue over the duration of the business plan would lead, if it increased, to a margin of €33 million, or if it decreased, to an impairment of €29 million;
- a one-point change in the WACC would lead, if it increased, to an impairment of €18 million, or if it decreased, to a margin of €27 million; or
- a one-point change in the growth rate would lead, if it increased, to a margin of €13 million, or if it decreased, to an impairment of €7 million.

It should be noted that an alternative method based on 10 years of operations from the first cash out and a terminal value, arrives at a value in use very close to the method described above.

Other non-current financial assets

The "Other non-current financial assets" item only consists of term accounts opened by the Company that cannot be classified as Cash or marketable securities due to the pledge placed on them on behalf of its subsidiary Carbios 54. This pledge was established to cover a bank guarantee set up as part of the construction of the plant (payment guarantees provided for by Article 1799-1 of the French Civil Code), for an amount of €8.2 million.

Liquidity agreement, buyback agreement and treasury shares

The transactions connected to the liquidity agreement that the Company signed with a financial intermediary are recognized in compliance with Opinion CU CNC No. 98-D and with CNCC Bulletin No. 137 – March 2005, namely:

- Treasury shares held are recognized under "Other Non-Current Financial Assets." An impairment is recorded by reference to the average listed share price of the last month of the fiscal year if it is lower than the purchase price. To determine the income from disposal, the "First in, First out" method is used.
- At December 31, 2024, the Company held 22,546 Carbios shares under its liquidity agreement, for a carrying amount of €175 thousand. The closing net asset value was €153 thousand. As the net asset value is lower than the carrying amount, a provision for impairment was recorded and amounted to €22 thousand.
- At December 31, 2024, under its share buyback agreement, for the purpose of reserving shares to fund an employee mutual fund (FCPE), the Company held 21,177 Carbios shares, for a carrying amount of €580 thousand. The net asset value at the end of the period was €142 thousand, and a provision was therefore recognized in the amount of €438 thousand.
- Cash paid to the intermediary and not yet used as part of the liquidity agreement is recognized under "Other financial assets" in the "Liquidity agreement" account and represents €127 thousand.
- Cash paid to the intermediary and not yet used as part of the share buyback agreement is recognized under "Other financial assets" in the "Share buyback agreement" account and represents €86 thousand.

NOTE 6 • PROVISIONS FOR CONTINGENCIES AND CHARGES

Any current obligation resulting from a past event of the Company towards a third party that may be estimated with sufficient reliability, and covering identified risks, is recognized as a provision.

At December 31, 2024, the Company had set aside a total of €409 thousand in financial provisions for the interest due on the debt related to the THANAPLASTTM project.

In addition, the Company has set aside a provision of €34 thousand for employer contributions that will be due under the free share allocation plan, which expires at the end of September 2026.

NOTE 7 • RECEIVABLES AND PREPAID EXPENSES

Statement of receivables

Receivables are valued at their nominal value. Where applicable, the receivables have been written down by means of a provision to take into account the recovery difficulties to which they were likely to give rise.

Statement of receivables at 12/31/2024 (In euros)	**Gross amount**	**At one year**	**More than one year**
Current assets & prepayments			
Customers	2,425,080	2,425,080	
Income tax(1)	3,537,354	3,537,354	
Value added tax(2)	961,004	961,004	
Other receivables(3)	184,568	184,568	
Prepaid expenses(4)	440,428	440,428	
TOTAL	**7,548,434**	**7,548,434**	

(1) The income tax receivable corresponds to the research tax credit (CIR) recognized for the 2024 calendar year for €2,995 thousand, as well as that of Carbiolice, a subsidiary of the Company, for an amount of €491 thousand, following the implementation of the group tax consolidation option. In the absence of taxable income and due to the classification as a Community SME, this receivable is repayable the year following its recognition. At December 31, 2024, the Company received €2,547 thousand in respect of the 2023 research tax credit. This was repaid on June 20, 2024.

(2) The VAT receivable corresponds to reimbursement requests for the months of November and December 2023 (€457 thousand) as well as to non-recoverable VAT on services not paid at December 31, 2024, namely: VAT on fixed assets (-€119 thousand), VAT on other goods and services (€183 thousand), VAT on disbursements (€189 thousand), intra-community VAT (€42 thousand) and VAT on accrued invoices (€209 thousand).

(3) Other receivables mainly consist of income receivable as part of the LIFE project for an amount of €64 thousand.

(4) Prepaid expenses are ordinary operating expenses related to prior fiscal years.

Inventories

Inventories are valued at their acquisition cost using the weighted average cost method. When the present value at closing (market value for goods and value in use for raw materials) is lower than the carrying amount, an impairment loss is recognized for the amount of the difference. The valuation of the inventories at the end of the period did not reveal any impairment.

At December 31, 2024, the Company had not recognized any inventories.

NOTE 8 • MATURITY OF DEBT AND DEFERRED INCOME AT THE END OF THE PERIOD

Statement of debts at 12/31/2024 (In euros)	**Total amount**	**From 0 to 1 year**	**From 1 to 5 years**	**More than 5 years**
Regional and national funds	2,761,792	2,161,792	600,000	
EIB	30,008,333	5,008,333	20,000,000	5,000,000
State-guaranteed loan	502,691	252,691	250,000	
Partners' Current Accounts	504,813	504,813		
Suppliers	4,328,229	4,328,229		
Tax and social liabilities	3,793,770	3,793,770		
Other liabilities	-	-		
Deferred income	66,897	66,897		
TOTAL	**41,953,546**	**16,103,546**	**20,850,000**	**5,000,000**

Debts are recorded at their nominal redemption value and are not discounted.

The "Loans and debts" item includes:

- public debt, consisting of the ADEME repayable advances (€1,515 thousand) obtained as part of the various research projects carried out by the Company until then, as well as the two loans subscribed from Bpifrance, of which €1.2 million remains due;
- private debt. In this case, it consists exclusively of the loan of €1 million taken out with a banking institution as part of the Covid crisis and whose outstanding capital amounted to €500 thousand at December 31, 2024.
- a debt with the European Investment Bank in the amount of €30,000 thousand, the first repayment of which is scheduled for 2025.

Partners' Current Account debts include the €491 thousand research tax credit (CIR) of the company Carbiolice, which are centralized at the Company following the choice to switch to the group tax consolidation option, and which will have to be paid back to Carbiolice after receipt of the tax share.

Trade payables include outstanding operating invoices at closing for a total of €2,358 thousand, as well as invoices for capital items for a total of €494 thousand, and also to invoices not yet received related to both the operating cycle (€1 371 thousand) and the investment cycle (€106 thousand).

Social security liabilities consist of balances due to the various funds at the end of the period, provisions for premiums and bonuses, provisions for paid leave and related expenses.

NOTE 9 • ACCRUALS - ASSETS AND LIABILITIES

Accruals are shown on the statement of financial position for the fiscal year ended December 31, 2024 in the following amounts:

Statement of accruals (In euros)	**Assets**	**Liabilities**
Suppliers, amounts receivable and accrued invoices		1,476,402
Trade receivables, not yet invoiced	2,425,080	
Personnel and social welfare organizations, accrued expenses	21,357	2,561,493
State, accrued expenses and accrued income	208,467	430,495
Subsidies receivable	63,754	
Prepaid expenses	440,428	
Deferred income		66,897
Accrued interest income and interest payable	2,387,298	
Expense to be spread over the loan	343,548	
TOTAL	**5,889,932**	**4,535,288**

NOTE 10 • MARKETABLE SECURITIES

Marketable securities consist exclusively of SICAVs for a total amount of €10 million.

NOTE 11 • CASH AND CASH EQUIVALENTS

This item includes cash deposited in demand accounts, as well as accrued interest receivable for a total amount of €2.4 million.

To this amount is added €72.6 million (including €2.4 million in accrued interest) invested in term accounts, allowing it to benefit from an attractive return, low risk, as well as capital available at any time.

The Company also has €8.2 million invested in pledged term accounts classified as other non-current financial assets because it is not possible to use the funds at any time.

In addition, in respect of marketable securities, the Company has BSAs from the company PK-MED for an amount of €20 thousand, for which no impairment is to be recognized at this stage.

NOTE 12 • SHARE CAPITAL

STATEMENT OF CHANGES IN EQUITY

Audited separate financial statements French standards (In euros)	Share capital	Issue premium	Subscription capital	Investment subsidies (net)	Profit or loss for the period	Retained earnings	Total due to shareholders
12/31/2023	**11,786,048**	**276,566,075**	**2,970**	**603,750**	**(15,917,079)**	**(28,263,169)**	**244,778,594**
Allocation of earnings N-1					15,917,079	(15,917,079)	-
Increase/decrease in share capital and issue premium	5,893	133,509					139,402
Subscription of BSA/BCE							-
Quasi-equity							-
2024 results				(72,250)	(23,405,799)		(23,478,049)
12/31/2024	**11,791,941**	**276,699,584**	**2,969**	**531,500**	**(23,405,799)**	**(44,180,248)**	**221,439,947**

COMPOSITION OF SHARE CAPITAL

Share capital

Capital transactions carried out before the period and recognized during the period

N/A.

Capital transactions performed during the period

By a decision dated April 8, 2024, the Chief Executive Officer, acting on the sub-delegation of the Board of Directors on December 20, 2023, making use of a delegation of authority of the Combined Shareholders' Meeting of June 22, 2023, carried out a reserved capital increase for a nominal amount of €5,892.60, from €11,786,048.40 to €11,791,941, through the creation of 8,418 new ordinary shares.

This decision follows the employee shareholding plan, launched on February 12, 2024, which was subscribed by 123 employees, i.e. 88.49% of the employees concerned.

As a result, as of December 31, 2024, the share capital amounting to €11,791,941.00 consisted of 16,845,630 ordinary shares, with a par value of €0.70 each, entirely subscribed and fully paid up.

Movements of securities	Number	Nominal value	Share capital
Securities at the beginning of the fiscal year	**16,837,212**	**€0.70**	**€11,786,048.40**
Capital reduction	-	-	-
Securities issued	8,418	€0.70	€5,892.60
Securities redeemed or canceled	-	-	-
Shares at year-end	**16,845,630**	**€0.70**	**€11,791,941.00**

Issue premiums

In accordance with the decision made by the sole partner followed by the collective decision of the shareholders and, finally, by the Board of Directors based on the delegation of the Shareholders' Meeting, the issue premiums paid as part of the capital increases were recorded under "Liabilities" on the statement of financial position in a special "Issue premium" account, to which the former and new shareholders' rights shall be applicable.

In accordance with the reference method (ANC 2018-01), capital issue costs are recognized in the statement of financial position as a deduction from the issue premium.

At December 31, 2024, the issue premiums paid after deducting capital increase costs amounted to €276,699,584.00.

Transaction	Transaction date	Issue premiums	Direct costs charged	Exercise of BSA/ BCE against payment (1)	Total issue premium	BSA
At 12/31/2023		**€294,058,973.35**	**€(17,533,050.95)**	**€40,152.12**	**€276,566,074.52**	**€2,969.28**
Capital increase	04/08/2024	€133,509.48	-	-	-	-
At 12/31/2024		**€294,192,482.83**	**€(17,533,050.95)**	**€40,152.12**	**€276,699,584.00**	**€2,969.28**

(1) At 12/31/2023 the amounts of this item came from the exercise of:

- *28,841 BSAs acquired for €0.22 per share, i.e. €6,341.82;*
- *3,759 BSAs acquired for €0.10 per share, i.e. €375.90;*
- *19,200 BSAs acquired for €0.85 per share, i.e. €16,320;*
- *9,600 BSAs acquired for €0.59 per share, i.e. €5,664;*
- *acquisition of the BSA plan by Kepler Cheuvreux: €500.*

These amounts, together with the additional €2,790.40 paid at the subscription of 12,800 BSA warrants acquired for €0.22 (which have now expired) and the additional €8,160.00 paid upon subscription of 9,600 vested BSA warrants for €0.85 (which have now expired), initially recorded under "warrants," were included in the issue premium when the expiry of the said warrants was recognized.

Expenses inherent to the various increases were charged in full to the issue premium.

As a reminder, the direct costs associated with the listing of the Company on the Euronext Growth Paris market that took place in 2013 amounted to €1,196,108. The expenses relating to the fundraising carried out in 2019 amounted to €770,395, those relating to the transactions carried out in 2020 to €1,957,332, those for 2021 to €6,003,554 and, finally, the expenses incurred for the share capital increase in 2023 to €7,605,661.

The "Issue premiums" item recorded under "Liabilities" on the statement of financial position also includes the sums received at the time of the subscription of the share subscription warrants (see Note 12.3 below), i.e. €2,969.28 at December 31, 2024.

Earnings per share

At December 31, 2024, net earnings per share, obtained by dividing the profit or loss for the fiscal year (-€23,405,799) by the number of shares (16,845,630), amounted to -€1.39.

DISTRIBUTION OF SHARE CAPITAL

At December 31, 2024, the 16,845,630 shares comprising the share capital were distributed as follows:

Shareholders	Number of shares	% of share capital	Number of voting rights	% of voting rights
BOLD	943,211	5.60%	943,211	5.60%
Copernicus Wealth Management S.A.(1)	654,271	3.88%	654,271	3.88%
Michelin Ventures	519,742	3.09%	519,742	3.08%
L'Occitane Group	392,852	2.33%	392,852	2.33%
Truffle Capital Funds	176,565	1.05%	176,565	1.05%
EIB	0	0.00%	0	0.00%
Directors(2)	1,656	0.01%	1,656	0.01%
Employees and former employees (3) *of which FCPE CARBIOS*	13,241 *13,241*	0.08% *0.08%*	0 *0*	0.00% *0.00%*
Treasury shares	43,723	0.26%	0	0.00%
Free-float	14,112,265	83.77%	14,159,542	84.04%
Total	**16,845,630**	**100.00%**	**16,849,184**	**100.00%**

(1) Shares held by funds and/or individuals with Copernicus Wealth Management SA as their management company.

(2) The "directors" line of the table does not take into account holdings of BOLD or Michelin Ventures. Specific lines are dedicated to these directors. BOLD, Business Opportunity for L'Oréal Development, represented by Laurent SCHMITT and Michelin Ventures, represented by Nicolas SEEBOTH, have been members of the Board of Directors since June 23, 2021.

(3) See description of the Employee shareholding program in 6.5.2.4.

By collective decision of shareholders on February 20, 2013, it was decided to allocate a double voting right to all fully paid-up shares documented to have been held in registered form in the name of the same shareholder for at least two years.

As of December 31, 2024, 47,277 registered shares included in the free float met these criteria.

DILUTIVE FINANCIAL INSTRUMENTS

Share subscription warrants (BSAs)

The table below shows the status of the BSA issued since the creation of the Company that were still outstanding at December 31, 2024, as well as additional information regarding their status as of that date.

When subscribing to the BSA plan, the beneficiary may have to pay a subscription price to the Company. This amount will be recognized in the "Share subscription warrants" account (accounting stem 1045). As soon as the warrants are exercised, the Company will recognize the capital increase (account 101 "Capital") and an issue premium (account 1041 "Issue premium" for the difference between the exercise price and the par value of the share) and will clear the "Share subscription warrants" account to the "Issue premium" account.

In the event that warrants have lapsed, the amount initially recognized in the "Share subscription warrants" account will be transferred to the "Issue premium" account.

	BSA EIB
Date of Shareholders' Meeting	Decision of the Shareholders' Meeting of 02/02/2022
Total number of shares that may be subscribed or purchased(1)	318,158
Warrant exercise start date	05/27/2022
Expiration date	05/26/2030
Price of subscription or purchase of warrant	0.01
Warrant exercise method	The subscription must be recognized by a subscription form which must be given to the Company.
Exercise price (in euros)	€40 for 50% of the BSA EIB €38.8861 for 50% of the BSA EIB
Number of shares subscribed at December 31, 2024	0
Cumulative number of subscription or purchase warrants canceled or null and void	0
Share subscription warrants that may be exercised at December 31, 2024	296,928

(1) By decision dated August 4, 2023, the Company's Chief Executive Officer decided to adjust the securities already issued by the Company in accordance with Article L. 228-99 of the French Commercial Code. Consequently, each share subscription warrant (BSA) gives the right to subscribe for 1.0715 shares of the Company.

At its meeting of February 3, 2022, the Board of Directors implemented the delegation granted by the Combined Shareholders' Meeting of February 2, 2022 to decide to issue, with cancellation of preferential subscription rights, 296,928 share subscription warrants (BSA), giving the right to subscribe for 296,928 new ordinary Company shares for the benefit of the EIB. The Chairman recalled that under the loan agreement of €30 million signed with the EIB, the Company has committed, under the terms of a share subscription warrants agreement drafted in English (Subscription Agreement for Warrants in the Capital of Carbios S.A.) on December 20, 2021 (the "Issue Agreement"), to issue 296,928 share subscription warrants ("BSA") to the EIB. These share subscription warrants (BSA) would represent 2.5% of the Company's diluted share capital, and could be exercised for a period of eight years from their issue at a price corresponding to:

- €40 for 50% of the BSAs to be issued; and
- an amount equal to the volume-weighted average of the last three trading days preceding the fifth day preceding the signing of the contract relating to the issuance of the share subscription warrants (BSAs), i.e. €38.8861 for the remaining 50% of the BSAs.

During the 2024 fiscal year, CARBIOS did not issue any new BSA equity warrants and did not record any exercise of BSA warrants.

As of December 31, 2024, 296,928 BSAs giving rights to 318,158 shares were still exercisable.

Founder share subscription warrants (BSPCEs)

The table below shows the status of BSPCE issued since the creation of the Company that were still outstanding at December 31, 2024, as well as additional information regarding their status at that date.

When subscribing to the BSPCE plan, the beneficiary will not have to pay a subscription price to the Company. As soon as the BSPCEs are exercised, the Company will recognize the capital increase (account 101 "Capital") and an issue premium (account 1041 "Issue premium", for the difference between the exercise price and the par value of the share).

If BSPCE has lapsed, no accounting entry will be required.

	BCE 2015-2	BCE-2020-3	BCE-2020-6
Date of Shareholders' Meeting	Shareholders' Meeting of 06/24/2015	Shareholders' meeting of 06/19/2019	Shareholders' Meeting of 06/18/2020
Date of Board of Directors' meeting	Decision of the Board of Directors of 06/24/2015	Decision of the Board of Directors of 03/12/2020	Decision of the Board of Directors of 07/09/2020
Total number of shares that may be subscribed or purchased, of which the number that may be subscribed or purchased(1)	16,073	42,592	30,806
Warrant exercise start date	06/24/2016	03/12/2020	07/09/2020
Expiration date	06/24/2025	03/12/2030	07/09/2030
Price of subscription or purchase of warrant	Free	Free	Free
Warrant exercise method	Possibility of exercising x warrants per complete monthly period beginning on 06/24/2015, and for the first time from 06/24/2016, calculated according to the following rule: x = (total nb of BCEs 2015-2 allocated to the beneficiary * nb. of months since 06/24/2015)/48.	To be exercised, these warrants must satisfy four performance conditions. Each condition met gives the right to exercise one fourth of the BSPCEs allocated. In the event of acquisition of the entire Company by a manufacturer, an accelerated vesting is provided for according to the acquisition price per share.	To be exercised, these warrants must satisfy four performance conditions. Each condition met gives the right to exercise one fourth of the BSPCEs allocated. In the event of acquisition of the entire Company by a manufacturer, an accelerated vesting is provided for according to the acquisition price per share. For the other 14,000 warrants: possibility of exercising y warrants where y = (number of warrants not yet exercisable) * % determined by the performance of the Carbios share price.
Exercise price (in euros)	12.4581	7.75934	20.6050
Number of shares subscribed at December 31, 2024	16,000	6,500	0
Cumulative number of subscription or purchase warrants canceled or null and void	0	0	0
Share subscription warrants that may be exercised at December 31, 2024	15,000	39,750	28,750

(1) By decision dated August 4, 2023, the Company's Chief Executive Officer decided to adjust the securities already issued by the Company in accordance with Article L. 228-99 of the French Commercial Code. Consequently, each BSPCE gives the right to subscribe for 1.0715 shares of the Company.

	BCE-2021-1, BCE-2021-3 to BCE-2021-5 and BCE-2021-7 to BCE-2021-14	BCE 2021-16	BCE 2021-17	BCE-2022-1 to BCE-2022-2
Date of Shareholders' Meeting	Shareholders' Meeting of 06/18/2020	Shareholders' Meeting of 06/18/2020	Shareholders' Meeting of 06/18/2020	Shareholders' Meeting of 06/22/2022
Date of Board of Directors' meeting	Decision of the Board of Directors of 01/15/2021	Decision of the Board of Directors of 11/05/2021	Decision of the Board of Directors of 11/05/2021	Decision of the Board of Directors of 06/29/2022
Total number of shares that may be subscribed or purchased(1), of which the number that may be subscribed or purchased by:	51,152	39,362	6,847	53,575
Emmanuel LADENT	-	39,362	-	-
Warrant exercise start date	01/15/2022	12/01/2022	11/05/2022	06/29/2025
Expiration date	01/15/2032	12/01/2032	11/05/2032	06/29/2032
Price of subscription or purchase of warrant	Free	Free	Free	Free
Warrant exercise method	Possibility of exercising x warrants per full monthly period, and for the first time from 01/15/2022, calculated according to the following rule: x = total number of BCE-2021 granted to the beneficiaries * (number of months since 01/15/2021)/48. In the event of acquisition of the entire Company by a manufacturer, an accelerated vesting is provided for according to the acquisition price per share.	For the first 18,367 warrants: possibility of exercising x warrants per full monthly period beginning on 12/01/2021, and for the first time from 12/01/2022, calculated according to the following rule: x = 18,367 * (number of months since 12/01/2021)/48. The remaining 18,368 warrants are subject to four performance conditions to be exercised. Each condition met gives the right to exercise 5,510 warrants, 6,429 warrants, 2,755 warrants and 3,677 warrants, respectively. In the event of acquisition of the entire Company by a manufacturer, an accelerated vesting is provided for according to the acquisition price per share. In the event of acquisition of the entire Company by a manufacturer, an accelerated vesting is provided for according to the acquisition price per share.	Possibility of exercising x warrants per full monthly period, and for the first time from 11/05/2022, calculated according to the following rule: x = total number of BCE-2021 granted to the beneficiaries * (number of months since 11/05/2021)/48.	To be exercised, these warrants must satisfy four performance conditions. Each condition met gives the right to exercise 40%, 20%, 20% and 20% of the warrants respectively.
Exercise price (in euros)	44.5049	37.7340	39.7863	30.1316
Number of shares subscribed at December 31, 2024	0	0	0	0
Cumulative number of subscription or purchase warrants canceled or null and void	9,847	0	0	138,265
Share subscription warrants that may be exercised at December 31, 2024	47,739	36,735	6,390	50,000(2)

(1) By decision of August 4, 2023, the Chief Executive Officer of the Company decided to adjust the securities already issued by the Company in accordance with Article L. 228-99 of the French Commercial Code. Consequently, each BSPCE gives the right to subscribe for 1.0715 shares of the Company.

(2) May be exercised from June 29, 2025.

	BCE-2022-4	BCE-2022-5 to BCE-2022-6 and BCE-2022-13 to BCE-2022-14	BCE-2022-7 to BCE-2022-11	BCE-2022-12
Date of Shareholders' Meeting	Shareholders' Meeting of 06/18/2020	Shareholders' Meeting of 06/19/2019	Shareholders' Meeting of 06/18/2020	Shareholders' Meeting of 06/22/2022
Date of Board of Directors' meeting	Decision of the Board of Directors of 09/29/2022	Decision of the Board of Directors of 12/13/2022	Decision of the Board of Directors of 12/13/2022	Decision of the Board of Directors of 12/13/2022
Total number of shares that may be subscribed or purchased, of which the number that may be subscribed or purchased by(1):	53,575	57,927	64,708	-
Emmanuel LADENT	-	-	-	-
Warrant exercise start date	09/29/2025	12/13/2025	12/13/2025	12/13/2025
Expiration date	09/29/2032	12/13/2032	12/13/2032	12/13/2032
Price of subscription or purchase of warrant	Free	Free	Free	Free
Warrant exercise method	To be exercised, these warrants must satisfy four performance conditions. Each condition met gives the right to exercise 40%, 20%, 20% and 20% of the warrants respectively.	To be exercised, these warrants must satisfy four performance conditions. Each condition met gives the right to exercise 40%, 20%, 20% and 20% of the warrants respectively.	To be exercised, these warrants must satisfy four performance conditions. Each condition met gives the right to exercise 40%, 20%, 20% and 20% of the warrants respectively.	To be exercised, these warrants must satisfy four performance conditions. Each condition met gives the right to exercise 40%, 20%, 20% and 20% of the warrants respectively.
Exercise price (in euros)	26.59321	33.27455	33.27455	33.27455
Number of shares subscribed at December 31, 2024	0	0	0	0
Cumulative number of subscription or purchase warrants canceled or null and void	0	50,000	22,023	31,735
Share subscription warrants that may be exercised at December 31, 2024	50,000(2)	54,062(3)	60,390(3)	0

(1) By decision of August 4, 2023, the Chief Executive Officer of the Company decided to adjust the securities already issued by the Company in accordance with Article L. 228-99 of the French Commercial Code. Consequently, each BSPCE gives the right to subscribe for 1.0715 shares of the Company.

(2) May be exercised from September 29, 2025.

(3) May be exercised from December 13, 2025.

During the 2024 fiscal year, CARBIOS did not issue any new BSPCE founders' warrants and did not record any exercise of BSPCE.

At December 31, 2024, 388,816 BSPCEs giving rights to 416,616 shares were still exercisable.

Free share allocation plans (AGA)

On September 27, 2023 and October 16, 2023, the Board of Directors decided to set up a free share allocation plan ("AGA 2023") for the benefit of some of its employees and corporate officers with a vesting period of three years and allocated 84,150 free Company shares.

On July 2, 2024 and October 1, 2024, the Board of Directors decided to set up a free share allocation plan ("AGA 2024") for the benefit of some of its employees and corporate officers with a vesting period of over three years and allocated 171,450 free Company shares.

There is no lock-up period attached to the free shares definitively acquired.

All free share plans give entitlement to the delivery of Carbios shares.

The free share allocation plans in force at December 31, 2024 are as follows:

Plan	2023-1 Plan	2023-2 Plan
Date of the Shareholders' Meeting that authorized the allocation of free shares	June 22, 2023	June 22, 2023
Grant date	September 27, 2023	October 16, 2023
Vesting period	3 years	3 years
Retention period	-	-
Total number of free shares allocated	74,150	10,000
Of which subject to performance conditions	74,150	10,000
Of which allocated to corporate officers	12,000 (1)	
Number of shares vested in 2024	-	-
Number of shares canceled at December 31, 2024	16,900(2)	-

(1) Emmanuel LADENT, Chief Executive Officer of the Company until December 18, 2024.

(2) Including 12,000 shares granted to Emmanuel LADENT, Chief Executive Officer of the Company, which lapsed following the end of his term of office on December 18, 2024.

Plan	2024-1 Plan	2024-2 Plan	2024-3 Plan
Date of the Shareholders' Meeting that authorized the allocation of free shares	June 20, 2024	June 20, 2024	June 20, 2024
Grant date	July 2, 2024	July 2, 2024	October 1, 2024
Vesting period	3 years and 10 months	3 years and 7 months	3 years and 6 months
Retention period	-	-	
Total number of free shares allocated	136,500	10,000	24,950
Of which subject to performance conditions	136,500	10,000	24,950
Of which allocated to corporate officers	60,000(1)	-	-
Number of shares vested in 2024	-	-	-
Number of shares canceled at December 31, 2024	63,000(2)	-	400

(1) Emmanuel LADENT, Chief Executive Officer of the Company until December 18, 2024.

(2) Of which 60,000 shares granted to Emmanuel LADENT, Chief Executive Officer of the Company, lapsed following the end of his term of office on December 18, 2024.

NOTE 13 • LOANS, CONDITIONAL ADVANCES AND SUBSIDIES

Loans

Denomination	Date	Rate	Duration	12/31/2023	New	Repayment	12/31/2024
Bpifrance Innovation loan	11/23/2018	3.21%	7.5 years	€750,000.00	€0.00	€300,000.00	€450,000.00
Bpifrance Innovation loan	11/20/2019	4.45%	7.5 years	€1,050,000.00	€0.00	€300,000.00	€750,000.00
State-guaranteed loan (Société Générale)	08/31/2020	0.25%	6 years	€750,000.00	€0.00	€250,000.00	€500,000.00
European Investment Bank	06/29/2022	5.00%	8 years	€30,000,000.00	€0.00	€0.00	€30,000,000.00
Accrued interest				€11,584.15	€11,116.87	€11,584.15	€11,116.87
TOTAL				**€32,561,584.15**	**€11,116.87**	**€861,584.15**	**€31,711,116.87**

The two Bpifrance loans were subject to guarantee deposit payments of €75 thousand each and are covered by life insurance policies – PTIA underwritten for Alain MARTY (50%) and Stéphane FERREIRA (50%). The term of loans provides for a 2-year deferred repayment and annual straight-line repayment over the following 5 years.

On August 31, 2020, the Company received a state-guaranteed loan for €1,000 thousand from a banking institution for a period of 12 months. In June 2021, the Company negotiated with its bank an additional deferral of one year, i.e. until August 24, 2022 and, thereafter, repayment of the loan over 4 years.

On June 29, 2022, the Company received a loan from the European Investment Bank for an amount of €30 million. The contract provides for an annual repayment at constant capital, from June 29, 2025 until June 29, 2030.

The loan issue expenses are recognized in "Expenses to be spread over several fiscal years" and are spread on a straight-line basis over the total contract term. The Company recognized €521,068 in this respect, with €343,548 remaining to be spread at December 31, 2024.

Repayable advances granted by public entities

The portion of advances received from public entities for the financing of the Company's Research and Development activities, and whose repayment is conditional is presented in "Liabilities" under the heading of other equity capital "Conditional advances."

Denomination	Date	12/31/2023	New	Repayment	12/31/2024
(1) Bpifrance - THANAPLAST™ (Cond. adv.)	12/19/2012	€3,707,214.00			€3,707,214.00
(2) ADEME - CE-PET (Repayable adv. & Cond. adv.)	04/08/2019	€2,326,500.00		€775,500.00	€1,551,000.00
(3) ADEME - OPTI-ZYME (Repayable adv. & Cond. adv.)	12/04/2023	€756,462.00	€758,974.00		€1,515,436.00
Accrued interest		€16,048.46	€26,747.43	€32,096.90	€10,698.99
TOTAL		**€6,806,224.46**	**€785,721.43**	**€807,596.90**	**€6,784,348.99**

Subsidies received

Subsidies received are recorded as soon as the corresponding receivable becomes certain, taking into account the conditions assigned to the awarding of the grant.

Operational subsidies are recorded under "Current income," taking into account, where applicable, the pace of the corresponding expenses in such a way as to comply with the principle of the matching of expenses with the income of the fiscal year.

Investment subsidies intended for the acquisition of fixed assets are initially recorded as equity, then are recognized as current income according to the pace of the depreciation applied to the corresponding fixed assets.

Detail of repayable advances and subsidies by project:

(1) Bpifrance grant (formerly known as OSEO-ISI): Thanaplast™

• Subsidy
The Thanaplast™ project has been closed since June 30, 2017.

• Repayable advance
In the event of a successful research program, the Company is committed to reimbursing the repayable advance to Bpifrance for an amount of €4,525 thousand, according to the payment schedule below, upon achieving a cumulative income generated by the utilization of the products resulting from the Thanaplast™ project of €10 million.

Year 1* on June 30 at the latest	€300,000
Year 2 on June 30 at the latest	€500,000
Year 3 on June 30 at the latest	€800,000
Year 4 on June 30 at the latest	€975,000
Year 5 on June 30 at the latest	€1,950,000

** Following the crossing of the €10,000 thousand income threshold.s.*

As it is probable that this threshold will be reached, the Company has retroactively provisioned €409 thousand in respect of debt interest in its financial statements since 2018 of which €58 thousand in expense over the fiscal year.

In addition, as soon as the reimbursement of the repayable advance has been completed in accordance with the above payment schedule, the agreement stipulates that the Company shall pay a bonus equal to 4% of revenue generated by the utilization of the products, if this exceeds a cumulative amount of €100,000 thousand. This additional payment is, however, subject to a time limit (applicable only for a period of five consecutive years from the date of the end of the reimbursement of the advance), and an amount cap (ceiling of €7,100 thousand).

(2) ADEME grant: CE-PET project

On April 8, 2019, the Company obtained a grant from ADEME for the CE-PET project, composed of repayable advances totaling €3,102 thousand and subsidies of €1,034 thousand spread over a 48-month period from 2018 to 2022. The grants were released according to the project's progress and the submission of reports regarding the completion of each key stage stipulated in the framework agreement signed with ADEME. The agreement provides for a total grant rate of 60% that is applied to total eligible expenditures and used for each key stage, 25% of which is a subsidy and 75% a repayable advance (with conditions).

At December 31, 2024, the Company had completed the work for the fourth key stage. Since its creation, the Company has received:

(In euros)	1st payment	2nd payment	3rd payment	4th payment	5th payment	Total
Date of payment	**06/07/2019**	**10/21/2019**	**06/30/2020**	**12/06/2021**	**04/17/2023**	
Subsidy	€155,100	€206,800	€258,500	€206,800	€206,800	€1,034,000
Repayable advance	€465,300	€620,400	€775,500	€620,400	€620,400	€3,102,000
TOTAL	**€620,400**	**€827,200**	**€1,034,000**	**€827,200**	**€827,200**	**€4,136,000**

• **Subsidy**
The subsidy rate therefore amounts to 15% of the Industrial Research and Experimental Development expenses incurred by the Company in the context of the CE-PET project.

Eligible expenses incurred between January 31, 2018, the start date of eligibility, and December 31, 2022 are higher than the expenses provided for in the agreement signed with ADEME and make the entire amount of the subsidy to be received eligible.

Following the validation of key stage 4 and more generally the success of the project by ADEME at the end of 2022, the Company received the expected balance of the grant of €207 thousand on April 17, 2023 and thus received the entire program subsidy, i.e. €1,034 thousand.

• **Repayable advance**
The Company received €3,102 thousand in respect of the ADEME conditional advances, i.e. the total amount provided for in the agreement following the recognition of the complete success of the project.

The repayment of this amount is scheduled in four annual installments of €802,247, including €775,500 in capital and €26,747 in interest. The first two payments were made on December 29, 2023 and June 28, 2024. And the outstanding capital therefore amounts to €1,551 thousand at December 31, 2024.

(3) ADEME grant: OPTI-ZYME project

At the end of 2022, the Company obtained a grant from ADEME for the OPTI-ZYME project, composed of repayable advances totaling €5,043 thousand and subsidies of €3,119 thousand spread over a 48-month period from 2023 to 2026. The grants were released according to the project's progress and the submission of reports regarding the completion of each key stage stipulated in the framework agreement signed with ADEME. The agreement provides for a total grant rate of 62.97% of eligible expenses of which 75% that is applied to industrial research expenses and 50% to experimental development expenses with a breakdown of 38.21% in subsidies and 61.79% in repayable advances (with conditions).

The contract agreement stipulates that the completion of each key stage (KS) and the associated conditions provide entitlement to the following payments, capped based on a maximum % of cumulative grants:

(In euros)	KS1 (50%)	KS2 (30%)	KS3 (0%)	KS4 (20%)	Total
Planned payment year	**2023**	**2024**	**2025**	**2026**	
Subsidy	€1,559,238	€935,543	€0	€623,695	€3,118,476
Repayable advance	€2,521,538	€1,512,923	€0	€1,008,615	€5,043,076
TOTAL	**€4,080,776**	**€2,448,466**	**€0**	**€1,632,310**	**€8,161,552**

As of December 31, 2024, had received:

(In euros)	1st payment	2nd payment	Total
Date of payment	**12/04/2023**	**06/27/2024**	
Subsidy	€467,771	€469,325	€937,096
Repayable advance	€756,462	€758,974	€1,515,436
TOTAL	**€1,224,233**	**€1,228,299**	**€2,452,532**

The amount received corresponds to an advance of 15% of the total amount of the grant.

• **Subsidy**

The subsidy rate therefore amounts to 28.66% of the Industrial Research expenses and 19.11% of the Experimental Development expenses incurred by the Company in the context of the OPTI-ZYME project.

Eligible expenses incurred since January 1, 2023, the start date of eligibility, and December 31, 2024 generate a theoretical subsidy of €1,415 thousand. To date, the Company has received €937 thousand in ADEME subsidies since the start of the program (see table above). Nevertheless, given the uncertainty at closing as to the validation of key stage 2, the amount of subsidy to be received of €478 thousand was not provisioned out of prudence.

• **Repayable advance**

The amount that Carbios owes ADEME for repayment of the amount of the Repayable Advance Paid (hereinafter the "Total Amount Payable") shall be equal to the total of the following two amounts:
- an "Ms1 Amount" which depends on the achievement of a threshold of Cumulated Certified Income excluding tax associated with the marketing of the 1st Generation enzymatic recycling process (operating licenses and/or depolymerization enzymes and/or related services);
- an "Ms2 Amount" which depends on the achievement of a threshold of Cumulated Certified Income excluding tax associated with the marketing of the 2nd Generation enzymatic recycling process (operating licenses and/or depolymerization enzymes and/or related services).

Repayment of the Ms1 Amount

a) Determination of the Ms1 Amount

The R1 Rate is set at 4.06%.

The Beneficiary shall repay ADEME an amount whose Discounted Value using R1 Rate is equal to 80% of the Discounted Value using R1 Rate of the amount of the Repayable Advance Paid (hereinafter "Ms1 Amount").

b) Repayment terms for the Ms1 Amount

The Ms1 Amount is due when the following two events have occurred (hereinafter the "Ms1 Generating Event"):
- the achievement of a Cumulative Certified Income excluding tax of a minimum amount set at €150 million (or any other currency);
- the Term of the Investment Phase.

However, if the Ms1 Generating Event has not yet occurred at the end of the Fiscal Year taking place three (3) years after the occurrence of the Term of the Investment Phase, the Beneficiary will be released from any obligation to repay the Ms1 Amount. In this case, the Agreement will be terminated, without further formality, provided, however, that the Beneficiary has otherwise fulfilled all of its obligations to ADEME, as defined in the Agreement.

Repayment of the Ms1 Amount shall be made in two (2) annual installments of the same amount.

The first installment shall be paid six (6) months after the end of the Beneficiary's Fiscal Year in which the Ms1 Generating Event is recorded.

The following withdrawals will be made annually, one (1) year after the previous one

c) Early repayment of the Ms1 Amount

Upon the achievement of an Income Excluding Tax of at least one (1) euro (or any other currency), and after the Term of the Investment Phase, the Beneficiary will be able to repay in advance and in a single payment, the Ms1 Amount, less any sums it would have already paid in respect of this amount.

The Beneficiary must inform ADEME in writing of its intention to make use of this option of early repayment of the Ms1 Amount. ADEME will then debit the amount due from a period of two (2) months following receipt of the Beneficiary's request.

Repayment of the Ms2 Amount

a) Determination of the Ms2 Amount

The R1 Rate is set at 4.06%.

The Beneficiary shall repay ADEME an amount whose Discounted Value using R2 Rate is equal to 20% of the Discounted Value using R2 Rate of the amount of the Repayable Advance Paid (hereinafter "Ms2 Amount").

b) Repayment terms for the Ms2 Amount

The Ms2 Amount is due when the following two events have occurred (hereinafter the "Ms2 Generating Event"):
- the achievement of a Cumulative Certified Income excluding tax of a minimum amount set at €150 million (or any other currency);
- the Term of the Investment Phase.

However, if the Ms2 Generating Event has not yet occurred at the end of the Fiscal Year taking place six (6) years after the occurrence of the Term of the Investment Phase, the Beneficiary will be released from any obligation to repay the Ms2 Amount. In this case, the Agreement will be terminated, without further formality, provided, however, that the Beneficiary has otherwise fulfilled all of its obligations to ADEME, as defined in the Agreement.

Repayment of the Ms2 Amount shall be made in two (2) annual installments of the same amount.

The first installment shall be paid six (6) months after the end of the Beneficiary's Fiscal Year in which the Ms2 Generating Event is recorded.

The following withdrawals will be made annually, one (1) year after the previous one.

c) Early repayment of the Ms2 Amount

Upon the achievement of an Income Excluding Tax of at least one (1) euro (or any other currency), and after the Term of the Investment Phase, the Beneficiary will be able to repay in advance and a single payment, the Ms2 Amount, less any sums it would have already paid in respect of this amount.

The Beneficiary must inform ADEME in writing of its intention to make use of this option of early repayment of the Ms2 Amount. ADEME will then debit the amount due from a period of two (2) months following receipt of the Beneficiary's request.

The Company received €1,515 thousand from ADEME, but this debt remains subject to the achievement of the income thresholds set out above and is therefore recognized as quasi-equity.

LIFE aid: Life cycle of PET

On October 25, 2021, the Company obtained aid consisting exclusively of subsidies for a total amount of €3,300 thousand for the LIFE CYCLE OF PET project from the European Agency of Climate and the Environment, of which €600 thousand concerns investment expenses and €2,700 thousand operating expenses. The program includes the participation of Deloitte and T.EN Zimmer GmbH, whose total share represents €80 thousand. Carbios is the project coordinator.

The total amount of expenses to be incurred by Carbios under the project amounts to €8,880 thousand, of which €8,343 thousand is eligible. Carbios' share of the subsidy is €2,620 thousand (€2,700 thousand - €80 thousand), i.e. a financing rate of 36.26% of total estimated costs and a subsidy rate of 38.59% of eligible expenses. Capital expenditure is 100% financed, i.e. €600 thousand.

The payments are planned as follows:

- 1st pre-financing of 40% within 30 days following the signature of the contract, i.e. €1,320 thousand collected on November 5, 2021, of which €32 thousand to partners and €1,288 thousand to CARBIOS;
- 2nd pre-financing of 40% subject to having used 100% of the pre-financing deposit previously paid, i.e. €1,320 thousand collected on August 8, 2023, of which €32 thousand goes to partners and €1,288 thousand to CARBIOS;
- the balance of 20% at the end of the project.

The expenses incurred since the start of the program were calculated on the basis of actual expenses, i.e. an amount of €6,645 thousand. The corresponding theoretical subsidy amounts to €2,086 thousand (€6,645 thousand x 31.40%). Out of prudence, the Company did not recognize any accrued income.

All capital expenditure, i.e. €600 thousand, was recognized in equity.

Other public and private grants obtained

The Company also obtained:

- a subsidy from the Auvergne Region (FIAD) of €397 thousand, of which €181 thousand was paid in 2013 and the balance of €216 thousand was paid in November 2015. The remaining portion of the investment subsidy associated with the acquisition of the Setup Performance patent is recorded in income at the rate that the patent is amortized;
- two Innovation Loans from Bpifrance for a total of €3,000 thousand at floating rates to finance the intangible expenses related to its desire to launch the industrialization process. After a period of 8 quarters of deferred amortization, repayments at constant capital of €75 thousand began on September 30, 2021 for the first loan and will begin with a one-year delay for the second, i.e. a total amount remaining due of €1,200 thousand at the closing date; and
- a subsidy from the European Commission for the WhiteCycle project, led by Michelin (lead partner), starting on July 1, 2022, for a period of 48 months, with an amount of eligible expenses for Carbios of €805 thousand (total project of €9 million), and for which the Company will be able to obtain a subsidy of up to €563 thousand (out of the €7 million allocated to the complete project). In this respect, the Company received an advance of €272 thousand (48.3%). As of December 31, 2024, the Company had incurred only €293 thousand in expenses, i.e. a theoretical subsidy of €205 thousand. The difference, i.e. €67 thousand, was recognized as deferred income;

NOTE 14 • INCOME AND OTHER OPERATING INCOME

Total operating income amounted to €5,057 thousand at December 31, 2024 and mainly consisted of income, other operating income and transfers of operating expenses in the amount of €2,066 thousand.

Income is recognized when goods or services are delivered by the Company. However, in the case of invoicing carried out in advance and for a given period (subscription that would be spread over two separate fiscal years, for example) the amount will be corrected at the closing date by deferred income (in proportion to the portion relating to the given fiscal year) in order to respect the principle of income recognition and that of independence of fiscal years.

Income: €982 thousand

Licensing and sub-licensing of patent and know-how licenses
The Company entered into a patent license and know-how agreement with S.A.S. Carbiolice on August 30, 2016 for a period running until the expiry of the last of the patents granted, and an amendment signed on June 28, 2018. Payment for this agreement is scheduled to take the form of an €8 million lump-sum royalty payment and variable royalties based on the revenue generated from Carbiolice's use of the licensed technology. No royalty income was recognized as of December 31, 2024, since the Carbiolice subsidiary did not make any sales in connection with this license.

Other contracts
In addition, the Company obtained €982 thousand from other contracts, including €720 thousand in respect of service agreements with its subsidiaries (see Note 17), and the rest of the income came from various service contracts, including R&D services.

Other operating income: €4,075 thousand

R&D capitalization
The income recognized as part of the capitalization of R&D ("Capitalized production") amounted to €1,357 thousand at December 31, 2024. It included all the development costs of the industrial demonstration plant considered to be capitalized from September 30, 2021. From that date, all of the activation conditions were met. The previous stages of research and development (laboratory level) and management (pilot level) are considered as general research and not development.

Operating subsidy
As part of the OPTI-ZYME project, the Company recorded €469 thousand in operating subsidies received on June 28, 2024. The Company is slightly ahead of the expenses incurred on the project but no accrued income has been recognized as a precaution, pending the validation of key stage 2.

The WHITECYCLE project generated operating income of €184 thousand over the fiscal year, with the Company partly making up for its delay in the commitment of expenses.

Other operating income
The Company recorded operating income of €2,066 thousand in respect of reversals of depreciation, amortization and provisions and transfers of expenses, mainly consisting of:
- the secondment of personnel for the benefit of its subsidiary CARBIOS 54, rebilled for a total of €1,816 thousand;
- various expenses incurred on behalf of its subsidiaries and rebilled for €228 thousand.

NOTE 15 • OPERATING EXPENSES

The Company's operating expenses mainly consist of R&D costs and salaries. For the past two fiscal years, they break down as follows:

(In thousands of euros)	2024	2023
Other costs and external expenses		
External studies, subcontracting and scientific consultations	3,326	2,587
Consumables	365	395
Supplies	563	589
Rentals, maintenance and upkeep expenses	3,591	3,136
Expenses and fees related to industrial property	173	268
Fees	7,299	5,491
Business travel	995	650
Miscellaneous expenses	768	588
Total other expenses and external expenses	**17,080**	**13,704**
Taxes and similar payments	180	124
Salaries and wages	11,265	8,500
Social security contributions	4,648	3,368
Depreciation of fixed assets	4,132	2,587
Other expenses	182	255
TOTAL OPERATING EXPENSES	**37,487**	**28,537**

In 2024, Carbios spent €37,487 thousand on operational activities (compared to €28,537 thousand in 2023), of which 44% concerned RDI (Research & Development and Industrialization).

Thus, 40% of operating expenses were devoted directly to research and development. In accordance with the Company's roadmap and priorities, this effort has mainly focused on the development of the enzymatic recycling process for PET plastics and fibers.

The increase in external study, subcontracting and scientific consulting items is mainly due to the continuation of the OPTI-ZYME project financed by ADEME, where the Group's academic partners are financed directly through the said project.

Fee expenses increased sharply mainly due to the efforts made by the Company on the marketing of its technology, and also as a result of the implementation of a Group ERP for the Company. In addition, HR fees also increased significantly in 2024 in line with the recruitments made and the growth of the Company's workforce.

Lastly, personnel expenses (Salaries and wages, and social security contributions) continued to increase very significantly in line with the significant growth in the Company's headcount, in view of its structuring.

In general, R&D expenses include the expenses related to the following:

- external studies conducted in collaboration with the Company's academic partners and the outsourcing of a certain amount of technological work to its partners for the development of processes dedicated to the end-of-life of plastic materials;
- research personnel costs, including salaries, emoluments and social contributions, as well as environment expenses such as workstations and travel;
- scientific consultancy contracts with scientific experts and advisers who assist the Company in defining and supervising its R&D programs;
- expenses and fees related to industrial property; and
- the structural costs of the Company's R&D department.

No sumptuary expenditure was recorded for fiscal year 2023, and expenses not deductible from corporate income tax amounted to €125,392 for fiscal year 2024 (Article 223 quater and 39-4 of the French General Tax Code).

NOTE 16 • AVERAGE HEADCOUNT

	Average headcount in 2024	Average headcount in 2023
Managers	85	61
Supervisory staff and technicians	40	34
Employees	3	0
TOTAL	**128**	**95**

NOTE 17 • RELATED PARTIES

On December 31, 2024, in respect of their participation in the meetings of the Board of Directors and the various Committees and Commissions in 2024, CARBIOS paid (and provisioned) compensation to the members of the Board of Directors in the amount of €155 thousand (excluding social security contributions). Over the full year, the average attendance rate of directors at Board of Directors meetings was 92%.

Related parties	Nature of the relationship with the related party	Amounts of transactions with related parties (amounts due and recognized)
Emmanuel LADENT Chief Executive Officer, until December 19, 2024	Employment contract	Fixed compensation: €379,455 2024 annual variable bonus: €0 Exceptional benefits: €579,400 Benefits in kind: €20,790

No advances or loans were granted to them, and no other commitments were made on their behalf.

The following transactions were performed during the 2024 fiscal year with the subsidiary Carbiolice:

- licensing and sub-licensing of patents and know-how: See Note 14;
- rebilling of tests and regulatory matters, and service agreement (€827 thousand in operating income): Rebilling of fees related to regulatory issues according to the letters of agreement signed with Carbiolice for €227 thousand, as well as management services for €600 thousand;
- Other transactions: various rebilling of expenses incurred on behalf of CARBIOLICE for €1 thousand; and
- advance through an additional cash management agreement of €4,128 thousand for a total amount of €8,848 thousand at December 31, 2024, bearing interest at the maximum legally deductible rate, i.e. accrued income for CARBIOS of €438 thousand.

The following transactions were performed during the 2024 fiscal year with the subsidiary Carbios 54:

- advance through an additional cash management agreement of €57,391 thousand for a total amount of €79,585 thousand at December 31, 2024, bearing interest at the maximum legally deductible rate, i.e. accrued income for CARBIOS of €3,779 thousand;
- rebilling of expenses incurred as part of the project to create the PET biorecycling plant for €2,072 thousand. This notably includes personnel expenses as well as external services;
- raw material purchases, of PET flakes, for €20 thousand; and
- Management services for the subsidiary for €120 thousand

NOTE 18 • STATUTORY AUDITORS' FEES

The total amount of Statutory Auditors' fees shown in the income statement for the fiscal year (French GAAP, Article 833-14/4) amounts to €141,500 and breaks down as follows:

- Fees related to the certification of the financial statements:
  - Statutory: €67,750
  - Consolidated: €66,250
- Services other than the certification of the financial statements (SACC) provided for by the legal texts: €7,500.

NOTE 19 • FINANCIAL INCOME

The Company's financial income consists of interest on money-market investments and term account deposits. All available cash is placed in risk-free money market products. The Company obtained two loans from Bpifrance for a total of €3,000 thousand at a rate of 3.03% for the first on November 23, 2018 and 4.34% for the second on November 20, 2019. A loan guaranteed by the State was released on August 31, 2020 at the rate of 0.25%. The conditional advances granted by Bpifrance and ADEME also bear interest at the respective discount rates of 2.67% and 0.84%, according to the conditions provided for in the contracts and detailed in Note 13. On June 29, 2022, the Company also contracted a loan of €30,000 thousand with the EIB at a rate of 5%.

(In thousands of euros)	2024	2023
Financial income	8,464	4,430
Financial expenses	2,130	1,681
FINANCIAL INCOME	**6,334**	**2,748**

Financial income mainly comes from investments of available cash for €3,778 thousand as well as accrued interest on the CARBIOS 54 receivable for €647 thousand, calculated at the maximum deductible rate of 5.57%.

Financial expenses in 2024 consisted mainly of interest on the Bpifrance loans for €62 thousand, the State-guaranteed loan for €9 thousand, the ADEME repayable advance CE-PET for €27 thousand and the EIB loan for €1,500 thousand. They also include interest on the ADEME and OSEO ThanaplastTM debts for €6 thousand.

NOTE 20 • EXTRAORDINARY ITEMS

For the 2024 fiscal year, the extraordinary gain or loss was negative by €345 thousand, mainly composed of a loss on treasury shares of €366 thousand, a disposal loss of €63 thousand and late payment penalties of €9 thousand. These extraordinary expenses are partly offset by the share of the grant transferred to the income statement for an amount of €70 thousand, in respect of the investment grant for the LIFE project.

NOTE 21 • INCOME TAX

Since the Company does not currently generate any profit, it does not have any income tax expenses. The amount recognized for corporate income tax consists solely of the research tax credit and amounted to €3,036 thousand for 2024.
The fiscal deficit for the fiscal year amounted to €25,817 thousand.
Since January 1, 2023, the Company has opted for the tax consolidation regime. Before tax consolidation, Carbios generated €73,712 thousand in tax losses; the Group's tax deficit amounted to €70,201 thousand at December 31, 2024. The Company has not distributed any dividends or other income (Art. 243 bis of the French General Tax Code) during the last three fiscal years.

NOTE 22 • OFF-BALANCE SHEET COMMITMENTS

Commitments given

Retirement indemnity

The Company has not signed any specific agreement on pension commitments, which are therefore limited to the contractual retirement benefit.

No provisions for charges were recognized in respect of this fiscal year.

The retirement benefit is determined by applying a method that takes into account projected end-of-career salaries, employee turnover, life expectancy and the assumption of discounting expected payments.

The rights of employees to retirement indemnities were assessed at €206,035 at December 31, 2024.

This figure was calculated according to the following assumptions:
- voluntary retirement;
- retirement age: 64 years;
- turnover: slow;
- discount rate: 3.38%;
- increase in wages: 3%.

Risk hedging set up for the benefit of funders

The two Bpifrance loans are covered by life insurance policies - PTIA underwritten for Alain MARTY (50%) and, initially, Martin STEPHAN (50%). Following the departure of the latter, the contract was transferred to Stéphane FERREIRA. The term of loans provides for a 2-year deferred repayment and annual straight-line repayment over the following 5 years.
A guarantee of €303 thousand was also put in place by Bpifrance as part of the lease-back contract to counter-guarantee part of the refinancing by the banks. In addition, a commitment was given to one of the banks on leasing equipment.

Leasing

The Company's commitments include the sale-leaseback financing of industrial equipment for a total of €6,081 thousand over a period of five years (see details of the table below), representing the financing of pilot equipment for €281 thousand, and also the entire budget allocated to the industrial demonstration plant, i.e. €5.8 million.

	Land	Buildings	Equipment and Tools	Other	Total
Initial values:			6,081,444	-	6,081,444
Depreciation:					
Previous aggregations			682,958	-	682,958
Provisions for the fiscal year			363,901	-	363,901
TOTAL			**1,046,859**	**-**	**1,046,859**
Fees paid:					
Previous aggregations			1,168,060	-	1,168,060
Fiscal year			1,402,184	-	1,402,184
TOTAL			**2,570,244**	**-**	**2,570,244**
Fees to be paid:					
at maximum 1 year			1,383,707	-	1,383,707
from over 1 year to less than 5 years			3,056,970	-	3,056,970
over 5 years					
TOTAL			**4,440,677**	**-**	**4,440,677**
Residual value:					
at maximum 1 year			940	-	940
from over 1 year to less than 5 years			59,874	-	59,874
over 5 years			-	-	-
TOTAL			**60,814**	**-**	**60,814**

Pledges on investments

In 2024, the Company pledged its investments on behalf of its subsidiary Carbios 54. This pledge was set up to cover a bank guarantee set up as part of the construction of the plant (payment guarantees provided for by Article 1799-1 of the French Civil Code).

Letters of support to subsidiaries

The Company has issued letters of support to each of its subsidiaries Carbiolice and Carbios 54 in order to materialize the financial support for at least the next twelve months required to maintain their activity and enable them to meet their commitments, not including the additional financing of the Longlaville PET biorecycling plant project, which is currently suspended.

Commitments received

None.

NOTE 23 • SUBSIDIARIES AND EQUITY INTERESTS

Since fiscal year 2021, Carbios has been the consolidating company of the group, which it comprises with its subsidiaries Carbiolice and now Carbios 54.

(In euros)	S.A.S. Carbiolice	S.A.S. Carbios 54
Share capital	1,475,193	10,000
Reserves and carryforwards prior to the allocation of income	(539,749)	(5,748,916)
Portion of share capital owned (%)	99.99%	100%
Book value of securities held	38,371,461	10,000
Loans and advances granted by the Company and not yet repaid	9,286,517	82,924,800
Amount of guarantees given by the Company	0	0
Revenue excluding tax for the most recent fiscal year	129,485	20,274
Results (profit or loss for the most recent period ended)	(3,971,198)	(6,537,783)
Dividends received by the Company during the fiscal year	-	-
Comments	NA	NA

At the end of the period, the value in use of the Carbiolice and Carbios 54 equity interests exceeded their carrying amount. There are no provisions to be recorded at December 31, 2024.
Additional information is available in Note 5 of this document.

5.4 STATUTORY AUDITOR'S REPORT ON THE ANNUAL FINANCIAL STATEMENTS

To the Shareholders' Meeting,

Qualified opinion

Pursuant to the mission entrusted to us by your Shareholders' Meeting, we have audited the annual financial statements of Carbios for the fiscal year ended December 31, 2024, as appended to this report.

Subject to the reserve described in the "Basis for the qualified opinion" section, we certify that the annual financial statements are, in accordance with French accounting rules and principles, regular and fair and give a true and fair view of the results of operations for the past fiscal year as well as the financial position and assets of the Company at the end of the fiscal year.

Basis for the qualified opinion

Reasons for the reserve

As indicated in Note 2 "Significant events of the fiscal year" to the annual financial statements, the Company announced on December 19, 2024, the temporary suspension of the construction of its Longlaville plant by its subsidiary Carbios 54 for 6 to 9 months while waiting to obtain the financing necessary to restart the project and has begun renegotiations with its suppliers.

In this context, Carbios implemented an impairment test on December 31, 2024 of the equity interests and the related receivable of its subsidiary Carbios 54 according to the discounted cash flow method as described in point 2) of the paragraph "Equity interests and related receivables" of Note 5 "Intangible assets, property, plant and equipment and financial assets" to the financial statements. This test did not lead to the recognition of any impairment. Nevertheless, the result of this test remains highly sensitive to changes in assumptions.

The cash flow forecasts used in the impairment test are based on data from the business plan prepared by Management and validated by the governance on April 10, 2025 for the period from 2025 to 2034. Beyond this period, Management has considered a growth rate of 2% per year. As the Longlaville plant is the only asset of Carbios 54, cash flow forecasts have been limited to the estimated useful life of the asset, i.e. 40 years, without consideration of terminal value.

The assumptions underlying these cash flow forecasts in a context of the project launch are subject to major risks and uncertainties, which are accentuated by the current geopolitical and economic context, which is evolving and uncertain:

- These forecasts are subject to obtaining the additional external financing necessary for the construction of the plant. Given the ongoing discussions with its financial and commercial partners, Management considers that it has the ability to obtain this financing within the timeframe provided for by the temporary suspension of construction. Given the current geopolitical and economic context, obtaining this financing remains uncertain.
- The projections of investments required for the construction and start-up costs of the Longlaville plant are based in particular on:
  - The temporary nature of the suspension of the project, the restart of which is subject to obtaining the financing described above.
  - Budget estimates conducted by the Company and its partner in charge of project management and detailed engineering, a significant part of which is based on the amounts of orders signed or quotes obtained from suppliers.

The number of players and the complexity of the project pose an additional risk to the total cost of the project, the estimate of which is likely to change.

• The level of profitability expected from the Longlaville plant is based in particular on certain structuring assumptions, including:

- The selling price of recycled PET from Carbios' enzymatic solution, which may be subject to changes in the price of recycled PET from new available technological solutions and that of petro-sourced PET, which appears volatile.
- The cost of manufacturing recycled PET from Carbios' enzymatic solution is also subject to changes in raw material prices inherent in commodity markets.
- The production volumes sold for which Management anticipates growth based on targeting customers who have shown their interest in Carbios' enzymatic solution and with whom Management has initiated commercial discussions with a view to achieving full use of the asset over the duration of the business plan. However, these commercial agreements are not yet finalized and their terms and conditions remain uncertain.

These major contingencies and uncertainties, the impact of which must be assessed in conjunction with the high sensitivity of the impairment test to the assumptions used, weigh on the discounted cash flow forecasts used for the valuation of the equity interests and the related receivable of its subsidiary Carbios 54 as of December 31, 2024. As a result, a provision for impairment may be necessary.

For these reasons, we are not in a position to assess the probative nature of the projections used, and therefore to express an opinion on the net carrying amount of the receivable related to the Carbios 54 investment, which amounted to €82.9 million at December 31, 2024.

Audit guidelines

We conducted our audit in accordance with the professional standards applicable in France. We believe that the information we have collected is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are indicated in the section "Statutory Auditors' responsibilities with regard to the audit of the annual financial statements" in this report.

Independence

We carried out our audit in compliance with the rules of independence provided for by the French Commercial Code and by the Statutory Auditors' Code of Ethics for the period from January 1, 2024 to the date of issue of our report.

Comment

Without calling into question the opinion expressed above, we draw your attention to Note 2 to the annual financial statements in the paragraph "Going concern", which sets out the elements underlying the maintaining of the going concern principle.

Justification for the assessments

In application of the provisions of Articles L. 821-53 and R. 821-180 of the French Commercial Code concerning the justification for our assessments, in addition to the item described in the "Basis for the qualified opinion" section, we draw your attention to the following assessments, which, in our professional judgment, were the most important for the audit of the annual financial statements for the fiscal year.

The assessments made come within the context of the audit of the annual financial statements taken as a whole and the formation of our opinion expressed above. We do not express an opinion on the elements of these annual financial statements taken separately.

<u>Accounting estimates</u>

Equity interests, for which the net amount shown in the statement of financial position at December 31, 2024 was €38,381 thousand, mainly consisted of Carbiolice shares. They are valued at their acquisition cost and impaired on the basis of their value in use according to the methods described in point 1) of the paragraph "Equity interests and related receivables" of Note 5 "Intangible assets, property, plant and equipment and financial assets" of the notes to the financial statements. On the basis of the information provided to us, our work consisted in assessing the consistency and justification of the data, assumptions and method on which these values in use are based; in particular, we checked the consistency of the cash flows used with the forecast data from the Carbiolice business plan validated by its Board of Directors and analyzed the sensitivity of the estimates to the various assumptions.

As part of our assessments, we verified the reasonableness of these estimates.

Specific checks

In accordance with professional standards applicable in France, we have also performed the specific verifications required by law and regulations.

Information provided in the management report and in the other documents on the financial position and the annual financial statements addressed to shareholders

Excluding the potential impact of the item described in the “Basis for the qualified opinion” section, we have no matters to report as to the fair presentation and the consistency with the annual financial statements of the information given in the Board of Directors' management report and in the other documents on the financial position and annual financial statements sent to shareholders.

We attest to the fairness and consistency with the annual financial statements of the information relating to payment terms mentioned in Article D. 441-6 of the French Commercial Code.

Corporate governance information

We hereby confirm that the section of the Board of Directors’ management report on corporate governance contains the information required by Article L. 225-37-4 of the French Commercial Code.

Other information

In accordance with the law, we have ensured that the various information relating to the identity of the holders of share capital or voting rights were communicated to you in the management report.

Responsibilities of Management and the people comprising the corporate governance with regard to the annual financial statements

The management team is responsible for preparing annual financial statements that present a true and fair view in accordance with French accounting rules and principles and to implement the internal control that it deems necessary for preparing annual financial statements that do not include material misstatements, whether due to fraud or error.

When preparing the annual financial statements, it is the responsibility of management to assess the Company’s ability to continue as a going concern, to present in these financial statements, where applicable, the necessary information relating to the going concern and to apply the going concern accounting convention, unless it is planned to liquidate the Company or cease operations.

The annual financial statements were approved by the Board of Directors.

Responsibilities of the Statutory Auditors with regard to the audit of the annual financial statements

It is our responsibility to prepare a report on the annual financial statements. Our aim is to obtain the reasonable assurance that the annual financial statements taken as a whole do not include material misstatements. Reasonable assurance corresponds to a high level of assurance, but does not guarantee that an audit conducted in accordance with professional standards will systematically detect all material misstatements. Misstatements may come from fraud or result from errors and are considered as material when we can reasonably expect that they may, taken individually or cumulatively, influence the economic decisions that users of the financial statements may make based on the financial statements.

As stipulated in Article L. 821-55 of the French Commercial Code, our certification task for the financial statements does not consist of guaranteeing the viability or quality of your Company.

As part of an audit conducted in accordance with the professional standards applicable in France, the Statutory Auditor exercises his/her professional judgment throughout this audit. Moreover:

- he/she identifies and assesses the risks that the annual financial statements include material misstatements, either from fraud or resulting from errors, defines and implements audit procedures to address these risks and collects the elements that he/she considers sufficient and appropriate on which to base his/her opinion. The risk of non-detection of a material misstatement from fraud is higher than for a material misstatement resulting from an error, as fraud may involve collusion, falsification, voluntary omission, false declaration or circumvention of internal control;

- he/she takes note of the relevant internal control for the audit in order to define the appropriate audit procedures and not to express an opinion on the effectiveness of the internal control;

- he/she assesses the appropriate nature of the selected accounting methods and the reasonable nature of the accounting estimates made by management, as well as the information about them provided in the annual financial statements;

- he/she assesses the appropriate nature of management's application of the going concern convention and, depending on the elements collected, whether or not a material uncertainty or circumstances exist that are likely to call into question the Company's ability to continue its operations. This assessment is based on the elements collected up to the date of his/her report, it being recalled that subsequent circumstances or events may call into question the going concern. If he/she concludes that a material uncertainty exists, he/she draws the readers' attention to the information provided in the annual financial statements on the subject of this uncertainty or, if this information is not provided or is not relevant, he/she formulates a certification with reserves or refuses the certification;

- he/she assesses the presentation of the annual financial statements as a whole and assesses whether the annual financial statements reflect the underlying operations and events so as to provide a true and fair view.

Lyon, April 30, 2025
The Statutory Auditor
PricewaterhouseCoopers Audit

Gonzague Van Royen


6

6. SHARE CAPITAL AND SHAREHOLDING STRUCTURE

6.1 SHAREHOLDING STRUCTURE

6.1.1 DISTRIBUTION OF SHARE CAPITAL

6.1.1.1 Distribution of share capital over the last three fiscal years

	Capital as of 12/31/2024			Capital as of 12/31/2023			Capital as of 12/31/2022		
Shareholders	**Number of shares**	**% of share capital**	**% of voting rights**	**Number of shares**	**% of share capital**	**% of voting rights**	**Number of shares**	**% of share capital**	**% of voting rights**
Business Opportunities for L'Oréal Development (BOLD)	943,211	5.60%	5.60%	943,211	5.60%	5.59%	660,248	5.87%	5.87%
Copernicus Wealth Management S.A.[1]	654,271	3.88%	3.88%	654,271	3.88%	3.87%	658,392	5.86%	5.86%
Michelin Ventures	519,742	3.09%	3.08%	519,742	3.09%	3.08%	486,400	4.33%	4.33%
L'Occitane Group	392,852	2.33%	2.33%	392,852	2.33%	2.33%	263,157	2.34%	2.32%
Truffle Capital Funds	176,565	1.05%	1.05%	176,565	1.05%	1.05%	46,511	0.41%	0.41%
Directors[2]	1,656	0.01%	0.01%	3,001	0.02%	0.02%	15,646	0.14%	0.14%
Employees and former employees[3]	13,241	0.08%	0,0.08%	-	-	-	-	-	-
• *of which FCPE CARBIOS*	*13,241*	*0.08%*	*0.08%*						
Treasury shares	43,723	0.26%	0.00%	17,320	0.10%	N/A	3,729	0.03%	N/A
Free-float	14,100,369	83.70%	83.97%	14,130,137	83.92%	84.06%	9,108,583	81.02%	81.18%
TOTAL	**16,845,630**	**100.0%**	**100.0%**	**16,837,212**	**100.0%**	**100.0%**	**11,242,666**	**100.0%**	**100.0%**

(1) Shares held by funds and/or individuals with Copernicus Wealth Management SA as their management company.

(2) The "directors" line of the table does not take into account holdings of BOLD or Michelin Ventures. Specific lines are dedicated to these directors. BOLD, Business Opportunity for L'Oréal Development, represented by Laurent SCHMITT and Michelin Ventures, represented by Nicolas SEEBOTH, have been members of the Board of Directors since June 23, 2021.

(3) See description of the Employee shareholding program in 6.5.2.4.

To the best of its knowledge, the Company does not have any collateral on a significant portion of its capital.

6.1.1.2 Distribution of share capital at the date of this Universal Registration Document

The table below indicates the breakdown of Carbios' share capital and voting rights, to the best of the Company's knowledge, at April 21, 2025 as well as the distribution of share capital if all the financial instruments issued or to be issued giving access to the capital were to be exercised:

	Existing share capital					Distribution of share capital in the event of the exercise of all financial instruments giving access to the share capital[4]				
Shareholders	**Number of shares**	**% of share capital**	**Theoretical number of voting rights**	**Number of voting rights exercisable**	**% of voting rights exercisable**	**Number of shares**	**% of share capital**	**Theoretical number of voting rights**	**Number of voting rights exercisable**	**% of voting rights exercisable**
BOLD	943,211	5.60%	943,211	943,211	5.60%	943,211	5.34%	943,211	943,211	5.34%
Copernicus Wealth Management S.A.[1]	654,271	3.88%	654,271	654,271	3.88%	654,271	3.71%	654,271	654,271	3.71%
Michelin Ventures	519,742	3.09%	519,742	519,742	3.08%	519,742	2.94%	519,742	519,742	2.95%
L'Occitane Group	392,852	2.33%	392,852	392,852	2.33%	392,852	2.23%	392,852	392,852	2.23%
Truffle Capital Funds	176,565	1.05%	176,565	176,565	1.05%	176,565	1.00%	176,565	176,565	1.00%
EIB	0	0.00%	0	0	0.00%	318,158	1.80%	318,158	318,158	1.80%
Directors[2]	1,656	0.01%	1,656	1,656	0.01%	1,656	0.01%	1,656	1,656	0.01%
Employees and former employees (3)	13,241	0.08%	13,241	N/A	N/A	13,241	0.07%	13,241	N/A	N/A
• *of which FCPE CARBIOS*	*13,241*	*0.08%*	*13,241*	*N/A*	*N/A*	*13,241*	*0.07%*	*13,241*	*N/A*	*N/A*
Treasury shares	41,151	0.24%	41,151	N/A	N/A	41,151	0.23%	41,151	N/A	N/A
Free-float	14,102,941	83.72%	14,149,495	14,149,495	83.97%	14,594,713	82.66%	14,641,267	14,641,267	82.96%
Total	**16,845,630**	**100.00%**	**16,892,184**	**16,851,033**	**100.00%**	**17,655,560**	**100.00%**	**17,702,114**	**17,647,722**	**100.00%**

(1) Shares held by funds and/or individuals with Copernicus Wealth Management SA as their management company.
(2) The "directors" line of the table does not take into account holdings of BOLD or Michelin Ventures. Specific lines are dedicated to these directors. BOLD, Business Opportunity for L'Oréal Development, represented by Laurent SCHMITT and Michelin Ventures, represented by Nicolas SEEBOTH, have been members of the Board of Directors since June 23, 2021.
(3) See description of the Employee shareholding program in 6.5.2.4.
(4) Taking into account the various BSA, BSPCE and AGA plans.

Carbios' main shareholders include:

- Business Opportunities for L'Oréal Development (BOLD), a venture capital fund created by L'Oréal to support the development of innovative start-ups with high growth potential by purchasing minority stakes in their share capital and providing them with expertise, networks and mentoring;
- Copernicus Wealth Management, a manager of private and public investment funds. It is based in Switzerland and recognized by the local supervisory body FINMA, the CSSF in Luxembourg and the CBI in Ireland. Through the investment vehicles it manages, Copernicus Wealth Management favors investments in innovative companies with high growth potential that can improve social well-being and address important issues such as the environment;
- the Michelin Ventures Fund, created by Michelin and launched in 2018 to give concrete expression to Michelin's Open Innovation approach. The purpose of this fund is to invest in high-tech materials that include sustainable development, new experiences and digital solutions that improve the mobility of goods and people. The purpose of the fund is to promote safer, more pleasant and environmentally responsible mobility;
- L'Occitane International S.A. (Switzerland), a wholly-owned subsidiary of L'Occitane International SA (LOI) and head office of L'Occitane Group, a retailer of cosmetic well-being products based on natural and organic ingredients, which has more than 3,000 points of sale in 90 countries; and
- Truffle Capital, an independent player in the European private equity market, currently manages more than €500 million via vehicles for individuals (FCPI, management mandates, holding companies) as well as institutional funds (FPCI) and has built a solid portfolio of innovative companies.

Dilution generated by the exercise of various BSA and BCE plans, and the acquisition of AGAP, based on the number of shares as at the date of this Universal Registration Document

- 336,416 BCEs. If all of these BCEs were exercised, they would give rights to 360,472 new shares.
- 296,928 BSAs. If all of these BSA were exercised, they would give rights to 318,158 new shares.
- 131,300 AGAP. If all of the AGAP were acquired in exchange for new shares, they would give rights to 131,300 new shares.

	Existing securities	In the event of exercising BCEs	In the event of exercising BSAs	In the event of acquisition of AGAP	In the event of exercising BSAs and BCEs and acquisition of AGAP
Number of shares	16,845,630	360,472	318,158	131,300	809,930
Total number of shares after exercising warrants		17,206,102	17,163,788	16,976,930	17,655,560
Dilution (on an undiluted basis)		2.14%	1.89%	0.78%	4.81%

6.1.2 DOUBLE VOTING RIGHTS

By collective decision of shareholders on February 20, 2013, it was decided to allocate a double voting right to all fully paid-up shares documented to have been held in registered form in the name of the same shareholder for at least two years.

At the date of this Universal Registration Document, on April 21, 2025, among the shareholders, the registered shareholders included in the free float hold double voting rights for 46,554 of their shares.

At the date of this Universal Registration Document, 46,554 Company shares carried double voting rights. These shares represent 0.28% of the share capital and 0.55% of exercisable voting rights.

6.1.3 CONTROL OF THE ISSUER

Given the capitalization table and the table showing the breakdown of voting rights set out in section 6.1.1 above, it is clear that capital and voting rights are distributed in such a way that no shareholder holds either a majority of securities or votes, or a minority that could block certain decisions.

The Company believes, therefore, that there is no risk that control be exercised in an abusive manner by any of its shareholders. It should be noted that 6 of the 10 directors on the Company's Board of Directors at the date of this Universal Registration Document are independent, that the positions of Chairman and Chief Executive Officer are separate within the Company and that the latter has put in place committees (Audit Committee, Compensation and Appointments Committee and Strategy and CSR Committee)), as described earlier in section 4.1.5.2 of this Universal Registration Document.

The Company has not taken any other measures to ensure that control is not exercised in an abusive manner.

6.2 STOCK MARKET DATA

The Company's shares have been listed on the Euronext Growth Paris market since December 19, 2013.

6.2.1 GENERAL INFORMATION

Number of shares listed as at 12/31/2024	16,845,630
Highest price over one year (in 2024)	€28.85
Lowest price over one year (in 2024)	€5.49
Year's average daily volume (in 2024)	47,198 shares
ISIN	FR0011648716
Stock market indices	Euronext Growth All-share, Euronext Growth Bpifrance Innovation, Euronext Tech Croissance, Euronext Tech Leaders, CAC PME, Enternext PEA PME 150 and Euronext Tech leaders

6.2.2 CHANGE IN SHARE PRICE SINCE JANUARY 1, 2024

Price per share (In euros)

	Highest	Lowest
2024	**28.85**	**5.49**
January	28.85	22.30
February	25.50	20.85
March	26.95	24.00
April	24.20	17.88
May	26.00	22.40
June	26.25	19.60
July	22.45	19.64
August	22.45	18.76
September	20.80	16.64
October	17.32	9.19
November	10.58	5.86
December	10.30	5.49
2025	**7.45**	**5.55**
January	7.25	5.55
February	7.45	5.92
March	7.45	5.68

6.3 DIVIDEND POLICY

The Company declares that it has no dividend policy in place.

6.4 DIVIDEND DISTRIBUTIONS OVER THE LAST THREE FISCAL YEARS

None of the Group's companies distributed dividends during the last three fiscal years.

6.5 OTHER INFORMATION ON SHARE CAPITAL

6.5.1 SHARE CAPITAL

6.5.1.1 Amount of the share capital

At the date of this Universal Registration Document, the Company's share capital stood at €11,791,941.00 divided into 16,845,630 ordinary shares with a par value of €0.70 each, all in the same class, fully subscribed and fully paid up.

To the best of its knowledge, the Company does not have any collateral on a significant portion of its capital.

6.5.1.2 Non-equity shares

At the date of this Universal Registration Document, there are no non-equity shares.

6.5.1.3 Treasury stock

The Company concluded a liquidity agreement with Oddo BHF and Natixis on June 12, 2020, taking effect on July 1, 2020 in the evening, for a period of 12 months and renewable by tacit agreement. The purpose of this agreement is to favor the liquidity of transactions and the price stability of Carbios shares without hindering the regular functioning of the market.

We inform you that on December 31, 2024, the following resources were allocated to the liquidity account:
• number of shares: 22,546 securities;
• cash balance of the liquidity account: €127,292.70;
• carrying amount of the shares: €151,283.66

During the 2nd half of 2024, the following total was traded:

Purchase	248,927 shares	€3,071,305.39	3,056 transactions
Sale	244,617 shares	€2,999,246.76	2,920 transactions

Please note that, when the agreement was drafted with Oddo BHF and Natixis, the following funds were included in the dedicated liquidity account:
• 2,048 shares transferred from the former liquidity agreement;
• €151,529.34 in cash transferred from the former liquidity agreement.

In addition, the Company had entrusted ODDO BHF with a mandate valid from December 21, 2023 to February 28, 2024 at the latest, relating to the acquisition on its behalf of Carbios shares up to a total limit of €1 million and €38 per share, for the implementation of stock option plans, free share allocation plans, employee shareholding transactions reserved for members of a company savings plan, in accordance with the legal provisions in force, or allocation of shares to employees and/or executive corporate officers of the Company and its related companies.
For more information on the terms and conditions of the Company's share buyback program, the reader is invited to refer to section 6.5.3 of this Universal Registration Document.

6.5.1.4 Potential share capital

The table below summarizes all of the BSA and BSPCE issued as well as all AGA allocated by the Company for the benefit of its corporate officers, employees and consultants, and not exercised as at the date of this Universal Registration Document:

Holders	BCE-2015	BCE-2020	BCE-2021	BCE-2022	BSA-2022	AGA-2023	AGA-2024
Employees	15,000	68,500	54,129	162,052		45,450	85,850
Other			36,735 (1)		296,928	-	-
TOTAL	**15,000**	**68,500**	**90,864**	**162,052**	**296,928**	**45,450**	**85,850**

(1) BSPCE exercisable until December 31, 2025 by Emmanuel LADENT, Chief Executive Officer until December 18, 2024

The table below summarizes all the shares that would result from the exercise of the BSA and BSPCE issued as well as all of the AGA allocated by the Company for the benefit of its corporate officers, employees and consultants and not exercised at the date of this Universal Registration Document:

Holders	BCE-2015	BCE-2020	BCE-2021	BCE-2022	BSA-2022	AGA-2023	AGA-2024
Employees	16,073	73,398	57,999	173,640	-	45,450	85,850
Other	-	-	39,362 (1)	-	318,158	-	-
TOTAL	**16,073**	**73,398**	**97,361**	**173,640**	**318,158**	**45,450**	**85,850**

(1) Number of shares that would come from BSPCE exercisable until December 31, 2025 by Emmanuel LADENT, Chief Executive Officer until December 18, 2024

At the date of this Universal Registration Document, the various BSA, BSPCE and AGA plans allow the subscription of new ordinary shares, potentially representing a total of 809,930 shares to be issued, i.e. a dilution of 4.81% on an undiluted basis (amounting at the date of this Universal Registration Document to 16,845,630 shares) and 4.59% on a diluted basis.

Details of the various allocation plans are set out in section 6.4.2 of this Universal Registration Document.

6.5.1.5 Unissued authorized share capital

The table below presents the various current financial delegations granted to the Board of Directors by the Combined Shareholders' Meeting of the Company:

Purpose of the resolution	Resolution	Period of validity and expiration date	Issue price	Ceiling (maximum nominal amount in euros)	Implementation of delegations of authority/proxies during the 2023 fiscal year
Authorization granted to the Board of Directors for the purchase by the Company of its own shares in accordance with Article L. 22-10-62 of the French Commercial Code	GM of June 20, 2024 Eleventh resolution	18 months Until December 19, 2025	-	10% of the share capital	Implementation of the liquidity agreement (see 6.4.1.3) and the share buyback program (see 6.4.2.)
Authorization to the Board of Directors to reduce the Company's share capital by means of canceling shares	GM of June 20, 2024 Twentieth Resolution	18 months Until December 19, 2025	-	10% of the share capital per period of 24 months	None.
Delegation of authority to the Board of Directors to decide on either the issuance, with preferential subscription rights maintained, of shares and/or securities giving access, immediately or in the future, to the share capital or giving rights to debt securities, or the incorporation into the share capital of profits, reserves or share premiums	GM of June 20, 2024 Twelfth resolution	26 months Until August 19, 2026	-	Nominal amount of capital increases: €5,890,000 Nominal amount of securities representing receivables: €223,000,000(1)	None

Purpose of the resolution	Resolution	Period of validity and expiration date	Issue price	Ceiling (maximum nominal amount in euros)	Implementation of delegations of authority/proxies during the 2023 fiscal year
Authorization to the Board of Directors, for the purpose of increasing, up to a limit of 15%, the number of securities issued in accordance with the provisions of Article L. 225-135-1 of the French Commercial Code, in the event of the implementation of the delegation of authority referred to in the previous resolution with preferential subscription rights maintained	GM of June 20, 2024 Thirteenth resolution	26 months (it being specified that this authorization shall be implemented within thirty (30) days of the close of the subscriptions for each capital increase determined under the previous resolution).	Same price as the initial issue	Nominal amount of capital increases: €5,890,000 Nominal amount of securities representing receivables: €223,000,000[1]	None
Delegation of authority to the Board of Directors to decide on the issuance of shares and/or securities giving access, immediately or in the future, to the share capital or giving rights to debt securities, with cancellation of preferential subscription rights without naming beneficiaries and by public offering	GM of June 20, 2024 Fourteenth resolution	26 months Until August 19, 2026	At least equal to the volume-weighted average of the last five trading sessions prior to setting the issue price for new shares, reduced, as the case may be, by a maximum discount of 10%, after correction of this average in the event of any difference in dividend entitlement dates	Nominal amount of capital increases: €1,178,600 and increased to €2,357,200 in the event of priority rights for shareholders Nominal amount of securities representing receivables: €67,000,000[2]	None
Delegation of authority to be granted to the Board of Directors to decide on the issuance of shares and/or securities giving access, immediately or in the future, to the share capital or giving rights to debt securities, by way of an offer referred to in Article L. 411-2 1° of the French Monetary and Financial Code and up to a limit of 10% of the share capital, with cancellation of preferential subscription rights without naming beneficiaries	GM of June 20, 2024 Fifteenth resolution	26 months Until August 19, 2026	At least equal to the volume-weighted average of the last five trading sessions prior to setting the issue price for new shares, reduced, as the case may be, by a maximum discount of 10%, after correction of this average in the event of any difference in dividend entitlement dates	Nominal amount of capital increases: €1,178,600 Nominal amount of securities representing receivables: €67,000,000[2]	None

Purpose of the resolution	Resolution	Period of validity and expiration date	Issue price	Ceiling (maximum nominal amount in euros)	Implementation of delegations of authority/proxies during the 2023 fiscal year
Delegation of authority to the Board of Directors to decide on the issuance of shares and/or securities giving access, immediately or in the future, to the share capital or giving rights to debt securities, with cancellation of preferential subscription rights for the benefit of categories of beneficiaries(4)	GM of June 20, 2024 Sixteenth resolution	18 months Until December 19, 2025	At least equal to the volume-weighted average of the last five trading sessions prior to setting the issue price for new shares, reduced, as the case may be, by a maximum discount of 10%, after correc-tion of this average in the event of any difference in dividend entitlement dates	Nominal amount of capital increases: €1,178,600 Nominal amount of securities representing receivables: €67,000,000(2)	None
Authorization to the Board of Directors, for the purpose of increasing, up to a limit of 15%, the number of securities issued in accordance with the provisions of Article L. 225-135-1 of the French Commercial Code, in the event of the implementation of the delegations of authority referred to in the three previous resolutions with cancellation of preferential subscription rights	GM of June 20, 2024 Seventeenth Resolution	within fifteen (15) days of the closing of the subscription of each capital increase decided under one of the three previous resolutions	Same price as the initial issue	Nominal amount of capital increases: €1,178,600 Nominal amount of securities representing receivables: €67,000,000(2)	None
Authorization granted to the Board of Directors to allocate free shares	GM of June 20, 2024 Eighteenth Resolution	38 months Until August 19, 2027	-	1% of the share capital and a maximum of 60,000 shares or a value on the initial grant date of 300% of the annual compensation for the beneficiary corporate officers(3)	Implementation by the Board of Directors (i) at its meeting of July 2, 2024 for the free allocation of 146,500 Company shares and (ii) at its meeting of October 1, 2024 for the free allocation of 24,950 Company shares
Delegation of powers to the Board of Directors to decide on a capital increase in cash reserved for employees who are members of a company savings plan in accordance with the provisions of articles L. 225-129-6 of the French Commercial Code and L. 3332-18 et seq. of the French Labor Code, with cancellation of preferential subscription rights reserved for the benefit of Company employees	GM of June 20, 2024 Nineteenth Resolution	26 months Until August 19, 2026	The issue price will be set by the Board of Directors in accordance with the provisions of article L. 3332-19 or L. 3332-20 of the French Labor Code	Maximum nominal amount of capital increases: 0.5% of the share capital	None

(1) These amounts may be reduced accordingly by the amount of capital increases carried out or authorized by the Board of Directors on the basis of the 12th to 17th resolutions of the Shareholders' Meeting of June 20, 2024.
(2) These amounts may be reduced accordingly by the amount of capital increases carried out or authorized by the Board of Directors on the basis of the 12th to 17th resolutions of the Shareholders' Meeting of June 20, 2024. In addition, the implementation of one of these resolutions for a nominal amount of €1,178,600 would prevent the implementation of another of the three resolutions concerned.
(3) The cumulative number of BSPCE and BSA issued and not exercised for the benefit of directors, consultants or employees of the Company and the total number of free shares allocated during the vesting period must not exceed 10% of the share capital.

6.5.1.6 Table of changes in share capital

The table below presents the changes in the Company's share capital since its creation.

Date	Nature of the transaction	Nominal value per share	Issue premium per share	Number of shares issued/ canceled	Total number of shares	Share capital after transaction
Bylaws	Creation	€1.00	-	500,000	500,000	€500,000.00
01/17/2012	Increase	€1.00	-	300,000	800,000	€800,000.00
05/10/2012	Increase	€1.00	-	700,000	1,500,000	€1,500,000.00
07/09/2012	Increase	€1.00	€1.25	577,780	2,077,780	€2,077,780.00
09/28/2012	Increase	€1.00	€1.25	75,555	2,153,335	€2,153,335.00
12/04/2012	Increase	€1.00	€1.25	533,332	2,686,667	€2,686,667.00
02/20/2013	Decrease	€0.70	-	-	2,686,667	€1,880,666.90
12/13/2013	Increase	€0.70	€6.315	116,647	2,803,314	€1,962,319.80
12/13/2013	Increase	€0.70	€13.33	934,959	3,738,273	€2,616,791.10
01/13/2014	Increase	€0.70	€13.33	11,400	3,749,673	€2,624,771.10
03/04/2015	Increase	€0.70	€1.55	3,500	3,753,173	€2,627,221.10
03/04/2015	Increase	€0.70	€0.30	5,000	3,758,173	€2,630,721.10
03/22/2016	Increase	€0.70	€0.30	30,000	3,788,173	€2,651,721.10
03/22/2016	Increase	€0.70	€1.55	10,000	3,798,173	€2,658,721.10
03/21/2017	Increase	€0.70	€0.30	7,614	3,805,787	€2,664,050.90
03/21/2017	Increase	€0.70	€1.55	29,000	3,834,787	€2,684,350.90
07/21/2017	Increase	€0.70	€7.05	466,182	4,300,969	€3,010,678.30
09/19/2017	Increase	€0.70	€5.30	20,000	4,320,969	€3,024,678.30
09/19/2017	Increase	€0.70	€5.50	15,000	4,335,969	€3,035,178.30
09/19/2017	Increase	€0.70	€5.90	15,000	4,350,969	€3,045,678.30
09/19/2017	Increase	€0.70	€5.79	10,000	4,360,969	€3,052,678.30
09/19/2017	Increase	€0.70	€6.45	30,000	4,390,969	€3,073,678.30
09/19/2017	Increase	€0.70	€6.55	15,000	4,405,969	€3,084,178.30
09/19/2017	Increase	€0.70	€7.70	35,000	4,440,969	€3,108,324.10
09/19/2017	Increase	€0.70	€1.55	49,494	4,490,463	€3,143,678.30
09/19/2017	Increase	€0.70	€0.30	2,506	4,492,969	€3,145,078.30
11/20/2017	Increase	€0.70	€8.30	20,000	4,512,969	€3,159,078.30
11/20/2017	Increase	€0.70	€8.40	30,000	4,542,969	€3,180,078.30
11/20/2017	Increase	€0.70	€8.55	10,000	4,552,969	€3,187,078.30
11/20/2017	Increase	€0.70	€1.55	3,500	4,556,469	€3,189,528.30
12/12/2017	Increase	€0.70	€1.55	10,838	4,567,307	€3,197,114.90
03/27/2018	Increase	€0.70	€9.70	5,688	4,572,995	€3,201,096.50
05/03/2018	Increase	€0.70	€9.70	116	4,573,111	€3,201,177.70
06/27/2018	Increase	€0.70	€9.70	168	4,573,279	€3,201,295.30

Date	Nature of the transaction	Nominal value per share	Issue premium per share	Number of shares issued/ canceled	Total number of shares	Share capital after transaction
09/20/2018	Increase	€0.70	€9.70	588	4,573,867	€3,201,706.90
09/20/2018	Increase	€0.70	€7.60	40,000	4,613,867	€3,229,706.90
12/06/2018	Increase	€0.70	€9.70	3,356	4,617,223	€3,232,056.10
12/06/2018	Increase	€0.70	€4.40	20,000	4,637,223	€3,246,056.10
12/06/2018	Increase	€0.70	€4.85	20,000	4,657,223	€3,260,056.10
06/28/2019	Increase	€0.70	€5.75	2,245,886	6,903,109	€4,832,176.30
12/04/2019	Increase	€0.70	€1.55	1,500	6,904,609	€4,833,226.30
06/17/2020	Increase	€0.70	€10.81	18,991	6,923,600	€4,846,520.00
06/17/2020	Increase	€0.70	€10.52	30,000	6,953,600	€4,867,520.00
07/22/2020	Increase	€0.70	€25.55	1,028,572	7,982,172	€5,587,520.40
10/09/2020	Increase	€0.70	€34.30	100,000	8,082,172	€5,657,520.40
01/15/2021	Increase	€0.70	€7.06	23,125	8,105,297	€5,673,707.90
01/15/2021	Increase	€0.70	€11.75	9,600	8,114,897	€5,680,427.90
03/11/2021	Increase	€0.70	€11.75	11,000	8,125,897	€5,688,127.90
03/11/2021	Increase	€0.70	€19.91	14,375	8,140,272	€5,698,190.40
03/11/2021	Increase	€0.70	€7.58	9,600	8,149,872	€5,704,910.40
03/11/2021	Increase	€0.70	€11.76	9,600	8,159,472	€5,711,630.40
03/11/2021	Increase	€0.70	€11.76	5,000	8,164,472	€5,715,130.40
05/12/2021	Increase	€0.70	€37.30	3,000,000	11,164,472	€7,815,130.40
06/23/2021	RAN allocation	-	-	-	11,164,472	€7,815,130.40
11/05/2021	Increase	€0.70	€7.16	5,000	11,169,472	€7,818,630.40
11/05/2021	Increase	€0.70	€10.52	6,000	11,175,472	€7,822,830.40
12/16/2021	Increase	€0.70	€29.59	2,000	11,177,472	€7,824,230.40
04/05/2022	Increase	€0.70	€7.16	5,000	11,184,472	€7,829,130.40
05/05/2022	Increase	€0.70	€1.55	1,548	11,186,020	€7,830,214.00
05/05/2022	Increase	€0.70	€4.59999	1,000	11,187,020	€7,830,914.00
05/05/2022	Increase	€0.70	€4.59999	2,000	11,189,020	€7,832,314.00
05/06/2022	Increase	€0.70	€4.59999	1,000	11,190,020	€7,833,014.00
05/10/2022	Increase	€0.70	€4.59999	2,000	11,192,020	€7,834,414.00
05/11/2022	Increase	€0.70	€4.59999	2,000	11,194,020	€7,835,814.00
05/13/2022	Increase	€0.70	€4.59999	2,000	11,196,020	€7,837,214.00
05/17/2022	Increase	€0.70	€4.59999	2,000	11,198,020	€7,838,614.00
05/18/2022	Increase	€0.70	€4.59999	2,000	11,200,020	€7,840,014.00
05/20/2022	Increase	€0.70	€4.59999	2,000	11,202,020	€7,841,414.00
05/23/2022	Increase	€0.70	€4.59999	2,083	11,204,103	€7,842,872.10
06/07/2022	Increase	€0.70	€0.30	1,253	11,205,356	€7,843,749.20

Date	Nature of the transaction	Nominal value per share	Issue premium per share	Number of shares issued/ canceled	Total number of shares	Share capital after transaction
06/13/2022	Increase	€0.70	€4.59999	2,000	11,207,356	€7,845,149.20
07/06/2022	Increase	€0.70	€7.16	746	11,208,102	€7,845,671.40
07/08/2022	Increase	€0.70	€7.06	5,000	11,213,102	€7,849,171.40
07/11/2022	Increase	€0.70	€7.16	661	11,213,763	€7,849,634.10
07/18/2022	Increase	€0.70	€7.16	3,593	11,217,356	€7,852,149.20
07/21/2022	Increase	€0.70	€29.5899	31	11,217,387	€7,852,170.90
07/22/2022	Increase	€0.70	€29.5899	4,969	11,222,356	€7,855,649.20
08/15/2022	Increase	€0.70	€29.5899	53	11,222,409	€7,855,686.30
08/16/2022	Increase	€0.70	€29.5899	2,510	11,224,919	€7,857,443.30
08/17/2022	Increase	€0.70	€29.5899	5,000	11,229,919	€7,860,943.30
09/09/2022	Increase	€0.70	€1.5500	6,747	11,236,666	€7,865,666.20
10/24/2022	Increase	€0.70	€7.16	2,000	11,238,666	€7,867,066.20
10/27/2022	Increase	€0.70	€7.16	2,000	11,240,666	€7,868,466.20
11/16/2022	Increase	€0.70	€7.16	2,000	11,242,666	€7,869,866.20
01/13/2023	Increase	€0.70	€7.16	2,000	11,244,666	€7,871,266.20
01/13/2023	Increase	€0.70	€7.16	2,000	11,246,666	€7,872,666.20
01/23/2023	Increase	€0.70	€10.5240	1,600	11,248,266	€7,873,786.20
02/03/2023	Increase	€0.70	€7.16	2,000	11,250,266	€7,875,186.20
02/06/2023	Increase	€0.70	€7.16	2,000	11,252,266	€7,876,586.20
02/09/2023	Increase	€0.70	€7.05934	1,500	11,253,766	€7,877,636.20
02/20/2023	Increase	€0.70	€7.16	2,000	11,255,766	€7,879,036.20
02/28/2023	Increase	€0.70	€7.16	6	11,255,772	€7,879,040.40
03/01/2023	Increase	€0.70	€7.16	1,994	11,257,766	€7,880,436.20
03/02/2023	Increase	€0.70	€7.16	2,000	11,259,766	€7,881,836.20
03/06/2023	Increase	€0.70	€7.05934	1,563	11,261,329	€7,882,930.30
03/14/2023	Increase	€0.70	€7.05934	2,000	11,263,329	€7,884,330.30
03/28/2023	Increase	€0.70	€7.05934	2,000	11,265,329	€7,885,730.30
03/30/2023	Increase	€0.70	€7.05934	2,000	11,267,329	€7,887,130.30
06/01/2023	Increase	€0.70	€7.05934	2,000	11,269,329	€7,888,530.30
06/02/2023	Increase	€0.70	€7.05934	2,000	11,271,329	€7,889,930.30
06/02/2023	Increase	€0.70	€19.905	2,000	11,273,329	€7,891,330.30
06/06/2023	Increase	€0.70	€19.905	2,000	11,275,329	€7,892,730.30
06/08/2023	Increase	€0.70	€19.905	1,188	11,276,517	€7,893,561.90
06/13/2023	Increase	€0.70	€19.905	2,000	11,278,517	€7,894,961.90
07/11/2023	Increase	€0.70	€24.62	5,558,695	16,837,212	€11,786,048.40
04/08/2024	Increase	€0.70	€16.56	8,418	16,845,630	€11,791,941.00

6.5.2 EQUITY INTERESTS AND SECURITIES GIVING ACCESS TO THE SHARE CAPITAL FOR EXECUTIVE CORPORATE OFFICERS AND EMPLOYEES

At the date of this Universal Registration Document and to the best of the Company's knowledge:

- the employees hold 336,416 BSPCE and 131,300 AGA and the employees and former employees also hold 13,241 shares of the Company through the FCPE set up by the Company (see 6.5.2.4); and

- the executive corporate officers do not hold any Company shares.

At the date of this Universal Registration Document, the various BSA, BSPCE and AGA plans concerning the executive corporate officers and employees allow the subscription of new ordinary shares, potentially representing a total of 452,410 shares to be issued, i.e. a dilution of 2.69% on an undiluted basis (amounting at the date of this Universal Registration Document to 16,845,630 shares) and 2.62% on a diluted basis.

At the date of this Universal Registration Document, the various BSA, BSPCE and AGA plans allow the subscription of new ordinary shares, potentially representing a total of 809,930 shares to be issued, i.e. a dilution of 4.81% on an undiluted basis (amounting at the date of this Universal Registration Document to 16,845,630 shares) and 4.59% on a diluted basis.

6.5.2.1 Features of BSA plans

TABLE 8 OF APPENDIX 2 OF THE AMF POSITION-RECOMMENDATION NO. 2021-02: HISTORY OF SHARE SUBSCRIPTION OR PURCHASE ALLOCATIONS

	BSA EIB
Date of Shareholders' Meeting	Decision of the Shareholders' Meeting of 02/02/2022
Total number of shares that may be subscribed or purchased (1)	318,158
Warrant exercise start date	05/27/2022
Expiration date	05/26/2030
Price of subscription or purchase of warrant	€0.01
Warrant exercise method	The subscription must be recognized by a subscription form which must be given to the Company.
Exercise price (in euros)	€40 for 50% of the BSA EIB €38.8861 for 50% of the BSA EIB
Number of shares subscribed at the date of this Universal Registration Document	0
Cumulative number of subscription or purchase warrants canceled or null and void	0
Share subscription warrants that may be exercised at the date of this Universal Registration Document	296,928

(1) By a decision dated August 4, 2023, the Chief Executive Officer of the Company, after noting the definitive completion of the capital increase and amending the Company's bylaws on July 13, 2023, decided to proceed with the adjustment of the securities already issued by the Company in accordance with Article L. 228-99 of the French Commercial Code, and consequently decided to increase the number of shares that may be subscribed by the holder of BSA warrants by an additional 21,230 shares on the exercise of the 296,928 BSAs and to subject them to the terms of the BSA-EIB-1 and BSA-EIB-2 plan regulations.

At the date of this Universal Registration Document, there were 296,928 BSAs exercisable, granting rights to 318,158 shares.

6.5.2.2 Features of BSPCE plans

TABLE 8 OF APPENDIX 2 OF THE AMF POSITION-RECOMMENDATION NO. 2021-02: HISTORY OF SHARE SUBSCRIPTION OR PURCHASE ALLOCATIONS

	BCE 2015-2	BCE-2020-3	BCE-2020-6
Date of Shareholders' Meeting	Shareholders' Meeting of 06/24/2015	Shareholders' Meeting of 06/19/2019	Shareholders' Meeting of 06/18/2020
Date of Board of Directors' meeting	Decision of the Board of Directors of 06/24/2015	Decision of the Board of Directors of 03/12/2020	Decision of the Board of Directors of 07/09/2020
Total number of shares that may be subscribed or purchased(1)	16,073	42,592	30,806
Warrant exercise start date	06/24/2016	03/12/2020	07/09/2020
Expiration date	06/24/2025	03/12/2030	07/09/2030
Price of subscription or purchase of warrant	Free	Free	Free
Warrant exercise method	Possibility of exercising x warrants per complete monthly period beginning on 06/24/2015, and for the first time from 06/24/2016, calculated according to the following rule: x = (total nb of BCEs 2015-2 allocated to the beneficiary * nb. of months since 06/24/2015)/48.	To be exercised, these warrants must satisfy four performance conditions. Each condition met gives the right to exercise one fourth of the BSPCEs allocated. In the event of acquisition of the entire Company by a manufacturer, an accelerated vesting is provided for according to the acquisition price per share.	To be exercised, these warrants must satisfy four performance conditions. Each condition met gives the right to exercise one fourth of the BSPCEs allocated. In the event of acquisition of the entire Company by a manufacturer, an accelerated vesting is provided for according to the acquisition price per share. For the other 14,000 warrants: possibility of exercising y warrants where y = (number of warrants not yet exercisable) * % determined by the performance of the Carbios share price.
Exercise price (in euros)	12.4581	7.75934	20.6050
Number of shares subscribed at the date of this Universal Registration Document	16,000	6,500	0
Cumulative number of subscription or purchase warrants canceled or null and void	0	0	0
Share subscription warrants that may be exercised at the date of this Universal Registration Document	15,000	39,750	28,750

(1) By decision dated August 4, 2023, the Company's Chief Executive Officer decided to adjust the securities already issued by the Company in accordance with Article L. 228-99 of the French Commercial Code. Consequently, each BSPCE gives the right to subscribe for 1.0715 shares of the Company.

	BCE-2021-1, BCE-2021-3 to BCE-2021-5 and BCE-2021-7 to BCE-2021-14	BCE 2021-16	BCE 2021-17	BCE-2022-1 to BCE-2022-2
Date of Shareholders' Meeting	Shareholders' Meeting of 06/18/2020	Shareholders' Meeting of 06/18/2020	Shareholders' Meeting of 06/18/2020	Shareholders' Meeting of 06/22/2022
Date of Board of Directors' meeting	Decision of the Board of Directors of 01/15/2021	Decision of the Board of Directors of 11/05/2021	Decision of the Board of Directors of 11/05/2021	Decision of the Board of Directors of 06/29/2022
Total number of shares that may be subscribed or purchased, of which the number that may be subscribed or purchased by:(1)	51,152	39,362	6,847	53,575
Emmanuel LADENT	-	39,362	-	-
Warrant exercise start date	01/15/2022	12/01/2022	11/05/2022	06/29/2025
Expiration date	01/15/2032	12/01/2032	11/05/2032	06/29/2032
Price of subscription or purchase of warrant	Free	Free	Free	Free
Warrant exercise method	Possibility of exercising x warrants per full monthly period, and for the first time from January 15, 2022, calculated according to the following rule: x = total number of BCE-2021 granted to the beneficiary * (number of months since January 15, 2021)/48. In the event of acquisition of the entire Company by a manufacturer, an accelerated vesting is provided for according to the acquisition price per share.	For the first 18,367 warrants: possibility of exercising x warrants per full monthly period beginning on 12/01/2021, and for the first time from 12/01/2022, calculated according to the following rule: x = 18,367 * (number of months since 12/01/2021)/48. The remaining 18,368 warrants are subject to four performance conditions to be exercised. Each condition met gives the right to exercise 5,510 warrants, 6,429 warrants, 2,755 warrants and 3,677 warrants, respectively. In the event of acquisition of the entire Company by a manufacturer, an accelerated vesting is provided for according to the acquisition price per share. In the event of acquisition of the entire Company by a manufacturer, an accelerated vesting is provided for according to the acquisition price per share.	Possibility of exercising x warrants per full monthly period, and for the first time from 11/05/2022, calculated according to the following rule: x = total number of BCE-2021 granted to the beneficiaries * (number of months since 11/05/2021)/48.	To be exercised, these warrants must satisfy four performance conditions. Each condition met gives the right to exercise 40%, 20%, 20% and 20% of the warrants respectively.
Exercise price (in euros)	44.5049	37.7340	39.7863	30.1316
Number of shares subscribed at the date of this Universal Registration Document	0	0	0	0
Cumulative number of subscription or purchase warrants canceled or null and void	9,847	0	0	138,265
Share subscription warrants that may be exercised at the date of this Universal Registration Document	47,739	36,735	6,390	50,000(2)

(1) By decision of August 4, 2023, the Chief Executive Officer of the Company decided to adjust the securities already issued by the Company in accordance with Article L.228-99 of the French Commercial Code. Consequently, each BSPCE gives the right to subscribe for 1.0715 shares of the Company.

(2) May be exercised from June 29, 2025.

	BCE-2022-4	BCE-2022-5 to BCE-2022-6 and BCE-2022-13 to BCE-2022-14	BCE-2022-7 to BCE-2022-11	BCE-2022-12
Date of Shareholders' Meeting	Shareholders' Meeting of 06/18/2020	Shareholders' Meeting of 06/19/2019	Shareholders' Meeting of 06/18/2020	Shareholders' Meeting of 06/22/2022
Date of Board of Directors' meeting	Decision of the Board of Directors of 09/29/2022	Decision of the Board of Directors of 12/13/2022	Decision of the Board of Directors of 12/13/2022	Decision of the Board of Directors of 12/13/2022
Total number of shares that may be subscribed or purchased, of which the number that may be subscribed or purchased by:(1)	-	55,356	64,709	-
Emmanuel LADENT	-	-	-	-
Warrant exercise start date	09/29/2025	12/13/2025	12/13/2025	12/13/2025
Expiration date	09/29/2032	12/13/2032	12/13/2032	12/13/2032
Price of subscription or purchase of warrant	Free	Free	Free	Free
Warrant exercise method	To be exercised, these warrants must satisfy four performance conditions. Each condition met gives the right to exercise 40%, 20%, 20% and 20% of the warrants respectively.	To be exercised, these warrants must satisfy four performance conditions. Each condition met gives the right to exercise 40%, 20%, 20% and 20% of the warrants respectively.	To be exercised, these warrants must satisfy four performance conditions. Each condition met gives the right to exercise 40%, 20%, 20% and 20% of the warrants respectively.	To be exercised, these warrants must satisfy four performance conditions. Each condition met gives the right to exercise 40%, 20%, 20% and 20% of the warrants respectively.
Exercise price (in euros)	26.59321	33.27455	33.27455	33.27455
Number of shares subscribed at the date of this Universal Registration Document	0	0	0	0
Cumulative number of subscription or purchase warrants canceled or null and void	50,000	52,400	22,023	31,735
Share subscription warrants that may be exercised at the date of this Universal Registration Document	0	51,662(2)	60,390(2)	0

(1) In a decision of August 4, 2023, the Chief Executive Officer of the Company decided to adjust the securities already issued by the Company in accordance with Article L. 228-99 of the French Commercial Code. Consequently, each BSPCE gives the right to subscribe for 1.0715 shares of the Company.

(2) May be exercised from December 13, 2025.

At the date of this Universal Registration Document, there were 336,416 BSPCEs exercisable, granting rights to 360,472 shares.

6.5.2.3 Free share allocations

On September 27, 2023 and October 16, 2023, the Board of Directors decided to set up a free share allocation plan ("**AGA 2023**") for the benefit of some of its employees and corporate officers with a vesting period of three years and allocated 84,150 free shares.

On July 2, 2024 and October 1, 2024, the Board of Directors decided to set up a free share allocation plan ("**AGA 2024**") for the benefit of some of its employees and corporate officers with a vesting period of over three years and allocated 171,450 free Company shares.

The free share allocation plans in force on the date of this Universal Registration Document are as follows:

Plan	2023-1 Plan	2023-2 Plan
Date of the Shareholders' Meeting that authorized the allocation of free shares	June 22, 2023	June 22, 2023
Grant date	September 27, 2023	October 16, 2023
Vesting period	3 years	3 years
Retention period	-	-
Total number of free shares allocated	74,150	10,000
Of which subject to performance conditions	74,150	10,000
Of which allocated to corporate officers	12,000(1)	-
Number of shares vested in 2024	-	-
Number of shares subscribed at the date of this Universal Registration Document	38,700(2)	-
Number of shares subscribed at the date of this Universal Registration Document	35,450	10,000

(1) Emmanuel LADENT, Chief Executive Officer of the Company until December 18, 2024.

(2) Including 12,000 shares granted to Emmanuel LADENT, Chief Executive Officer of the Company, which lapsed following the end of his term of office on December 18, 2024.

Plan	2024-1 Plan	2024-2 Plan	2024-3 Plan
Date of the Shareholders' Meeting that authorized the allocation of free shares	June 20, 2024	June 20, 2024	June 20, 2024
Grant date	July 2, 2024	July 2, 2024	October 1, 2024
Vesting period	3 years and 10 months	3 years and 7 months	3 years and 6 months
Retention period	-	-	-
Total number of free shares allocated	136,500	10,000	24,950
Of which subject to performance conditions	136,500	10,000	24,950
Of which allocated to corporate officers	60,000(1)	-	-
Number of shares vested in 2024	-	-	-
Number of shares subscribed at the date of this Universal Registration Document	83,000(2)	-	2,600
Number of shares subscribed at the date of this Universal Registration Document	53,500	10,000	22,350

(1) Emmanuel LADENT, Chief Executive Officer of the Company until December 18, 2024.

(2) Of which 60,000 shares granted to Emmanuel LADENT, Chief Executive Officer of the Company, lapsed following the end of his term of office on December 18, 2024.

As of the date of this Universal Registration Document, there are 131,300 AGAs giving entitlement to 131,300 shares.

6.5.2.4 Employee shareholding program

In accordance with the authorization granted by the twenty-third resolution of the Shareholders' Meeting of June 22, 2023, the Board of Directors decided on December 22, 2023 to launch an employee shareholding plan, for the benefit of all employees who are members of the company savings plan.

Main terms of the transaction

- Beneficiaries of the offer: the beneficiaries are the employees and corporate officers of Carbios group companies located in France, who are members of a company savings plan (PEE).
- Subscription price: set on the basis of 70% of the reference price, corresponding to the average price of the Carbios share for the twenty trading sessions preceding the day of the Chief Executive Officer's decision setting the price, i.e. €16.56.
- Terms of subscription and holding: the shares will be subscribed through a company mutual fund (FCPE) under a so-called "traditional" subscription formula.
- Unavailability of FCPE units: the corresponding FCPE units must be held for a period of five years, except in the event of an early release provided for by Article R. 3334-22 of the French Labor Code.
- Exercise of voting rights: the voting rights attached to these shares will be exercised by the Supervisory Board of the FCPE.

This employee shareholding plan[1], launched on February 12, 2024, was subscribed by 123 employees, i.e. 88.49% of the employees concerned and thus made it possible to involve employees in the Group's development. It contributes to bringing the employee shareholding of Carbios, within the meaning of Article L. 225-102 of the French Commercial Code, to around 0.08% of the share capital. The plan included a unilateral contribution corresponding to approximately 48 shares for each of the eligible employees.

[1] Please refer to the press release of April 3, 2024.

In total, a little more than €59,400 was subscribed by employees through the FCPE CARBIOS, which invested them in CARBIOS shares, after adding the corresponding contribution of the Company for approximately €53,700 and the unilateral contribution of the latter for approximately €110,600, in the context of:

- a reserved capital increase for a nominal amount of €5,892.60, corresponding to the issue of 8,418 new CARBIOS shares with a nominal value of €0.70 each; and
- the acquisition of 4,823 existing CARBIOS treasury shares.

As a result, the Company's share capital was increased by €5,892.60.

6.5.3 SHARE BUYBACK PROGRAM

SHARE BUYBACK PROGRAM AUTHORIZED BY THE COMBINED SHAREHOLDERS' MEETING OF JUNE 20, 2024

Program description

Set up in application of Articles 241-1 et seq. of the General Regulation of the Autorité des marchés financiers (the "AMF"), as well as European Regulation (EU) No. 596/2014 of April 16, 2014 on market abuse, the purpose of this description of the share buyback program is to indicate the objectives and terms of the Company's program to buy back its own shares that was authorized by the Combined Shareholders' Meeting of June 20, 2024 under the terms of its eleventh resolution.

Securities concerned: ordinary shares.

Mnemonic code/ISIN code: ALCRB / ISIN FR0011648716

Authorization of the transaction: Shareholders' Meeting of June 20, 2024.

Maximum number of shares that may be purchased: 10% of the share capital on the date of the share buyback, as adjusted according to any transaction that may affect it.

It is specified that when the shares are acquired for the purpose of promoting the liquidity of the securities under the conditions defined by the General Regulations of the AMF, the number of shares taken into account for the calculation of the 10% limit provided for above corresponds to the number of shares purchased, less the number of shares resold during the term of the authorization. In addition, when shares are acquired by the Company with a view to their retention and subsequent use in payment or exchange in the context of a merger, spin-off or contribution, the number of shares may be acquired by the Company, may not exceed 5% of its share capital.

Objectives of share buybacks

- the implementation of stock option plans, free share allocation plans and employee shareholding transactions reserved for members of a company savings plan, in accordance with legal provisions in force, or allocation of shares to employees and/or executive corporate officers of the Company and related companies;

- the delivery of shares upon the exercise of rights attached to securities giving access to the Company's share capital;

- their use as part of any hedging transaction of the Company's commitments in respect of financial instruments relating in particular to changes in the price of the Company's shares;

- the holding of shares and their subsequent use in payment or exchange in the context of potential external growth transactions, mergers, spin-offs or contributions;

- the total or partial cancellation of the shares by reducing the share capital (in particular with a view to optimizing cash management, return on equity capital or earnings per share);

- share market making under a liquidity agreement entered into with an investment service provider, in accordance with the Code of Ethics recognized by the AMF;

- the implementation of any market practice that may be authorized by the AMF and, more generally, the completion of all transactions in accordance with the legal and regulatory provisions in force.

Maximum purchase price: €120, excluding fees and commissions and any adjustments to take account of capital transactions.

Maximum amount of funds available for the purposes of this program: €6,000,000, net of fees.

Duration of the program: from June 20, 2024 to December 19, 2025, i.e. 18 months from the Shareholders' Meeting of June 20, 2024.

The shares thus repurchased may be canceled, the Combined Shareholders' Meeting of June 20, 2024 having authorized the Board of Directors, under its twentieth resolution, to reduce the share capital by way of cancellation of the treasury shares held following the implementation of the buyback program described above.

Prior to the implementation of the share buyback program authorized by the Shareholders' Meeting of June 20, 2024:

- Publication of a description of the share buyback program (effective and complete distribution by electronic means and posted on the Company's website).

During the buyback program:

- Publication of transactions at J+7 of the publishing on the Company's website (excluding transactions carried out under a liquidity agreement); and

- Monthly declarations by the Company to the AMF.

Every year

- Presentation of the results of the implementation of the buyback program and the use of the shares acquired in the Board of Directors' report to the Shareholders' Meeting.

Breakdown of shares held by objective as of December 31, 2024: at December 31, 2024, the Company held 22,546 shares intended for market marking in the secondary market or the liquidity of the Company's share through a liquidity agreement and 21,177 shares intended for the implementation of employee shareholding transactions reserved for members of a company savings plan.

Report on the implementation of the share buyback program		
Treasury shares held at December 31, 2024		43,723
Number of shares purchased under the liquidity agreement		485,563
Number of shares purchased outside the liquidity agreement		12,727
Number of shares sold under the liquidity agreement		467,064
Number of shares sold outside the liquidity agreement		4,823
% of share capital held as treasury shares		0.26%
Average purchase price		€17.72
Average sales price		€17.56
Number of shares subscribed in the Company's name at December 31, 2024	- of which liquidity agreement	22,546
	- of which the implementation of stock option plans, free share allocation plans and employee shareholding transactions reserved for members of a company savings plan, in accordance with legal provisions in force, or allocation of shares to employees and/or executive corporate officers of the Company and related companies	21,177
	- of which shares acquired for payment or exchange as part of an external growth transaction	0
	- of which cancellation of shares	0
Value at closing price on December 31, 2024		€6.71
Nominal value		€0.70
Amount of trading fees		€722.97

NEW SHARE BUYBACK PROGRAM

The Shareholders' Meeting of June 19, 2025 will be asked to authorize the Board of Directors, for a period of eighteen months from the date of the meeting, to implement a program to buy back the Company's shares within the framework of the provisions of Article L. 22-10-62 of the French Commercial Code and Regulation (EU) No. 596/2014 of April 16, 2014 on market abuse and in accordance with the AMF General Regulation conditions described below:

Maximum number of shares that may be purchased: 10% of the share capital on the date of the share buyback, as adjusted according to any transaction that may affect it.

It is specified that when the shares are acquired for the purpose of promoting the liquidity of the securities under the conditions defined by the General Regulations of the AMF, the number of shares taken into account for the calculation of the 10% limit provided for above corresponds to the number of shares purchased, less the number of shares resold during the term of the authorization. In addition, when shares are acquired by the Company with a view to their retention and subsequent use in payment or exchange in the context of a merger, spin-off or contribution, the number of shares may be acquired by the Company, may not exceed 5% of its share capital.

Objectives of share buybacks

- the implementation of stock option plans, free share allocation plans and employee shareholding transactions reserved for members of a company savings plan, in accordance with legal provisions in force, or allocation of shares to employees and/or executive corporate officers of the Company and related companies;
- the delivery of shares upon the exercise of rights attached to securities giving access to the Company's share capital;
- their use as part of any hedging transaction of the Company's commitments in respect of financial instruments relating in particular to changes in the price of the Company's shares;
- the holding of shares and their subsequent use in payment or exchange in the context of potential external growth transactions, mergers, spin-offs or contributions;
- the total or partial cancellation of the shares by reducing the share capital (in particular with a view to optimizing cash management, return on equity capital or earnings per share);
- share market making under a liquidity agreement entered into with an investment service provider, in accordance with the Code of Ethics recognized by the Autorité des Marchés Financiers;
- the implementation of any market practice that may be authorized by the AMF and, more generally, the completion of all transactions in accordance with the legal and regulatory provisions in force.

Maximum purchase price: €120, excluding fees and commissions and any adjustments to take account of capital transactions.

Maximum amount of funds available for the purposes of this program: €6,000,000, net of fees.

Duration of the program: from June 19, 2025 to December 18, 2026, i.e. 18 months from the Shareholders' Meeting of June 19, 2025.

The shares thus repurchased may be canceled.

It is specified that the setting up of the share buyback program and its implementation will be the subject of communications in accordance with legal and regulatory provisions.


7

7. ADDITIONAL INFORMATION

7.1 INFORMATION ABOUT THE ISSUER

7.1.1 LEGAL AND COMMERCIAL NAME

The Company's name is Carbios.

7.1.2 REGISTRATION WITH THE TRADE AND COMPANIES REGISTER AND LEI

The Company is registered in the Trade and Company Register of Clermont-Ferrand under number 531 530 228. The Company is registered under legal entity identifier (LEI) 969500M2RCIWO4NO5F08.

7.1.3 DATE OF INCORPORATION AND LENGTH OF LIFE

The Company has been registered with the Commercial Court of Paris since April 5, 2011. Since the transfer of the registered office on November 19, 2012, the Company is registered with the Commercial Court of Clermont-Ferrand. The duration of the Company is fixed at 99 years from its registration in the Trade and Companies Register, i.e. until April 5, 2110, unless it is dissolved early or extended.

The accounts closing date is December 31 of each year.

7.1.4 REGISTERED OFFICE, LEGAL FORM, APPLICABLE LEGISLATION AND WEBSITE

Carbios is a société anonyme (public limited company) with a Board of Directors.

Its registered office is located at the Cataroux site - 8 rue de la Grolière - 63100 Clermont-Ferrand, France.

The Company is subject to French law and governed by its bylaws as well as the laws and regulations of the French Commercial Code for commercial companies.

The telephone number of the registered office is +33 (0)4 73 86 51 76.

The Company has a website: www.carbios.com

Please note that the information appearing on the website does not form part of the Universal Registration Document, unless such information is incorporated by reference in said document.

7.1.5 IMPORTANT EVENTS IN THE DEVELOPMENT OF THE BUSINESS

April 2011: Creation of Carbios S.A.S. by Holding Incubatrice Chimie Verte (a holding company that supports SMEs that develop breakthrough technologies in sectors with high industrial and social potential, advised by Truffle Capital).

September 2011 – February 2012: Creation of the innovative collaborative project Thanaplast™ for a total budget of €22 million over 5 years.

June 2012: OSEO-ISI grant agreement for the Thanaplast™ Project (€9.8 million in grants for an overall budget of €22 million, including €6.8 million in grants allocated to Carbios for €15 million from the Company's own funds).

July 2012: Launch of the Thanaplast™ project.

Announcement of €3.3 million in funds raised with Truffle Capital, with the payment of an initial tranche of €1.3 million.

December 2012: Payment by Truffle Capital of the second tranche of funds raised (€1.2 million).

Finalization of the OSEO-ISI validation process, signature of the financing agreement and payment of the first tranche for the Thanaplast™ program.

August 2013: Payment by Truffle Capital of the third tranche of funds raised in the form of convertible bonds (€800 thousand).

September 2013: Completion of key stage 1 of the Thanaplast™ program and receipt from Bpifrance of an initial tranche of €1.7 million.

December 2013: Initial public offering on the Euronext Growth Paris market, which raised nearly €13.1 million, not including the partial exercise of the over-allotment option in January 2014.

January 2014: Partial exercise of the over-allotment option, bringing the total number of shares offered as part of the Carbios initial public offering to 946,359 new shares.

December 2014: Completion of key stage 2 of the Thanaplast™ program and receipt from Bpifrance of a second tranche of €700 thousand.

November 2015: Completion of key stage 3 of the Thanaplast™ program and receipt from Bpifrance of a third tranche of €1.6 million.

September 2016: Operational launch of the Carbiolice joint venture, in partnership with Limagrain Ingrédients and the SPI fund operated by Bpifrance Investissement.

December 2016: Completion of key stage 4 of the Thanaplast™ program and receipt from Bpifrance of a fourth tranche of €443 thousand.

July 2017: Success of a reserved offer of new and existing shares for €4.2 million at a unit price of €7.75.

October 2017: L'Oréal and Carbios sign an agreement to create a Consortium to industrialize Carbios technology for enzymatic plastic recycling.

December 2017: Completion of key stage 5 (the final stage) of the Thanaplast™ program and receipt from Bpifrance of the final tranche of €1 million.

January 2019: Carbios and TWB obtain €7.5 million in funding from the Programme d'investissement d'avenir ("Investments in the Future Program" - PIA) operated by the ADEME to accelerate industrialization of the enzymatic recycling of PET plastic and fiber waste.

January 2019: Carbios and Carbiolice enter into a joint development agreement with Novonesis (formerly Novozymes) for the production and supply of PLA degradation enzymes at industrial scale.

June 2019: Carbios completes a capital increase of €14.5 million at a unit price of €6.45 per share.

January 2020: Carbios enters into another joint development agreement with Novonesis for the production and supply of PET degradation enzymes at industrial scale.

April 2020: Publication of an article co-authored by Carbios and TBI in the prestigious scientific journal Nature entitled: "An engineered PET-depolymerase to break down and recycle plastic bottles."

July 2020: Carbios completes a capital increase of €27 million through a placement with qualified investors.

October 2020: Carbios acquires all of its 18.02% stake in Carbiolice from Limagrain Ingrédients.

November 2020: Carbios produces the first clear plastic bottles from enzymatically recycled textile waste.

April 2021: Carbios announces a project to build an industrial and commercial unit using its PET enzymatic recycling technology.

May 2021: As part of a Global Offer, Carbios carries out a capital increase of €114 million at a unit price of €38 per share.

June 2021: Carbios acquires the entire 37.29% stake in Carbiolice from the SPI fund.

September 2021: Carbios announces the operational start of its industrial demonstration plant dedicated to the enzymatic recycling of PET.

November 2021: Carbios, T. EN Zimmer GmbH and Deloitte obtain a subsidy of €3.3 million from the European Commission through the LIFE program.

December 2021: Loan of €30 million obtained from the European Investment Bank.

July 2022: Carbios, On, Patagonia, PUMA and Salomon sign an agreement to create a "fiber-to-fiber" consortium.

January 2023: Carbios and Novonesis strengthen their collaboration through a strategic, exclusive and long-term partnership.

February 2023: PVH Corp group joins the "fiber-to-fiber" Consortium founded in July 2022 by Carbios, On, Patagonia, PUMA and Salomon.

July 2023: Carbios completes a capital increase with preferential subscription rights maintained for an amount of approximately €141 million after the full exercise of the extension clause.

October 2023: Receipt of the building permit and the operating authorization allowing the start of construction work on the Longlaville plant.

February 2024: Acquisition from Indorama Ventures of the land (in Longlaville) that will house the world's first PET biorecycling plant.

March 2024: Inclusion of Carbios Active in the inventory of food contact substances (FCS) of the Food and Drug Administration (FDA).

April 2024: Laying of the foundation stone of the Carbios PET biorecycling plant in Longlaville.

May 2024: Carbios and L'Occitane en Provence present a transparent PET bottle made entirely from enzymatic recycling, in collaboration with the processor Pinard Beauty Pack.

September 2024: Sleever®, a French family-owned group and Carbios unveil SEELCAP® ONEGO, the first concept of a biodegradable Home Compost tamper indicator, a world first.

October 2024: Carbios and its partners in the "fiber-to-fiber" Consortium unveil the world's first garment made of polyester enzymatically recycled from 100% textile waste.

March 2025: The Board of Directors appoints Isabelle PARIZE as Chairwoman of the Board of Directors and Vincent KAMEL as Chief Executive Officer.

Carbios reaffirms its objective of building its PET biorecycling plant in Longlaville and is making progress in securing additional financing.

7.2 ARTICLES OF INCORPORATION AND BYLAWS

The Company's bylaws were developed in accordance with the provisions applicable to a Société Anonyme (public limited company) under French law.

The main provisions described below are taken from the Company's bylaws in force as at the date of this Universal Registration Document.

7.2.1 ENTRY IN THE REGISTER AND CORPORATE PURPOSE (ARTICLE 4 OF THE BYLAWS)

The purpose of the Company is, directly or indirectly, in France as well as abroad:

- the exercise of any research, development, production, marketing activity in France and abroad relating to biotechnologies and, in particular, technologies, processes and products in the field of transformation of biomass and bioremediation;
- the exercise of any activity related to green chemistry, and in particular technologies, processes and products in the field of green chemistry;
- the acquisition, subscription, holding, management or disposal in any form whatsoever of all shares or securities in all French or foreign legal companies or entities, created or to be created, and more generally, the management of holdings in the Company's sector of activity;
- the direct or indirect holding of equity in any operations that may be related to any one of the above-mentioned purposes, or likely to promote them, by means of the creation of new companies, contributions or the subscription or purchase of securities or company rights, mergers, partnerships, equity holdings or other;
- and, more generally, any moveable or immoveable, industrial, commercial or financial transactions related, directly or indirectly, to this purpose or to any similar or connected purposes, or that may be useful for this purpose or may facilitate its realization. The Company intends to generate a positive and significant social, societal and environmental impact in the conduct of its activities.

7.2.2 PROVISIONS OF THE COMPANY'S BYLAWS, A CHARTER OR REGULATIONS CONCERNING THE MEMBERS OF THE BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

7.2.2.1 Board of Directors (Articles 13 to 16 and 18 of the bylaws)

Board of Directors (Article 13 of the bylaws)

The Company is governed by a Board of Directors composed of a minimum of three (3) members and a maximum of eighteen (18) members, subject to the exemptions provided by law in the event of a merger.

Appointment and dismissal of directors (Article 14.1 of the bylaws)

Throughout the life of the Company, the directors are appointed by the Ordinary Shareholder's Meeting. However, in the event of a merger or spin-off, they may be appointed by the Extraordinary Shareholders' Meeting. The directors' term of office is four (4) years. It ends at the close of the Ordinary Shareholders' Meeting convened to approve the financial statements for the fiscal year just ended and held during the year in which said director's term of office expires.

Any exiting director is eligible for reappointment provided he/she meets the conditions of this Article.

Directors may be dismissed and replaced at any time by the Ordinary Shareholders' Meeting.

Natural persons over the age of eighty-five (85) years may not be directors; when they come to exceed this age during a term in office, they shall automatically be deemed to have resigned at the next Shareholders' Meeting. Any appointment made in breach of the above provisions shall be null and void, with the exception of those which may be made on an interim basis.

Any natural person appointed as a director shall, at the time of their appointment and throughout their term of office, comply with the legal requirements concerning the number of directorships that a natural person can hold in joint stock companies with their registered office in mainland France, save as otherwise provided for by law.

A Company employee may only be appointed director if his or her employment contract corresponds to a genuine job. The number of directors tied to the Company by an employment contract may not exceed one-third of the number of directors in office.

Legal entity director (Article 14.2 of the bylaws)

Directors may be natural persons or legal entities. In the latter case, upon appointment, the legal entity is required to designate a permanent representative who is subject to the same terms and conditions and who incurs the same civil and legal liabilities as if he/she were a director in his/her own name, without prejudice to the joint and several liability of the legal entity he/she represents. The permanent representative of a legal entity appointed as director is subject to the same age conditions that apply to directors who are natural persons.

The term of office of the permanent representative appointed by the legal entity shall be the same as that of the legal entity he/she represents.

If the legal entity revokes the term of its permanent representative, it must notify the Company of this revocation without delay, by registered letter, also providing the identity of its new permanent representative. The same applies in the event of the death or resignation of the permanent representative.

Designation of the permanent representative as well as the termination of his/her term of office are subject to the same formalities of disclosure as if he/she were a director in his/her own name.

Vacancy, death, resignation (Article 14.3 of the bylaws)

In the event of vacancy due to death or resignation of one or several directors, the Board of Directors may make appointments on an interim basis between two Shareholders' Meetings.

When the number of directors has fallen below the minimum legal requirement, the remaining directors must immediately convene an Ordinary Shareholders' Meeting to make up the required number of Board members.

Temporary appointments made by the Board are subject to ratification at the first Ordinary Shareholders' Meeting thereafter. Failing ratification, resolutions adopted and acts performed by the Board at an earlier date nonetheless remain valid.

Chairman of the Board of Directors (Article 15.1 of the bylaws)

The Board of Directors elects from among its members a Chairman who is, in order for the nomination to be valid, a natural person. The Board of Directors determines his/her compensation.

The Chairman of the Board of Directors organizes and directs the Board's work, on which he/she reports to the Shareholders' Meeting. He/she oversees the proper functioning of the Company's governance bodies and ensures, in particular, that directors are capable of fulfilling their mission.

In order to exercise his/her duties, the Chairman of the Board of Directors must be less than eighty-five (85) years old. Should this age limit be reached while holding such position, the Chairman of the Board of Directors shall be deemed to have automatically resigned and a new Chairman shall be appointed under the conditions provided for in this Article.

The Chairman is appointed for a term that may not exceed his/her term of office as director. He/she may be re-elected.

The Board of Directors may remove him/her at any time.

In the event of temporary impediment or the death of the Chairman, the Board of Directors may delegate the duties of Chairman to a director.

In the event of temporary impediment, this delegation is granted for a limited duration; it is renewable. In the event of death, it is valid until the election of a new Chairman.

Board of Directors' meetings (Article 15.2 of the bylaws)

The Board of Directors meets as often as required in the Company's interest, at the request of the Chairman or two directors.

When it has not met for more than two (2) months, at least one-third of the members of the Board of Directors may request the Chairman to convene the Board for a predetermined agenda.

The Chief Executive Officer may also request the Chairman to convene the Board of Directors for a predetermined agenda.

The Chairman is bound by the requests that are addressed to him/her by virtue of the two preceding subparagraphs. The meetings may be convened by any means, even orally.

The Board meets at the Company's registered office or at any other place (in France or abroad) designated in the notice of meeting, under the chairmanship of its Chairman or, in case of impediment, a member appointed by the Board to chair the meeting.

The meetings are chaired by the Chairman of the Board of Directors. In case of impediment of the Chairman, at each session, the Board appoints a session Chairman from among its members present.

The Board may appoint a Secretary at each session, even from outside of its members. An attendance register shall be kept and signed by the directors participating in the Board meeting.

Directors, as well as any person convened to meetings of the Board of Directors, shall exercise discretion with respect to information of a confidential nature and presented as such by the Chairman.

Quorum and majority (Article 15.3 of the bylaws)

The Board may deliberate validly only if at least half of the directors are present or deemed present, subject to arrangements introduced by internal rules in the event of recourse to videoconferencing or other means of telecommunication.

Unless otherwise stipulated by these bylaws, and subject to arrangements introduced in the event of recourse to videoconferencing or other means of telecommunication, decisions are reached by a majority vote of members present or represented, or deemed present.

For calculating the quorum and majority, directors who attend a Board meeting by means of video conferencing or other means of telecommunication within the terms defined in the internal rules of the Board of Directors are deemed present. However, actual presence or presence through representation shall be necessary for any deliberations of the Board concerning the approval of the annual and consolidated financial statements, as well as for approval of the management report and the Group's management report and for decisions related to removal of the Chairman of the Board of Directors, the Chief Executive Officer and the Deputy Chief Executive Officer.

Furthermore, half of the directors in office may oppose holding a meeting of the Board of Directors by means of

videoconferencing or telecommunication. This opposition must be notified in the manner and within the time periods that shall be determined in the internal rules and/or those laid down by legal or regulatory provisions.

Representation (Article 15.4 of the bylaws)

Any director may grant proxy, in writing, to another director to represent him/her at a session of the Board of Directors.

Each director may hold only one proxy per meeting by virtue of the foregoing paragraph.

These provisions are applicable to the permanent representative of a legal entity director.

Powers of the Board of Directors (Article 16 of the bylaws)

The Board of Directors determines the Company's business strategy and oversees its implementation.

With the exception of powers expressly assigned to the Shareholders' Meetings and within the limits of the corporate purpose, the Board of Directors handles all matters pertaining to the proper running of the Company and settles matters of concern through its deliberations.

In this context, the Board of Directors undertakes to take into consideration (i) the social, societal and environmental consequences of its decisions on all the Company's stakeholders, and (ii) the consequences of its decisions on the environment.

In its relationships with third parties, the Company shall be bound even by acts of the Board of Directors that do not fall within the scope of its corporate purpose, unless it can prove that the third party knew that the act exceeded this purpose or that it could not have been unaware given the circumstances; disclosure of the bylaws shall not of itself be sufficient proof thereof.

The Board of Directors carries out any checks and verifications that it deems appropriate.

Each director must receive the information necessary for carrying out his/her duties and may obtain from Executive Management any documents that he/she deems useful.

The Board may decide to create committees with a consultative role, particularly Strategy, Audit and Compensation Committees, as well as a Scientific Committee whose members, chosen from the Board of Directors or from outside the Company, shall have an advisory function and shall report to the Board of Directors.

Compensation (Article 18 of the bylaws)

The Shareholders' Meeting may grant to directors, as compensation for their work, a fixed annual sum in respect of Directors' fees, as determined by this Meeting, without being bound by previous decisions. This amount shall be charged to operating expenses.

The Board of Directors shall freely allocate to its members the overall sum granted to directors as attendance fees; it may, in particular, allocate to directors who are members of advisory committees a share that is greater than that of other directors.

The Board of Directors may allocate special compensation for tasks or mandates entrusted to directors.

The Board of Directors may authorize reimbursement of travel and related expenses and expenses incurred by directors in the interest of the Company.

7.2.2.2 Non-voting directors (Article 15.6 of the bylaws)

Throughout the life of the Company, the Ordinary Shareholders' Meeting may appoint non-voting directors chosen from among the shareholders or outside them.

The number of non-voting directors may not exceed three (3).

The non-voting directors are appointed for a term of one (1) year. Their duties end at the end of the Ordinary Shareholders' Meeting called to approve the financial statements for the previous fiscal year and held during the year in which their duties expire.

Any exiting non-voting director is eligible for reappointment provided he/she meets the conditions of this Article.

Non-voting directors may be dismissed and replaced at any time by the Ordinary Shareholders' Meeting, without any compensation being due to them. The functions of non-voting directors also end by death or incapacity of non-voting directors who are natural persons, or by dissolution or judicial reorganization for non-voting directors that are legal entities, or by resignation.

Non-voting directors may be natural persons or legal entities. In the latter case, upon appointment, the legal entity is required to designate a permanent representative who is subject to the same terms and conditions and who incurs the same civil and legal liabilities as if he/she were a non-voting director in his/her own name, without prejudice to the joint and several liability of the legal entity he/ she represents.

The non-voting directors are responsible for ensuring the strict application of the bylaws and presenting their observations to Board of Directors meetings. The non-voting directors perform a general and permanent advisory and supervisory role for the Company. However, they may not, under any circumstances, interfere in the management of the Company, or generally take the place of its legal bodies.

In the performance of their duties, the non-voting directors may, in particular:

- report observations to the Board of Directors;
- ask to be informed, at the registered office of the Company, of all corporate books, registers and documents;
- request and collect all information useful for their work from the Company's general management and Statutory Auditors;
- be required, at the request of the Board of Directors, to present a report on a specific issue to the Shareholders' Meeting.

The non-voting directors must be convened to each meeting of the Board of Directors in the same way as the directors. Non-voting directors will be entitled to receive the same level of information as the directors.

The non-voting directors shall only have advisory powers, individually or collectively, and shall not have voting rights on the Board.

Failure to convene a meeting or to transmit documents prior to the meeting of the Board of Directors to the non-voting director(s) may in no case constitute grounds for nullifying the decisions taken by the Board of Directors.

7.2.2.3 Executive Management (Article 17 of the bylaws)

Organizational principle (Article 17.1 of the bylaws)

In accordance with legal provisions, either the Chairman of the Board of Directors or another individual appointed by the Board of Directors and bearing the title of Chief Executive Officer is responsible for the Executive Management of the Company.

The choice between these two methods of Executive Management is made by the Board of Directors, which must inform the shareholders and third parties accordingly, in accordance with regulatory requirements.

The Board's decision concerning the Executive Management model is taken by a majority vote of the directors present or represented, subject to the special provisions of Article 15.3 above in the event of the directors' participation in the Board meeting by videoconferencing or any other means of telecommunication.

A change in the Executive Management model does not entail a modification of the bylaws.

When the Chairman of the Board of Directors is responsible for the Company's Executive Management, the following provisions relating to the Chief Executive Officer apply to him/her.

Executive Management – Chief Executive Officer (Article 17.2 of the bylaws)

Depending on the decision made by the Board of Directors, in accordance with the provisions set out above, the Company's Executive Management is either discharged by the Chairman of the Board of Directors, or by a natural person (who may or may not be a director or a shareholder) appointed by the Board of Directors and bearing the title of Chief Executive Officer.

When the Board of Directors opts for the separation of the duties of Chairman of the Board of Directors and Chief Executive Officer, it appoints the Chief Executive Officer, sets the duration of his/ her term of office, determines his/her compensation and, where relevant, the limits to his/her powers.

No one may be appointed Chief Executive Officer if he/she is over eighty-five (85) years old. Moreover, if a Chief Executive Officer in office comes to exceed that age, he/she shall be deemed to have automatically resigned.

The Chief Executive Officer may be removed at any time by the Board of Directors. When the Chief Executive Officer is not the Chairman of the Board of Directors, his/her removal may give rise to damages if it is unjustified.

The Chief Executive Officer has the widest powers to act in the Company's name in all circumstances. He/she exercises these powers within the limits of the corporate purpose and subject to the powers expressly granted by law to Shareholders' Meetings and the Board of Directors.

He/she represents the Company in its relations with third parties. The Company is bound by the actions of the Chief Executive Officer even if they are outside the Company's corporate purpose, unless the Company can prove that the third party was aware that the action was outside the Company's corporate purpose, or that the third party could not be unaware of this in view of the circumstances. Publication of the bylaws does not, of itself, constitute such proof.

Deputy Chief Executive Officers

On the proposal of the Chief Executive Officer, whether this office is held by the Chairman of the Board of Directors or by another person, the Board of Directors may appoint one or more natural persons as Deputy Chief Executive Officer(s), who may or may not be Board members or shareholders, to assist the Chief Executive Officer. The number of Deputy Chief Executive Officers is limited to five (5). If a Deputy Chief Executive Officer is a Board member, his/her term of office cannot exceed that of his/her directorship.

No one may be appointed Deputy Chief Executive Officer if he/ she is over eighty-five (85) years old. Should a Deputy Chief Executive Officer come to exceed that age while in office, he/she will be deemed to have automatically resigned.

Deputy Chief Executive Officers may be removed at any time by the Board of Directors, on recommendation of the Chief Executive Officer. Their removal without just cause may give rise to the payment of damages.

By agreement with the Chief Executive Officer, the Board of Directors determines the scope and duration of the powers granted to the Deputy Chief Executive Officers. Deputy Chief Executive Officers have the same powers with respect to third parties as the Chief Executive Officer.

Should the Chief Executive Officer cease to perform his/her duties, or be prevented from doing so, unless decided otherwise by the Board of Directors, the Deputy Chief Executive Officers shall remain in office and will retain their powers until the new Chief Executive Officer is appointed.

The Board of Directors determines the Deputy Chief Executive Officers' compensation.

Delegation of powers (Article 17.3 of the bylaws)

The Board of Directors may entrust persons, whether they are Board members or not, with permanent or temporary duties, as it sees fit, delegate powers to them and set their compensation as it deems appropriate.

7.2.3 EXISTING SHARE CLASSES (ARTICLES 10 AND 11 OF THE BYLAWS)

7.2.3.1 Form of shares (Article 10 of the bylaws)

Shares are issued in registered or bearer form, at the shareholder's discretion, with the exception of securities that must necessarily be created in registered form pursuant to laws and regulations in force; this is particularly true for shares issued for cash until they are fully paid up.

Any holder of securities that are part of an issue including both bearer shares and registered shares has the possibility of converting these securities to the other form.

Registered shares give rise to registration in an individual account under the conditions and according to the terms provided for in the laws and regulations in force. These individual accounts may be pure registered accounts or administered registered accounts, at the shareholder's discretion.

Bearer shares give rise to registration in an account held by an authorized financial intermediary.

For the purposes of identifying the holders of bearer shares, the Company has the right to request at any time, at its own expense, from the central custodian that manages the Company's securities issue account, the name or company name, nationality, year of birth or year of incorporation and address of the security holders, as well as the quantity of securities held by each of them, and where appropriate, any restrictions that may apply to the securities. This information is gathered by the central custodian and then communicated to the Company under conditions laid down by applicable laws and regulations.

7.2.3.2 Transfer of shares (Article 11.1 of the bylaws)

Shares are freely transferable from their issuance in the manner prescribed by law. They remain transferable after dissolution of the Company and until the close of liquidation proceedings.

They are registered in an account and may be transferred by account transfer in accordance with the terms and conditions provided for by law and applicable regulations.

The provisions of this Article are generally applicable to all securities issued by the Company.

7.2.3.3 Rights and obligations attached to shares (Article 11.2 of the bylaws)

1 – Each share entitles the holder to a net share of profits, corporate assets or liquidation surplus proportionate to the percentage of capital it represents.

It entitles the holder to participate, under the conditions laid down by law and these bylaws, in Shareholders' Meetings and to vote on resolutions.

2 – Shareholders' liabilities do not exceed the amount of their initial investment. The rights and obligations attached to a share follow ownership of the share regardless of the holder.

Ownership of a share automatically entails acceptance of the bylaws and decisions of the Shareholders' Meeting.

3 – Each time that it is necessary to possess several shares to exercise any right, in case of exchange, grouping, allocation of shares, capital increase or decrease, merger or any corporate operation, the owners of isolated shares, or of a number below that required, may only exercise those rights on the condition that they personally see to the pooling and, where appropriate, the purchase or sale of the necessary number of shares.

7.2.3.4 Indivisibility of shares – Bare ownership – Usufruct (Article 11.4 of the bylaws)

1) Shares are indivisible with regard to the Company.

Co-owners of undivided shares are represented at Shareholders' Meetings by one of them or by a single representative. In case of disagreement, the representative shall be appointed by a court upon the request of the most diligent co-owner.

2) The right to vote belongs to the usufructuary in Ordinary Shareholders' Meetings and to the bare owner in Extraordinary Shareholders' Meetings. Nevertheless, shareholders may agree to any other distribution for exercising voting rights at Shareholders' Meetings. The Company shall be informed of this agreement by registered letter and shall be bound to respect it for all meetings which convene following expiration of a one-month period after mailing of the letter.

The right to vote is exercised by the owner of pledged securities.

7.2.4 CONDITIONS FOR AMENDING THE RIGHTS OF SHAREHOLDERS

Company bylaws do not provide for any particular rules that derogate from ordinary corporate law.

7.2.5 SHAREHOLDERS' MEETINGS (ARTICLES 22 TO 29 OF THE BYLAWS)

7.2.5.1 Quorum and majority (Article 22 of the bylaws)

Shareholders' Meetings deliberate under the conditions set by law.

The Ordinary Shareholders' Meeting makes all decisions other than those which, by law and these bylaws, fall within the exclusive competence of an Extraordinary Shareholders' Meeting. It can only conduct business validly at first notice if the shareholders present or represented hold at least one-fifth of the shares with voting rights. Upon second notice, no quorum is required. The meeting issues decisions by a simple majority vote of shareholders present or represented. The votes expressed do not include those attached to shares for which the shareholder has not taken part in the vote, has abstained or has returned a blank or invalid vote.

The Extraordinary Shareholders' Meeting is vested with sole competence to amend any provisions of the bylaws. It can only conduct business validly if the shareholders present or represented, on first notice, hold at least one-quarter, and on second notice, one-fifth of the shares with voting rights. Failing this latter quorum, the second Meeting may be postponed to a date no later than two months from the date of the meeting originally convened. The meeting issues decisions by a two-thirds vote of shareholders present or represented. The votes expressed do not include those attached to shares for which the shareholder has not taken part in the vote, has abstained or has returned a blank or invalid vote.

In the event of the use of videoconferencing or other means of telecommunication permitted by law under conditions laid down in Article 23 below, shareholders who attend the Meeting by videoconferencing or by means of telecommunication are deemed present for the purposes of calculating a quorum and majority.

7.2.5.2 Notice of Shareholders' Meetings (Article 23 of the bylaws)

Shareholders' Meetings are convened either by the Board of Directors, by the Statutory Auditors or by a representative designated by a court under terms and conditions provided for by law.

Meetings are held at the Company's registered office or at any other place designated in the notice of meeting.

When Company shares are admitted for trading on a regulated market or if its shares are not all registered shares, the Company is required to publish a notice of meeting containing the indications provided by the texts in force in the Bulletin des Annonces Légales Obligatoires (Bulletin of Mandatory Legal Announcements - BALO) at least thirty-five (35) days before any Shareholders' Meeting.

Convocation of Shareholders' Meetings takes place by publication in a newspaper empowered to publish legal notices in the administrative district (département) of the Company's registered office and, furthermore, in the Bulletin des Annonces Légales et Obligatoires (Bulletin of Mandatory Legal Announcements - BALO).

Nevertheless, the notices provided for in the previous subparagraph may be replaced by an invitation, at the Company's expense, in a simple letter or registered letter addressed to each shareholder. This invitation may also be transmitted by means of electronic telecommunication implemented under applicable regulatory conditions.

Any shareholder may also, if decided by the Board at the time the Meeting is convened, attend and vote by videoconferencing or other means of telecommunications that allows them to be identified, under the conditions and in accordance with the provisions laid down by applicable laws and regulations.

Any meeting improperly convened may be deemed invalid. Nevertheless, an action for invalidity shall be inadmissible where all shareholders were present or represented.

7.2.5.3 Agenda of the meeting (Article 24 of the bylaws)

The agenda of Meetings is decided by the author of the notice of meeting.

Nevertheless, one or more shareholders representing at least 5% of the share capital (or a group of shareholders meeting legal conditions) may request, under conditions provided for by law, that draft resolutions be placed on the agenda. The request shall be accompanied by the text of the draft resolutions, which may include a short explanation of the purpose.

These draft resolutions, which must be brought to the attention of shareholders, shall be included on the agenda and submitted to the vote of the meeting.

The Meeting may not deliberate on an issue that is not included on the agenda. Nevertheless, it may, in any circumstances, remove one or more directors and move to replace them.

The Meeting agenda may not be modified on the second convening.

When the Meeting is called to deliberate on changes to the business or legal organization of the Company on which the Works Council has been consulted in accordance with Article L. 2323-6 of the French Labor Code, the opinion of the Council is provided to the meeting.

7.2.5.4 Admission to Shareholders' Meetings (Article 25 of the bylaws)

Any shareholder may personally attend Shareholders' Meetings in person, by proxy or by correspondence, irrespective of the form they take.

Shareholders shall be entitled to attend Shareholders' Meetings:

- for registered shares, by their registration in a registered share account held by the Company, on the second business day prior to the meeting at midnight, Paris time;
- for bearer shares, by their recording in the bearer share accounts held by an authorized intermediary, on the second business day prior to the meeting at midnight, Paris time.

The registration of shares in bearer share accounts held by an authorized intermediary shall be ascertained by a shareholding certificate issued by the latter.

Shareholders whose shares are not fully paid up are not entitled to attend Meetings.

7.2.5.5 Shareholder proxy and voting by correspondence (Article 26 of the bylaws)

Shareholder proxy

A shareholder may be represented by another shareholder, a spouse, a civil partner or any other person, natural or legal, of his/her choice.

Any shareholder may receive powers from other shareholders to represent them at a Meeting, without any restrictions other than those resulting from statutory provisions setting the maximum number of votes that any one person may have in both his/her own name and as a proxy.

Vote by correspondence

Once the notice of meeting is issued, a voting by correspondence form and enclosures may be given or sent, at the Company's expense, to any shareholder who requests such documents in writing.

The Company must comply with any request filed or received at the registered office no later than six (6) days before the date of the meeting.

7.2.5.6 Meeting Committee (Article 27 of the bylaws)

Shareholders' Meetings are chaired by the Chairman of the Board of Directors or, in his/her absence, by a director appointed by the Board for this purpose. Failing that, the Meeting itself elects its Chairman.

In the event of convocation by the Statutory Auditors, a court officer or by liquidators, the Meeting is chaired by the person or one of the people who convened the meeting.

Tellers for the Meeting are the two members of the aforementioned Meeting who hold the greatest number of votes and who accept the role.

The Shareholders' Meeting Committee appoints a Secretary, who may be chosen from outside the shareholders.

7.2.5.7 Minutes of deliberations (Article 28 of the bylaws)

Deliberations of Shareholders' Meetings are recorded in minutes drafted by members of the meeting committee and signed by them.

They include the date and place of the meeting, the mode of convening, the agenda, the composition of the committee, the number of shares participating in the vote and the quorum reached, documents and reports submitted to the Meeting, a summary of the discussions, the text of resolutions put to a vote and the results of the voting.

The minutes are entered into a special register held at the registered office under regulatory conditions.

If, for lack of a required quorum, a Meeting cannot properly deliberate, this shall be recorded by the committee in the minutes of the aforementioned Meeting.

7.2.5.8 Shareholders' right to information and oversight (Article 29 of the bylaws)

Prior to each Shareholders' Meeting, the Board of Directors must make the necessary documents available to shareholders to enable them to reach a well-founded decision and make an informed judgment about management and the Company's business activities.

Following the communications referred to above, any shareholder is entitled to ask, in accordance with legal and regulatory requirements, written questions to which the Board of Directors shall be bound to answer during the Shareholders' Meeting.

All shareholders have the right at any period to obtain the documents that the Board of Directors is required, as the case may be, to make available to them at the registered office, or to send to them, in accordance with applicable laws and regulations.

7.2.6 PROVISIONS IMPACTING A CHANGE OF CONTROL

The Company's bylaws do not contain any provisions that could have the effect of delaying, deferring or preventing a change in its control.

7.2.7 THRESHOLD CROSSINGS (ARTICLE 11.3 OF THE BYLAWS)

Any natural or legal person, acting alone or in concert, within the meaning of Article L. 233-10 of the French Commercial Code, who holds or ceases to hold a number of shares representing a fraction equal to 5%, 10%, 15%, 20%, 25%, 30%, 33.33%, 50%, 66.66%, 90% or 95% of the share capital or voting rights, is required to inform the Company at the latest before the close of trading on the fourth trading day following the day on which the aforementioned shareholding threshold is crossed, specifying the number of shares and voting rights held. The person required to supply this information shall specify the number of shares that he/she holds giving future access to the share capital, as well as the attached voting rights, along with any other information required by law. In addition, if the 10%, 15%, 20% and 25% thresholds are crossed, the person required to provide the information provided for above must attach a statement of intent to their declaration of crossing of thresholds in addition to the aforementioned details.

In addition, any natural or legal person, acting alone or in concert, who holds or ceases to hold a number of shares representing a fraction equal to 50% or 95% of the share capital or voting rights is required to inform the Autorité des marchés financiers at the latest before the close of trading on the fourth trading day following the day on which the aforementioned shareholding threshold is crossed, under the conditions set by the general regulations of the Autorité des marchés financiers.

If they have not been declared in accordance with the above conditions, shares exceeding the fraction that should have been declared are deprived of voting rights under the conditions provided for by the French Commercial Code.

7.2.8 CHANGE IN SHARE CAPITAL (ARTICLE 7 OF THE BYLAWS)

1) The share capital may be increased by any means and under any terms and conditions provided for by law.

The Extraordinary Shareholders' Meeting is the sole body authorized to decide, based on a report by the Board of Directors, on a capital increase.

Shareholders have, in proportion to the amount of their shares, a preferential subscription right for shares issued for cash as part of a capital increase, a right that they may waive on an individual basis. The Ordinary Shareholders' Meeting may decide to cancel this preferential subscription right under conditions established by law.

2) A capital reduction may be authorized or decided by the Extraordinary Shareholders' Meeting; in no case may it undermine the equality of the shareholders.

The reduction of capital to an amount below the legal minimum may only be decided under the condition precedent of a capital increase intended to bring capital to at least the legal minimum, unless the Company is transformed into another form that does not require a capital amount exceeding the share capital after its reduction.

Failing that, any interested party may ask the courts to dissolve the Company. Dissolution may not be declared if, on the day the Court rules on the merits, the situation has been rectified.

7.2.9 DIVIDEND RIGHTS (ARTICLE 32 OF THE BYLAWS)

If the financial statements for the fiscal year approved by the Shareholders' Meeting show a distributable profit as defined by law, the Shareholders' Meeting shall decide whether to appropriate it to one or more reserve accounts, of which it controls the appropriation or use, to appropriate it to retained earnings, or to distribute it.

The Shareholders' Meeting may allow shareholders the option to receive all or part of dividends or interim dividends distributed in either cash or shares, in accordance with the law.

Any losses are carried forward after the approval of the financial statements by the Shareholders' Meeting as retained losses to be offset against future retained earnings until they are fully compensated.

Each shareholder receives a share of the profits or contributes to the losses in proportion to his/her share in the capital.

7.3 PERSON RESPONSIBLE

Person responsible

Vincent KAMEL
Chief Executive Officer
Cataroux site
8 rue de la Grolière
63100 Clermont-Ferrand - France
Tel: +33 (0)4 73 86 51 76

Declaration by the person responsible for the Universal Registration Document

I hereby certify that the information contained in this Universal Registration Document is, to the best of my knowledge, consistent with the facts and does not contain any omission likely to alter its scope.

I certify that, to the best of my knowledge, the annual and consolidated financial statements have been prepared in accordance with applicable accounting standards and provide a true and fair view of the items of assets and liabilities, financial position and profit or loss of the Company and of all the companies included in the consolidation, and that the attached management report, whose information is referenced in the cross-reference table available in section 7.7.1, presents a true and fair picture of the business development, profit or loss, and financial position of the Company and of all the companies included in the consolidation, and describes the principal risks and uncertainties that they face.

In Clermont-Ferrand, on April 30, 2025
Vincent KAMEL
Chief Executive Officer

7.4 PERSONS RESPONSIBLE FOR AUDITING THE FINANCIAL STATEMENTS

7.4.1 STATUTORY AUDITORS

Principal Statutory Auditors

PricewaterhouseCoopers Audit
Represented by Gonzague Van Royen
63, rue de Villiers – 92200 Neuilly Sur Seine, FRANCE

Appointed at the founding of the Company on April 5, 2011. The Combined Shareholders' Meeting of June 20, 2024 decided to renew the term of office of the Principal Statutory Auditor for a period of six fiscal years expiring at the close of the annual Ordinary Shareholders' Meeting to be held during 2030 that will be convened to approve the financial statements for the fiscal year ending December 31, 2029.

PricewaterhouseCoopers Audit is a member of the Compagnie Régionale des Commissaires aux Comptes of Versailles.

7.4.2 STATUTORY AUDITORS WHO HAVE RESIGNED OR BEEN DISMISSED

None.

7.5 DECLARATION OF APPROVAL FROM THE COMPETENT AUTHORITY

This Universal Registration Document has been filed with the Autorité des Marchés Financiers, as the competent authority under (EU) Regulation No. 2017/1129, without prior approval in accordance with Article 9 of said Regulation.

This Universal Registration Document may be used in support of a public offering of securities or the admission to trading of financial securities on a regulated market if it is approved by the Autorité des Marchés Financiers (AMF) and if it is supplemented by any amendments, a securities note and the summary note approved in accordance with (EU) Regulation No. 2017/1129.

7.6 DOCUMENTS AVAILABLE TO THE PUBLIC

During the period of validity of this Universal Registration Document, the following documents (or copies of these documents) may be consulted, on physical media, at the Company's registered office, Cataroux Site, 8 rue de la Grolière, 63100 Clermont-Ferrand, France:

- the Articles of Incorporation and Company bylaws;
- all reports, letters and other documents, historical financial information, appraisals and statements made by an expert at the request of the Company, of which a portion is included or referred to in this Universal Registration Document;
- the Company's historical financial information for each of the three fiscal years prior to publication of this Universal Registration Document.

Regulated information within the meaning of the AMF General Regulation shall be available on the Company's website (www.carbios.com).

7.7 CROSS-REFERENCE TABLE

7.7.1 CROSS-REFERENCE TABLE WITH THE INFORMATION REQUIRED IN THE ANNUAL FINANCIAL REPORT, THE MANAGEMENT REPORT ON THE SEPARATE FINANCIAL STATEMENTS, THE MANAGEMENT REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS AND THE CORPORATE GOVERNANCE REPORT

Annual report	Chapter/section of the Universal Registration Document
Separate financial statements	5.3
Consolidated financial statements	5.1
Management report on the separate financial statements	
Information on the Company's activity	Chapter 1; 2.4; 7.1.5
Risk factors	Chapter 3
Legal information and shareholding	1.1.3; 6.1; 6.4; 7.1; 7.2
Financial and tax information of the Company	2.3 to 2.4; 5.3; 6.3
Group social, societal and environmental information	1.1.4; 2.4.4.4
Management report on the consolidated financial statements	
Information on the Company's business activity	Chapter 1; 2.6; 7.1.5
Risk factors	Chapter 3
Legal information and shareholding	1.1.3; 6.1; 6.4; 7.1; 7.2
Group financial and tax information	2.1 to 2.3; 5.1; 6.3
Group social, societal and environmental information	1.1.4; 2.2.4.4
Corporate governance report	
Directors' terms of office and duties	4.1.1.1; 4.1.5.1; 4.1.5.4
Regulated agreements	4.4
Current delegations	6.4.1.5
Declaration of natural persons responsible for the annual report	7.3
Statutory Auditors' report on the separate financial statements	5.4
Statutory Auditors' report on the consolidated financial statements	5.2

7.7.2 CROSS-REFERENCE TABLE WITH THE INFORMATION REQUIRED BY ANNEXES 1 AND 2 OF COMMISSION DELEGATED REGULATION (EU) NO. 2019/980 OF MARCH 14, 2019

The following cross-reference table identifies the information required by Annexes 1 and 2 of the Commission Delegated Regulation (EU) No. 2019/980 of March 14, 2019 in accordance with the layout of the Universal Registration Document:

Annexes 1 and 2 of Delegated Regulation (EU) No. 2019/980	Chapter/section of the Universal Registration Document
1 Persons responsible, third-party information, experts' reports and competent authority approval	
1.1 Name and function of the person responsible	7.3
1.2 Declaration of the person responsible	7.3
1.3 Experts' declarations	N/A
1.4 Third-party information	N/A
1.5 Declaration of the competent authority	Page 1; 7.5
2 Statutory Auditors	
2.1 Principal Statutory Auditors	7.4.1
2.2 Statutory Auditors that resigned or were dismissed	7.4.2
3 Risk factors	Chapter 3
4 Information about the issuer	
4.1 Company name and business name of the issuer	7.1.1
4.2 Place of registration, registration number and LEI of the issuer	1.1.3; 7.1.2
4.3 Date of incorporation and length of life of the issuer	7.1.3
4.4 Registered office of the Company and legal form, applicable legislation, website and other	7.1.4
5 Business overview	
5.1 Main activities	1.1 to 1.6
5.1.1 Nature of operations carried out by the issuer	1.4; 1.5
5.1.2 New products and/or services	1.6
5.2 Main markets	1.2; 1.4.1; 1.5.1
5.3 Important events	5.3.4 (Note 2); 5.1.6 (Note 2); 7.1.5
5.4 Strategy and objectives	1.3
5.5 Extent of dependence	3.2.1.4; 3.2.5
5.6 Competitive position of the issuer	1.4.4; 1.5.4; 3.2.1.3
5.7 Investments	
5.7.1 Material investments	2.2.4.1; 2.4.4.1
5.7.2 Material investments in progress	2.2.4.2; 2.4.4.2
5.7.3 Joint ventures and significant shareholdings	2.4.4.3
5.7.4 Environmental impact of the use of property, plant and equipment	2.2.4.4; 2.4.4.3
6 Organizational structure	
6.1 Brief description of the Group	1.1.3
6.2 List of significant subsidiaries	2.4.4.3

Annexes 1 and 2 of Delegated Regulation (EU) No. 2019/980	Chapter/section of the Universal Registration Document
7 Review of the financial position and results	
7.1 Financial position	2.3
7.1.1 Changes in the issuer's results	2.3.3; 5.1; 5.3
7.1.2 Likely future development of the issuer's activities and its R&D activities	1.4.3; 1.5.3; 1.6
7.2 Operating income	2.3.2; 2.3.3.1; 5.3.4 (Note 14)
7.2.1 Key factors	2.3.1
7.2.2 Major changes	N/A
8 Cash and capital resources	2.4
8.1 Information concerning the issuer's capital	2.4.1
8.2 Cash flows of the issuer	2.4.2; 5.3.4 (Note 12); 5.1.6 (Note 12)
8.3 Financing needs and financing structure of the issuer	2.4.3
8.4 Restrictions on the use of the issuer's capital resources	N/A
8.5 Expected sources of funding	2.4.3
9 Regulatory environment	1.2.2; 3.2.6
10 Trend information	
10.1 Most significant trends Significant change in financial performance	2.5
10.2 Items that are reasonably likely to have a material effect on the prospects	2.6
11 Profit forecasts or estimates	2.6
12 Administrative, management and supervisory bodies and Executive Management	
12.1 Information concerning the members of the issuer's administrative and management bodies	4.1.1; 4.1.2
12.2 Conflicts of interest	4.1.4
13 Compensation and benefits	
13.1 Compensation and benefits paid	4.2
13.2 Total amount set aside to provide for pension, retirement or similar benefits	5.1.6 (Note 23)
14 Functioning of the administrative and executive bodies	
14.1 Duration of terms of office	4.1.5.1
14.2 Service contracts	4.1.5.1
14.3 Information concerning committees	4.1.5.2
14.4 Corporate governance statement	4.1.5.2.3
14.5 Implications of future changes in the composition of bodies	N/A
15 Employees	
15.1 Human Resources	1.1.4
15.2 Shareholdings and stock options	6.4.2
15.3 Any arrangements for involving the employees in the capital of the issuer	N/A
16 Main shareholders	
16.1 Distribution of share capital	5.3.4 (Note 12); 5.1.6 (Note 12); 6.1.1
16.2 Existence of different voting rights	6.1.2
16.3 Control of the issuer	6.1.3
16.4 Agreements resulting in a change of control	N/A
17 Related-party transactions	4.4.1

Annexes 1 and 2 of Delegated Regulation (EU) No. 2019/980	Chapter/section of the Universal Registration Document
18 Financial information concerning the Company's assets and liabilities, financial position and results	
18.1 Historical financial information	Chapter 5
18.1.1 Audited historical financial information	Chapter 5
18.1.2 Change of date of accounting basis	N/A
18.1.3 Accounting standards	preamble Chapter 2; 5.3.4 (Note 4); 5.1.6 (Note 3)
18.1.4 Change in accounting basis	N/A
18.1.5 Breakdown of audited financial information	5.1
18.1.6 Consolidated financial statements	5.1
18.1.7 Date of most recent financial information	5.1; 5.3
18.2 Interim and other financial information	N/A
18.3 Audit of historical annual financial information	5.2; 5.4
18.4 Pro forma financial information	N/A
18.5 Dividend policy	6.3
18.6 Legal and arbitration proceedings	3.3.3
18.7 Significant change in the issuer's financial position	N/A
19 Additional information	
19.1 Share capital	6.4.1
19.1.1 Amount of capital issued by class of shares	6.4.1.1
19.1.2 Non-equity shares	6.4.1.2
19.1.3 Treasury shares	6.4.1.3
19.1.4 Securities	5.3.4 (Note 12); 5.1.6 (Note 12); 6.4.1.4; 6.4.2
19.1.5 Rights of acquisition and/or any obligations	N/A
19.1.6 Options or agreements	N/A
19.1.7 History of share capital	6.4.1.6
19.2 Articles of Incorporation and bylaws	7.2
19.2.1 Entry in the register and corporate purpose	7.2.1
19.2.2 Rights and privileges of shares	7.2.3.3
19.2.3 Provisions impacting a change of control	7.2.6
20 Material contracts	2.7
21 Documents available	7.6

7.8 GLOSSAIRE

- **Biodegradation**
  The decomposition of materials into simple molecules (H_2O, CO_2, humus) through the enzymatic action initiated by microorganisms.

- **Bioprocess**
  Production process using microorganisms or enzymes.

- **Depolymerization**
  Degradation of a polymer into its constitutive monomers.

- **Enzyme**
  A protein that catalyzes, meaning that it increases the speed of the chemical reaction.

- **Enzymatic recycling**
  Enzymatic process of degrading a polymer into its constituent monomers followed by a conversion process, through the formation of chains, of a monomer, or a mixture of monomers, into a polymer.

- **Microorganism**
  Microscopic living organism (bacteria, fungus or yeast), meaning that it is invisible to the naked eye and can only be seen using a microscope.

- **Monomer**
  Molecule, a basic unit, which contributes to the formation of a polymer.

- **Polymer**
  Large molecule composed of the repetition, a large number of times, of one or several monomers.

- **Polymerization**
  Conversion process, through the formation of chains, of a monomer, or of a combination of monomers, into a polymer.

- **PLA – Polylactic Acid**
  Bio sourced and biodegradable plastic polymer according to standard EN13432 (industrial compost environment). Moreover, it is biocompatible.

- **PET – Polyethylene Terephthalate**
  Plastic polymer that is the predominant constituent of water bottles and some textile materials, such as polyester fibers.

CARBIOS

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