2024
INTERIM FINANCIAL REPORT

CARBIOS

Biotechnology powering
plastic and textile circularity

SUMMARY

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INTERIM MANAGEMENT REPORT

CARBIOS OVERVIEW

ENZYMES: REVOLUTIONIZING THE WORLD OF PLASTICS AND TEXTILES

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 biotechnology 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: plastic and textile waste pollution.

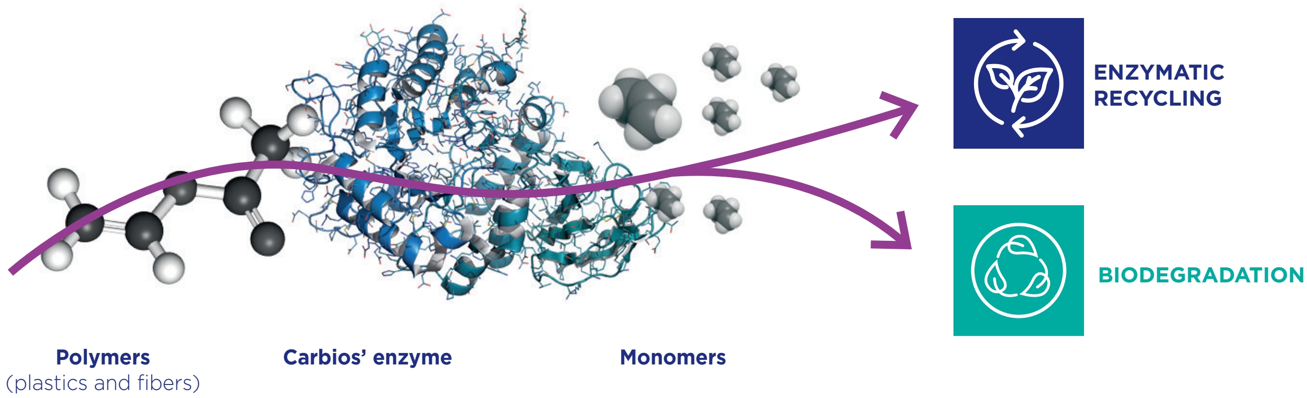
Inspired by nature, Carbios is developing enzyme-based biological processes to deconstruct plastics and accelerate the transition to a circular economy. Its two innovative technologies dedicated to the biorecycling of PET and the biodegradation of PLA are in the industrial and commercial scale-up phase internationally.

Through its **biorecycling technology**, Carbios provides an industrial solution to the recovery of PET[1] (the plastic used to manufacture bottles, trays and polyester textiles), which is a market of nearly 90 million metric tons per year worldwide[2].

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.

The Company has also developed a biological **biodegradation solution for PLA**[3] (a bio sourced polymer), which is a strongly growing market estimated at 400,000 metric tons. This technology can create a new generation of plastics that are 100% compostable at ambient temperatures thanks to the integration of enzymes into the core of these plastics.

These solutions are protected by 59 patent families and the Group aims to gradually address other plastics, particularly polyamides and polyolefins for which existing solutions are not satisfactory.



[1] Poly(ethylene terephthalate)
[2] Source: IHS Markit in 2021
[3] Polylactic Acid

MARKET CONTEXT AND OPPORTUNITIES

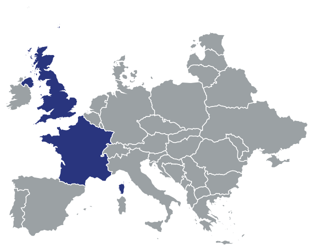
Carbios' biological recycling technology targets a fast-growing market supported by the implementation of new regulatory provisions, consumer expectations and the commitments of the largest global brands. The environmental challenge of the end of plastic and textile materials and the need to go beyond the limits of conventional approaches are all factors that support the adoption of a drastic expansion of the recycled PET market targeted by Carbios.

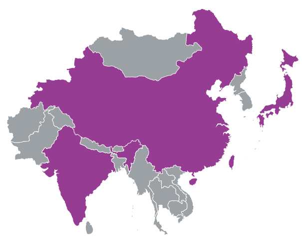
AN ENVIRONMENTAL CHALLENGE: MASTERING THE END-OF-LIFE OF PLASTICS

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[4] 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[5].

Better management of the end-of-life of plastic materials is not only a major challenge of our time but also an unprecedented business opportunity to initiate this transition towards a circular economy model, thanks to innovation.





NORTH AMERICA

2018 • Canada
Consultation on "Moving Canada toward zero plastic waste" by 2030

2022 • USA
EPR* legal framework voted in California and Michigan
Similar bills in many States

2023 • USA
Draft National Strategy to Prevent Plastic Pollution

2023 • Canada
Recycled content and labelling rules for plastics Regulatory framework paper

2024 • Quebec
Tax implementing on PVC & PLA packaging

EUROPE

2022 • EU
Draft Packaging and Packaging Waste Regulation: All packaging to be recyclable Incorporation of recycled PET up to **30% in packaging in 2030** and **up to 65% in 2040**

2023 • EU
Reinforcement on eco-conception of sustainable products

2022 • UK
Plastic Tax implemented on virgin plastic

2023 • France
Ambitious recycling targets set for 2028 by EPR* textile ReFashion

2023 • EU
Intensification of collection rate by further implementation of deposit scheme in EU States

ASIA

2018 • China
Waste import ban

2022 • China
Ban on non-degradableplastic bags in shopping malls, supermarkets in certain regions

2022 • India
National ban on single use plastic

2022 • Japan
New national law promoting recycling

2022 • Philippines
EPR*

2022 • Association of Southeast Asian Nations (ASEAN)
5 years project to combat marine plastic pollution

2025 • Thailand
ban imports of plastic scrap by 2025

** Extended Producer Responsability*

[4] Source: World Wildlife Fund (Australia) in 2018.
[5] Source: OECD in 2022, Global Plastics Outlook: Economic Drivers, Environmental Impacts and Policy Options, OECD Publishing, Paris, https://doi.org/10.1787/de747aef-en.

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 developments are forcing all industrial players in the sector to adapt and are creating favorable conditions for the industrial and commercial deployment of Carbios' technologies.

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[6] 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[7], with the brands On, Patagonia, PUMA, PVH (the parent company of Tommy Hilfiger and Calvin Klein) and Salomon.

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.

[6] Please refer to the press release of April 29, 2019.
[7] Please refer to the press release of July 6, 2022.

FIBER-TO-FIBER CONSORTIUM

Carbios works with leading players in the textile industry, notably within a consortium with On, Patagonia, PUMA, Salomon and PVH Group[8], the parent company of the Tommy Hilfiger and Calvin Klein brands. Launched in July 2022, this joint initiative[9] sets out 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 collaboration aims, in particular, to work on the challenges of structuring the upstream supply chain for PET waste but also on regulatory issues (especially Food contact) and the environmental impacts (life cycle analysis) of the production of recycled PET using Carbios technology.

NOVONESIS (FORMERLY NOVOZYMES)

To support the industrial and commercial deployment of its activities, in January 2023, Carbios concluded[10] **a strategic partnership with Novonesis**. Under this exclusive, long-term agreement, Novonesis undertakes to produce and distribute Carbios' PET degradation enzymes on an industrial scale for the Longlaville plant (France), as well as for future plants operated under license.

DEVELOPMENTS AND OUTLOOK

INDUSTRIAL DEMONSTRATION PLANT: FROM PROJECT TO OPERATIONS

Established since July 2022 on the Cataroux site in Clermont-Ferrand, France, the Carbios industrial demonstration plant represents the final stage in the development of the process and foreshadows the design of future industrial units and in particular the plant under construction in Longlaville.

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 m^3 and equipment for the purification of monomers (terephthalic acid and monoethylene glycol) enabling the production of high-purity batches. Different types of PET waste (bottles, trays, textiles, etc.) from multiple sources are used in order to guarantee the adaptability of the process according to the type of PET waste to be treated and its quality, which may vary according to the regions, and therefore depending on the geographical specificities of collection and sorting, where the future industrial units will be located. The complex is operated by a team of 20 people (production, processes, maintenance/new works), with a now stable workforce.

The results obtained at the industrial demonstration plant and the detailed engineering study for Carbios' first commercial plant have made it possible to define the basic engineering and operational guidelines for the units that will be operated under license agreements. From technology promotion with the Technical Information Summary (TIS)[11] to project development with a specific Process Design Package (PDP)[12] 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 standards and with high product quality.

[8] Please refer to the press release of February 18, 2022.
[9] Please refer to the press release of July 6, 2022.
[10] TIS = Technical Information Summary.
[11] PDP = Process Design Package.
[12] HSE = Health, Safety and Environment

During the first half of 2024, the demonstration plant activity was dominated by:

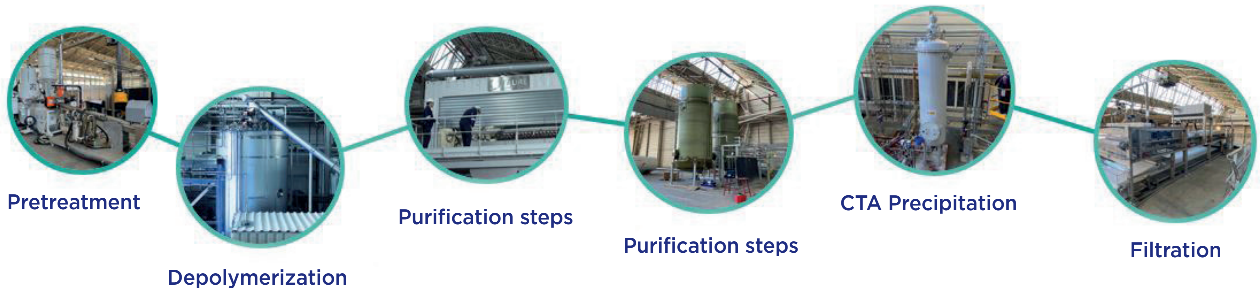
- **Production of recycled monomers** from packaging feedstock. These volumes are intended for commercial activation with our Brand Owners partners and for sampling for technology licensing prospects.
- **Introduction of two technological improvements** at the demonstration plant in relation to MEG purification and the treatment of aqueous waste, for coordination before start-up at the Longlaville plant.
- **Textile pretreatment tests**, 100% and mixed with packaging feedstocks. Pretreatment includes the steps of preparing a feedstock (= product of waste sorting) and a patented expansion amorphization step. Its objective is to maximize the conversion of PET by the enzyme.
- **First tests on an additional bleaching module for textile feedstocks.** This module will make it possible to bleach without increasing the consumption of bleaching raw materials compared to packaging feedstock.

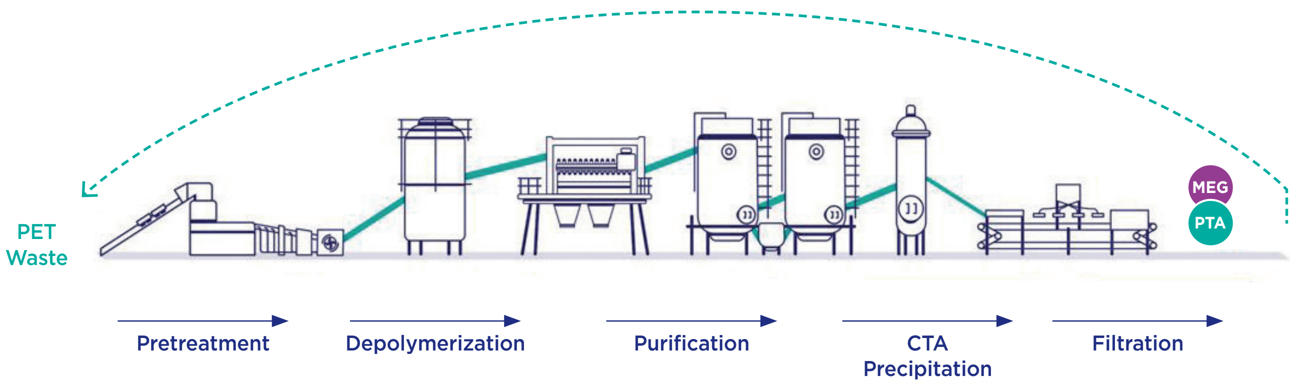
In the second half of 2024, the demonstration plant's priorities are:

- **Packaging:** repolymerization campaigns for the monomers produced during the first half of the year, with our external partner.
- **Textile:** the launch of the campaign to produce feedstock, up to monomers, to obtain recycled monomers on this scale.
- Strengthening of the organization to ramp up the productivity of the demonstration plant.

In 2025, the main objectives of the demonstration plant will be to:

- Use the results of the textile production campaign to define design adjustments and operating conditions on an industrial scale,
- Train staff operating the Longlaville plant in the use of the technology.





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

Enzymatic hydrolysis reactor for the depolymerization of PET plastic and textile waste into monomers (credit: Carbios)

Building on these results, the Company has now fully embarked on the industrialization of its PET biorecycling technology through a project to build a first plant using its proprietary PET enzymatic hydrolysis technology, in France.

CONSTRUCTION OF THE LONGLAVILLE PLANT: PROGRESS IN LINE WITH THE OBJECTIVES OF DELIVERING THE FIRST SIGNIFICANT VOLUMES TO CUSTOMERS IN 2026

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. This plant, located in Longlaville (Department 54), will also make it possible to secure the marketing of the first volumes of biologically recycled PET and to consolidate the Company's business model, which consists of the granting of operating licenses for its technologies and know-how. This plant will also make it possible to train future licensees under large-scale operating conditions.

THE HIGHLIGHTS OF THE FIRST HALF OF 2024 FOR THE LONGLAVILLE PLANT PROJECT ARE AS FOLLOWS:

- End of earthworks and soil remediation activities: on budget and schedule.
- Water retention basin completed.
- EPC contracts with Dalkia for the utility units and Saur for the treatment of water discharges.
- Procurement of "process" equipment on budget

The future operating team is coming together with the ongoing recruitment of managers (process engineers, automation, QHSE, HR). The recruitment of intermediate production managers (day supervisors, team leaders, shift technicians) has also been launched.

COLLABORATION WITH DE SMET ENGINEERS & CONTRACTORS

In February 2024, 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 first period of the 2024 fiscal year was marked by the takeover of the project in accordance with the execution strategy. On budget and on schedule.

The main activities during the 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,
- Support for the purchase of equipment (specifications, consultations, tender analysis),
- Detailed engineering studies, including 30% 3D model reviews,
- The start of works contract consultations (civil engineering).

PLANT SUPPLY

To support the industrial and commercial deployment of its activities, Carbios has already secured most of the raw materials needed to reach a processing capacity of 50,000 metric tons per year when the Longlaville plant is operating at full capacity. The partnerships with Tomra Textiles (Norway), NFT (France), Landbell Group and Hündgen (Germany), the call for tenders won by Citeo (France) and the memorandum of understanding with Indorama Ventures, will make it possible to recycle problematic PET applications such as multi-layer, colored and opaque trays from packaging waste and polyester textile waste.

• Citeo

In April 2023, Carbios secured a first supply contract with Citeo[14], 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 representing at least 5,000 tons per year and their recycling by enzymatic depolymerization in the Longlaville plant.

• Landbell Group

In February 2004, Carbios and Landbell Group[15], 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 for the supply, preparation and recycling of 15,000 tons per year of post-consumer PET waste using Carbios' biorecycling technology in the Longlaville plant from the end of 2026.

• 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 for the supply, preparation and recycling of 15,000 tons per year of post-consumer PET waste using Carbios' biorecycling technology in its first commercial plant in Longlaville, from the end of 2026.

• Tomra Textiles

In June 2024, Carbios and Tomra Textiles[16], 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 using Carbios' enzymatic depolymerization technology in the Longlaville plant.

•Nouvelles Fibres Textiles (NFT)

In July 2024, Carbios and Nouvelles Fibres Textiles[17] (NFT), a French company specializing in textile recovery, announced the signing of a memorandum of understanding to establish a contract for the supply of polyester textiles for the Carbios plant in Longlaville. The polyester textiles supplied will be obtained from recycled textiles (post-consumer or post-industrial) prepared in France by NFT.

INDORAMA VENTURES

Carbios is pursuing its discussions with Indorama Ventures with a view to reaching an agreement on the financing of the Carbios 54 entity. At the same time, Carbios has entered into discussions with financial institutions to seek alternative financing solutions, notably through debt, to secure the construction of the plant and ensure that the schedule is met.

[14] 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.
[15] Please refer to the press release of February 29, 2024
[16] Please refer to the press release of June 18, 2024.
[17] Please refer to the press release of July 25, 2024.

FINANCING OF THE LONGLAVILLE PLANT

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, including 85% of the proceeds of the capital increase with preferential subscription rights successfully completed in July 2023 and which amounted to a total gross amount of €141 million.

- **Funding of €30 million by the State** as part of France 2030, as well as **€12.5 million by the Grand-Est region**[18]. The implementation of this financing is subject to the approval by the European Commission of the corresponding State grants scheme and then to the conclusion of national aid agreements.

- **An investment by Indorama Ventures** on the subject of which Carbios and Indorama Ventures intend to continue their discussions with a view to formalizing an agreement.

- **An alternative investment, notably in debt**, for which Carbios has initiated discussions with financial institutions.

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

PROJECT MILESTONES[19]:

2023	✓ First orders of equipment with lengthy lead times ✓ Receipt of the building permit and operating permits[20] ✓ Start of construction of the plant
2024	• Recruitment of the plant operations team and training at the Cataroux Demonstration plant
2025	• Unit commissioning
2026	• Production of the first volumes

[18] Please refer to the press release of May 31, 2023.
[19] Estimated dates.
[20] Please refer to the press release of October 26, 2023.

BUSINESS DEVELOPMENT MODEL AND MARKET SHARE FORECASTS

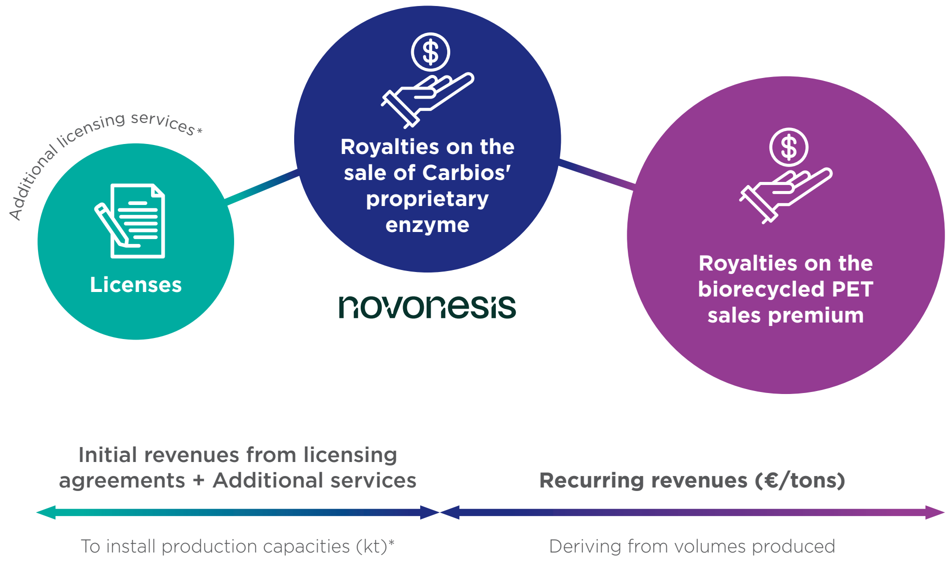
Carbios' business model, based on the licensing of its unique PET bio recycling technology, is based on a rational approach to capital expenditure and on three sources of revenue (upfront payments and recurring revenue, the details of which are provided below). This business model will be applied to all plants, including the first, at Longlaville, France:

(i) **granting of licenses for the use of its know-how and intellectual property: these will generate revenue in the form of upfront payments** paid by the licensee on the basis of the installed capacity for an amount of around €200 per metric ton,

(ii) **royalties from the sale by Novonesis of Carbios' proprietary enzymes directly to manufacturers using Carbios' technology.** This revenue stream will result from a portion of the margin realized by Novonesis (under an exclusive and long-term partnership) on the sale of fully 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.**

Subsection (ii) and (iii) royalty flows are estimated at around €250 or more per metric ton of recycled PET produced.



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

In the fast-growing recycled PET market, Carbios aims to capture a share of 4 to 8% by 2030 and an 8 to 12% share by 2035.

Due to its constant efforts to broaden its areas of innovation and extend its proprietary technologies to other polymers, in particular polyamides and polyolefins, for which the first patents are expected from 2023, the R&D costs and the related costs of industrial projects are expected to increase by 15 to 20% every year until 2035. At the same time, general and administrative expenses are expected to increase by 8 to 10%, mainly to support the commercial and licensing efforts led by the Company.

With regard to the granting of licenses, the repayment of the capital expenditure for a plant of 100,000 metric tons should be made in less than seven years and offer an internal rate of return of more than 20%.

With a technological offer unique in the world and the support of several global leaders in their respective fields, Carbios engages all industry players (collectors, producers, processors, users and consumers) in a sustainable transition to a true circular economy model.

Thus, the Carbios model is based on the development of breakthrough innovations and intense collaboration with all stakeholders. Today, it offers manufacturers sustainable and eco-friendly alternative solutions for mass consumption markets.

By placing the circular economy at the heart of its innovations and strategy, Carbios strives to create sustainable financial, environmental, social and economic value.

HIGHLIGHTS OF THE PERIOD

This first period of the 2024 fiscal year was marked by major operational progress in various areas. These developments notably took the form of the announcement of the laying of the foundation stone of the Carbios Longlaville plant and several structuring partnerships around this plant project and the industrial and commercial deployment of the Group's activities internationally.

The recent advances made by Carbios, as described below, as well as the excellent results of the operations conducted at the demonstration plant and the progress of construction on the Longlaville plant, confirm the value of the Company's assets and make it possible to achieve the future industrial and commercial deployment of the technologies designed and developed by Carbios.

CONSTRUCTION OF THE LONGLAVILLE PLANT:

• Partnership with De Smet Engineers & Contractors

On February 15, 2024[21], 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). With more than 70 members of De Smet's team of experts dedicated to the project and working alongside the Carbios teams, the collaboration aims to ensure the project's schedule and budget while respecting strict standards in terms of quality, safety, health and the environment.

• Foundation stone laid in Longlaville

On April 25, 2024[22], Carbios announced the laying of the foundation stone for its PET biorecycling plant in the presence of representatives of local authorities, partner brands and industrial partners who are part of the Carbios ecosystem. Located in Longlaville, in the Grand-Est region of France, Carbios' first commercial plant will play a key role in the fight against plastic pollution, offering an enzymatic depolymerization solution for PET waste on an industrial scale in order to accelerate a circular economy for plastics and textiles. The plant will have a capacity of 50kt/year of prepared waste when it is operating at full capacity. The progress of work is in line with the schedule for delivery of the first commercial volumes in 2026.

COMMERCIAL DEVELOPMENT: SIGNING OF SEVERAL LETTERS OF INTENT WITH A VIEW TO GRANT LICENSES

• Zhink Group in China

Carbios and Zhink Group, one of the 500 largest Chinese private companies, specializing in two global industries, PET and textiles, announced on June 27, 2024[23], the signing of a joint letter of intent for the construction of a biorecycling plant in China using Carbios' revolutionary enzymatic depolymerization technology to serve the global market. This agreement formalizes the collaboration towards a long-term partnership with a view to a first license agreement for the construction of a plant with a minimum annual processing capacity of 50,000 tons of prepared PET waste, which would contribute to the acceleration of a circular economy for plastics and textiles. 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

Carbios and SASA, one of the world's leading manufacturers of polyester, fibers, filament yarns, polyester-based polymers, specialty polymers and polymer intermediates, announced on August 1, 2024[24], the signing of a letter of intent for the potential acquisition by SASA of a license for Carbios' PET biorecycling technology. This licensing agreement would allow SASA to build and operate an enzymatic depolymerization plant in Adana, Turkey, with an annual capacity of 100,000 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.

[21] Please refer to the press release of February 15, 2024.
[22] Please refer to the press release of April 25, 2024.
[23] Please refer to the press release of June 27, 2024.
[24] Please refer to the press release of August 1, 2024.

• FCC Environment UK in the United Kingdom

Carbios and FCC Environment UK ("FCC"), one of the leading recycling and waste management companies in the United Kingdom, announced on August 6, 2024[25], the signing of a letter of intent 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 a view to concluding licensing agreements. The partners involved want to move forward quickly given their respective strategies and the growing market demand in the targeted regions.

<u>OTHER OPERATIONAL HIGHLIGHTS</u>

• L'Occitane en Provence

On May 30, 2024[26], Carbios and L'Occitane en Provence presented a bottle of shower oil from the Almond range, using transparent PET made entirely from enzymatic recycling. 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[27], Carbios and Selenis, one of the main suppliers of high-quality specialized polyester solutions, announced the signing of a letter of intent 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.

• Publication of an article in the scientific journal Nature

On July 17, 2024[28], 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).

• BPI certification and FDA approval for the *Carbios Active* solution

On March 5, 2024[29], 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.

[25] Please refer to the press release of August 6, 2024.
[26] Please refer to the press release of May 30, 2024.
[27] Please refer to the press release of September 24, 2024.
[28] Please refer to the press release of July 17, 2024.
[29] Please refer to the press release of March 5, 2024.

• **Collaboration with SLEEVER®**

Carbios and SLEEVER®, a French family-owned international medium-sized group and an innovative leader in shrinksleeve label technology, announced on September 19, 2024, the signing of an exclusive and long-term contract to jointly develop Home Compost biodegradable mono-oriented transverse shrink films. This partnership includes a framework supply agreement for Carbios Active, the enzymatic solution developed by Carbios for PLA biodegradation. Carbios Active is incorporated directly into the transformation process to make these Home Compost biodegradable films and guarantee quality compost. 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. As part of this partnership, Carbios and SLEEVER have unveiled SEELCAP® ONEGO, the first Home Compost biodegradable tamper evident seal, a world first. Thanks to the inclusion of Carbios Active in the material, SEELCAP® ONEGO completely disintegrates under composting conditions, even at room temperature, in less than six months. SEELCAP® ONEGO thereby reduces the carbon footprint by up to 70% compared with conventional shrink capsules and significantly improves the circularity of this type of packaging.

Today, these advances are making it possible to accelerate the marketing process for Carbios Active, particularly for the food market, which represents a very large share of the PLA market. Several partners and prospects are in the final phase of industrial testing of this innovation with the aim of starting commercial activity in the United States in 2025.

• **Employee shareholding**

On April 3, 2024[30], Carbios announced the great success 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.

• **Paris Good Fashion**

On March 26, 2024[31], Carbios announced its membership of Paris Good Fashion, the association that brings together more than 100 French players in the sector - brands, designers, experts - around their commitment to sustainable fashion. Carbios is the first recycling technology supplier to join the association, demonstrating the importance given by the sector to recycling to achieve textile circularity. Carbios will be particularly involved in the association as part of the project to create a working group dedicated to the development of a "fiber-to-fiber" sector, one of the key priorities of the next five years for the Paris Good Fashion project. While only 1% of textiles are currently recycled fiber-by-fiber, i.e. in a circular fashion, this working group will study ways to significantly increase the share of recycled fibers in the industry.

• **Awards**

On April 16, 2024[32], Carbios announced that it had obtained first prize in the "So French So Innovative" Award organized by Business France, the Hong Kong Committee of French Foreign Trade Advisors (CCEF), La French Tech and its partners at InnoEX 2024 (which takes 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. The final award ceremony was held at the French pavilion in the presence of members of the Government of Hong Kong and Christile Drulhe, the Consul General of France in Hong Kong.

CHANGES IN THE ORGANIZATION OF THE COMPANY

The Company is organized around an industrial development division (Pilot, Industrial Demonstration Plant and industrial Unit project), a division dedicated to biodegradation activities, an R&D and innovation division and support functions (HR, Business Development, CSR, Finance, Legal, Intellectual Property, QHSE, Communication, etc.). All these activities are the responsibility of the members of the Executive Committee.

This Executive Committee now has 11 members, including Emmanuel LADENT, Chief Executive Officer, Alain MARTY, Chief Scientific Officer, Lise LUCCHESI, Intellectual Property Director, Lionel ARRAS, Industrial Development Director, Mathieu BERTHOUD, Senior Vice President Business Development, Feedstock Recycling, Pascal BRICOUT, Chief Strategy and Financial Officer, Delphine DENOIZE, Public Funding and Regulation Director, Sophie BALMARY, HR and Legal Director, Bénédicte GARBIL, Senior Vice President Corporate Affairs, Sustainability and Communication, Tommy MAUSSIN, Marketing Director and Stéphane FERREIRA, Chief Biorecycling Business Officer.

[30] Please refer to the press release of April 3, 2024.
[31] Please refer to the press release of March 26, 2024.
[32] Please refer to the press release of April 16, 2024.

At June 30, 2024, the Carbios Group had 154 employees, i.e. 20 more than at December 31, 2023, with 131 Carbios employees, 15 employees at Carbiolice, and 8 employees at Carbios 54. The majority of new and future hires concern new jobs created in the regions as part of the development of the Carbios Group in connection with the plant construction project in Longlaville.

In addition to these employees, more than 15 researchers are mobilized within the enzymatic engineering research center, ***PoPLab***[33], and with academic partners to support the industrial deployment of Carbios innovations and expand their potential for application to other types of plastics.

During the first half of 2024, the composition of the Company's Board of Directors changed as follows:

- On June 20, 2024, the Shareholders' Meeting decided to appoint Ms. Jennifer SAENZ as a director, for a term of four years expiring at the end of the Ordinary Shareholders' Meeting to be held in 2028 and which will be called to approve the financial statements for the fiscal year ending December 31, 2027.

- At the Shareholders' Meeting of June 20, 2024, the shareholders also noted the expiry of the term of office of Copernicus Wealth Management and decided to renew its term of office for a period of one year expiring at the end of the Ordinary Shareholders' Meeting to be held in 2025 and called to approve the financial statements for the fiscal year ending December 31, 2024.

These changes have not modified the composition of the various Committees.

The Compensation and Appointments Committee is composed of:
- BOLD, Business Opportunities for L'Oréal Development, represented by Laurent SCHMITT, Chairman
- Sandrine CONSEILLER,
- Philippe POULETTY

The Intellectual Property Committee is composed of:
- Philippe POULETTY, Chairman,
- Emmanuel LADENT
- Jean-Claude LUMARET, external consultant

The Audit Committee is composed of:
- Isabelle PARIZE, Chairwoman,
- Michelin Ventures, represented by Nicolas SEEBOTH
- Alain CHEVALLIER, external consultant

The Scientific Committee is composed of:
- Alain MARTY, Chairman,
- Juan DE PABLO,
- Karine AUCLAIR.

The Strategy Committee is composed of:
- Emmanuel LADENT, Chairman,
- Philippe POULETTY
- Isabelle PARIZE,
- Mateus SCHREINER GARCEZ LOPES,
- Vincent KAMEL

The CSR Committee is composed of:
- Amandine DE SOUZA, Chairwoman,
- Sandrine CONSEILLER,
- Emmanuel LADENT

CHANGES IN THE PATENT PORTFOLIO

Since the beginning of 2024, the Carbios Group has maintained its proactive drive to protect its technologies and know-how with the filing of three new patent applications protecting its proprietary enzymes, and a new application protecting the recycling process, as well as a filing protecting its biodegradation process.

Carbios also consolidated its intellectual property portfolio with the granting of major patents in the United States, China, India, South Korea, Mexico and Japan protecting the various technologies developed by the Company.

[33] PopLab (Plastic Polymers and Biotechnologies): cooperative laboratory resulting from a strategic alliance with INSA Toulouse through its TBI laboratory (Toulouse Biotechnology Institute), mixed research unit (INSA Toulouse, INRAE, CNRS).

To date, the Company's patent portfolio consisted of 59 patent families (including one under exclusive worldwide license from the CNRS and the University of Poitiers), representing 498 patent titles filed in the main regions of the world, of which 139 have already been granted. 27 families relate to its PET recycling technology, with applications filed in Europe, the United States, Canada, Mexico, China, India, Thailand, Indonesia, South Korea, Japan and Taiwan.

These families of patents cover the Company's various areas of development (biodiversity, enzymatic recycling process, biodegradable plastic production process and bioproduction).

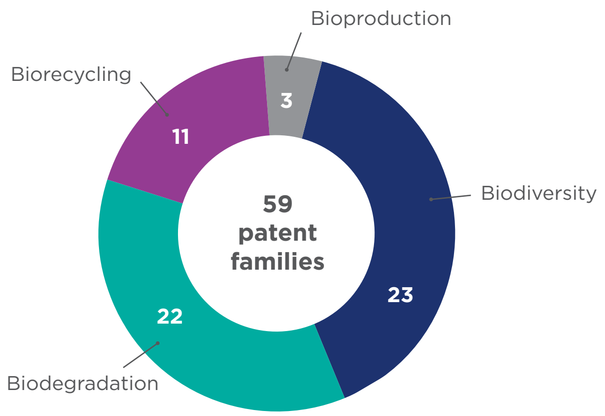
International coverage:

Carbios is expanding its Intellectual Property portfolio in regions and countries where demand is high for its breakthrough technologies, in particular:

- In Europe: 53 European titles, which can be validated in the 39 member states of the European Patent Organization
- In North America: 57 titles in the United States and 29 titles in Canada
- In Asia: 212 titles, including 52 titles in China, 42 titles in Japan and 28 titles in India

Carbios also has 8 patent applications that may be extended to other countries or regions of the world in the coming years.

Distribution of intellectual property:



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

CHANGES IN SHARE CAPITAL

Concerning the Company's share capital, the first half of 2024 was marked by the following event:

• by decision dated April 8, 2024, the Chief Executive Officer of the Company, acting under the 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, decided to carry out a 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.

As of the date of this document, the share capital is composed of 16,845,630 ordinary shares with a par value of €0.70.

DECISIONS OF THE SHAREHOLDERS' MEETING

The Ordinary and Extraordinary Shareholders' meeting of June 20, 2024, decided:

- to appoint Ms. Jennifer SAENZ as a director, for a term of four years expiring at the end of the Ordinary Shareholders' Meeting to be held in 2028 and which will be called to approve the financial statements of the fiscal year ending December 31, 2027,

- to record the expiry of the term of office as Principal Statutory Auditor of PricewaterhouseCoopers Audit and to renew it for a period of six years expiring at the end of the Ordinary Shareholders' Meeting called in 2030 to approve the financial statements of the fiscal year ending December 31, 2029,

- to record the expiry of the term of office as Alternate Statutory Auditor of Patrice Morot and not to renew the term or replace him,

- to set, as of the current fiscal year, the amount of the annual fixed sum provided for by Article L. 225-45 of the French Commercial Code that the Company may allocate to the directors as compensation for their activities, at €302,500 per fiscal year, it being specified that the directors' compensation is proportional to their actual attendance at meetings of the Board of Directors,

- to appoint Copernicus Wealth Management as a non-voting director of the Company for a period of one year expiring at the end of the Ordinary Shareholders' Meeting to be held during 2025 and which will be called to approve the financial statements for the fiscal year ending December 31, 2024.

GROUP'S FINANCIAL POSITION AND RESULTS: COMMENTS ON THE FIGURES

The 2024 interim financial statements are presented in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and adopted by the European Union. For 2023 and the first half year of 2024, these IFRS consolidated financial statements include the financial statements of Carbios, the parent company, and the financial statements of its subsidiaries Carbiolice and Carbios 54.

CONSOLIDATED INCOME STATEMENT (In thousands of euros)	**06/30/2024 6 months**	**06/30/2023 6 months**
Income	**73**	**20**
Cost of finished goods	-	-
Production costs	-	-
Research and development expenses	(8,201)	(5,719)
Research and development expenses	*(11,771)*	*(9,438)*
Subsidies and other income from activities	*1,952*	*2,517*
Capitalization of development costs	*1,618*	*1,202*
Sales and marketing expenses	(4,301)	(2,280)
General and administrative expenses	(7,578)	(5,290)
Operating income/(expenses)	**(20,008)**	**(13,269)**
Financial income	2,801	910
Financial expenses	(878)	(1,301)
Financial income	**1,923**	**(391)**
Share of net income of equity-accounted companies	-	-
Income/(expenses) before taxes	**(18,085)**	**(13,660)**
Income tax	-	-
Net income/(loss) for the period	**(18,085)**	**(13,660)**
Basic earnings per share (in euros)	*(1.07)*	*(1.21)*
Diluted earnings per share (in euros)	*(1.07)*	*(1.21)*

** For the first half years of 2023 and 2024, diluted earnings per share are identical to basic earnings per share. Potentially dilutive shares for the first half of 2023 (937,614 shares - 296,928 share subscription warrants (BSA) and 640,686 founder share subscription warrants (BSPCE)) and 2024 (1,034,831 shares - 318,158 share subscription warrants (BSA), 632,923 founder share subscription warrants (BSPCE), and 83,750 via the free share allocation plan (AGA)) were excluded from the calculation of diluted earnings per share, as these shares had an anti-dilutive effect due to the reported losses.*

PRESENTATION OF RESULTS AT JUNE 30, 2024

INCOME

For the first half years of 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.

OTHER OPERATING INCOME AND EXPENSES

CONSOLIDATED INCOME STATEMENT (In thousands of euros)	**06/30/2024 6 months**	**06/30/2023 6 months**
Cost of finished goods	-	-
Production costs	-	-
Research and development expenses	(8,201)	(5,719)
Research and development expenses	*(11,771)*	*(9,438)*
Subsidies and other income from activities	*1,952*	*2,517*
Capitalization of development costs	*1,618*	*1,202*
Sales and marketing expenses	(4,301)	(2,280)
General and administrative expenses	(7,578)	(5,290)
Operating expenses	**(20,080)**	**(13,289)**

During the first half of 2024:

- Concerning “Research and development expenses,” the Group incurred €11,771 thousand in expenses, in line with its industrialization goals. The significant increase in R&D expenses is mainly related to personnel expenses, enabling the Company to successfully carry out its R&D and industrial projects with a rapidly growing workforce.

- Concerning “Subsidies and other income from activities”, the Group recorded €1,952 thousand, partially offsetting its R&D expenses. This item notably includes research tax credits (CIR) of €1,043 thousand for Carbios and €336 thousand for Carbiolice in respect of the first half of 2024.

- Lastly, the Group continued to capitalize “Development costs” relating to the PET enzymatic recycling project in the amount of €1,618 thousand, in accordance with the activation criteria of IAS 38.

Sales and marketing expenses amounted to €4,301 thousand for the first half of 2024, compared to €2,280 thousand in 2023. This increase was mainly due to the strengthening of the Group’s sales teams to support the acceleration of its developments and be able to meet market expectations by offering an efficient and widely available recycling solution.

General and administrative expenses amounted to €7,578 thousand for the first half of 2024, compared to €5,290 thousand in 2023. This increase was mainly due to the increase in personnel costs as a result of recruitments made by the Group.

FINANCIAL INCOME

NET FINANCIAL INCOME/(EXPENSES) (In thousands of euros)	06/30/2024	06/30/2023
Foreign exchange gains	3	1
Other financial income	2,798	909
Financial income	***2,801***	***910***
Cost of borrowing	(868)	(1,301)
Monetary interest expenses	*(852)*	*(851)*
Non-monetary interest expenses (EIR)	*(585)*	*(367)*
Interest expense on lease liabilities	*(66)*	*(80)*
Interest expense on employee benefit obligations IAS 19	*(5)*	*(4)*
Gross cost of borrowing	*(1,508)*	*(1,301)*
Capitalization of borrowing costs (1)	*640*	-
Net cost of borrowing	*(868)*	*(1,301)*
Other financial expenses	(10)	-
Financial expenses	***(878)***	***(1,301)***
Net financial income/(expenses)	**1,923**	**(391)**

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.

Financial expenses come from interest expenses on loans and repayable advances. The decrease in financial expenses is mainly due to the capitalization of borrowing costs relating to the Group's investments.

NET INCOME

EARNINGS PER SHARE	06/30/2024	06/30/2023
Weighted average number of shares outstanding	16,841,051	11,278,517
Number of diluted shares	17,880,861	12,216,131
Net income for the period - attributable to shareholders of the parent company (in thousands of euros)	(18,085)	(13,660)
Basic earnings per share (€/share)	**(1.07)**	**(1.21)**
Diluted earnings per share (€/share) (*)	**(1.07)**	**(1.21)**

* *For the first half years of 2023 and 2024, diluted earnings per share are identical to basic earnings per share. Potentially dilutive shares for the first half of 2023 (937,614 shares - 296,928 share subscription warrants (BSA) and 640,686 founder share subscription warrants (BSPCE)) and 2024 (1,034,831 shares - 318,158 share subscription warrants (BSA), 632,923 founder share subscription warrants (BSPCE), and 83,750 via the free share allocation plan (AGA)) were excluded from the calculation of diluted earnings per share, as these shares had an anti-dilutive effect due to the reported losses.*

PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AT JUNE 30, 2024

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (In thousands of euros)	**06/30/2024 Net**	**12/31/2023 Net**
ASSETS		
Goodwill	20,583	20,583
Intangible assets	21,256	21,874
Property, plant and equipment	76,527	49,199
Right-of-use assets	5,510	6,175
Financial assets	9,235	1,219
Total non-current assets	**133,111**	**99,049**
Trade receivables and related accounts	19	6
Inventories	1,354	511
Other current assets	6,697	10,621
Current financial assets	20,388	-
Cash and cash equivalents	120,719	191,821
Total current assets	**149,178**	**202,960**
TOTAL ASSETS	**282,289**	**302,009**
EQUITY AND LIABILITIES		
Share capital	11,792	11,786
Share and Contribution premium	276,703	276,569
Consolidated reserves	(1,713)	(2,900)
Retained earnings	(51,144)	(23,917)
Net income – share attributable to equity holders of the parent company	(18,085)	(27,224)
Share capital	**217,553**	**234,314**
Non-current provisions	232	216
Current and non-current borrowings and financial liabilities	38,373	39,226
Non-current lease liabilities	4,176	4,639
Other non-current liabilities	425	449
Deferred tax liabilities	1,694	1,694
Total non-current liabilities	**44,901**	**46,224**
Current provisions	-	-
Current borrowings and financial liabilities	3,452	3,524
Current lease liabilities	1,067	1,232
Trade payables and related accounts	2,024	4,829
Other current liabilities	13,292	11,888
Total current liabilities	**19,835**	**21,472**
TOTAL LIABILITIES AND EQUITY	**282,289**	**302,009**

MAIN RISK FACTORS

To the best of our knowledge, the main risk factors to which Carbios is exposed are of the same nature as those presented in Section 3 of the 2023 Universal Registration Document filed on April 19, 2024, under number D.24-0305 with the French *Autorité des marchés financiers* (AMF), available on the Carbios website, which does not present any significant change over the first half of 2024, including with respect to the military conflict between Russia and Ukraine, for which the risks are regularly reassessed and updated.

Furthermore, the Audit Committee performs a detailed annual review of the risk factors, which will, where applicable, be updated in each edition or update of the Company's Universal Registration Document.

AGREEMENTS WITH RELATED PARTIES

Transactions between related parties are of the same nature as those presented in Section 4.4 "Operations with affiliates" of the 2023 Universal Registration Document, filed on April 19, 2024, under number D.24-0305 with the *Autorité des marchés financiers* (AMF) and available on the Company's website.

During the first half of 2024, no new agreements that fall within the scope of application of Article L. 225-38 of the French Commercial Code were entered into.

3

INTERIM FINANCIAL STATEMENTS

CONSOLIDATED FINANCIAL STATEMENTS UNDER IFRS AT JUNE 30, 2024

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (In thousands of euros)	**Notes**	**06/30/2024 Net**	**12/31/2023 Net**
ASSETS			
Goodwill	4.1	20,583	20,583
Intangible assets	4.1	21,256	21,874
Property, plant and equipment	4.2	76,527	49,199
Right-of-use assets	4.3	5,510	6,175
Financial assets	5	9,235	1,219
Total non-current assets		**133,111**	**99,049**
Trade receivables and related accounts	7	19	6
Inventories	8	1,354	511
Other current assets	7	6,697	10,621
Current financial assets		20,388	-
Cash and cash equivalents	11	120,719	191,821
Total current assets		**149,178**	**202,960**
TOTAL ASSETS		**282,289**	**302,009**
EQUITY AND LIABILITIES			
Share capital		11,792	11,786
Share and Contribution premium		276,703	276,569
Consolidated reserves		(1,713)	(2,900)
Retained earnings		(51,144)	(23,917)
Net income – share attributable to equity holders of the parent company		(18,085)	(27,224)
Share capital	12	**217,553**	**234,314**
Non-current provisions	6 & 21	232	216
Current and non-current borrowings and financial liabilities	14	38,373	39,226
Non-current lease liabilities	4.3	4,176	4,639
Other non-current liabilities	9	425	449
Deferred tax liabilities	19	1,694	1,694
Total non-current liabilities		**44,901**	**46,224**
Current provisions	6 & 21	-	-
Current borrowings and financial liabilities	14	3,452	3,524
Current lease liabilities	4.3	1,067	1,232
Trade payables and related accounts	9	2,024	4,829
Other current liabilities	9	13,292	11,888
Total current liabilities		**19,835**	**21,472**
TOTAL LIABILITIES AND EQUITY		**282,289**	**302 009**

CONSOLIDATED INCOME STATEMENT (In thousands of euros)	Notes	06/30/2024 6 months	06/30/2023 6 months
Income	15	**73**	**20**
Cost of finished goods		-	-
Production costs		-	-
Research and development expenses	16.1	(8,201)	(5,719)
Research and development expenses	*16.1*	*(11,771)*	*(9,438)*
Subsidies and other income from activities	*16.1*	*1,952*	*2,517*
Capitalization of development costs	*16.1*	*1,618*	*1,202*
Sales and marketing expenses	16.2	(4,301)	(2,280)
General and administrative expenses	16.3	(7,578)	(5,290)
Operating income/(expenses)		**(20,008)**	**(13,269)**
Financial income		2,801	910
Financial expenses		(878)	(1,301)
Financial income	18	**1,923**	**(391)**
Share of net income of equity-accounted companies	3.3	-	-
Income/(expenses) before taxes		**(18,085)**	**(13,660)**
Income tax	19	-	-
Net income/(loss) for the period		**(18,085)**	**(13,660)**
Basic earnings per share (in euros)	20	*(1.07)*	*(1.21)*
Diluted earnings per share (in euros)	20	*(1.07)*	*(1.21)*

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (In thousands of euros)	06/30/2024 6 months	06/30/2023 6 months
Net income/(loss) for the period	**(18,085)**	**(13,660)**
Actuarial gains or losses	(1)	1
Other comprehensive income that cannot be reclassified in profit or loss	**(1)**	**1**
Translation differences	-	-
Other comprehensive income that can be reclassified in profit or loss	**-**	**-**
Comprehensive income/(loss)	**(18,086)**	**(13,659)**

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**
		(In thousands of euros)					
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						(18,085)	(18,085)
Other items of comprehensive income					(1)		(1)
Comprehensive income/(loss)		**-**	**-**	**-**	**(1)**	**(18,085)**	**(18,086)**
Capital increase net of transaction costs	8,418	6	134				139
Change in treasury shares				(298)			(298)
Entries into consolidation scope							-
Issue of BSA EIB loan				-			-
Share-based payments				1,486			1,486
Other movements							-
Credit Lease restatement (IFRS 16)							-
Actuarial gains and losses on employee benefits							-
At June 30, 2024	**16,845,630**	**11,792**	**276,700**	**(1,713)**	**(51,144)**	**(18,085)**	**217,554**

CONSOLIDATED CASH FLOW STATEMENT (In thousands of euros)	**Notes**	**06/30/2024 6 months**	**06/30/2023 6 months**
Cash flow from operating activities			
Net income/(loss) for the period		**(18,085)**	**(13,660)**
(-) Elimination of amortization and depreciation of fixed assets and right-of-use assets	4	3,824	2,917
(-) Gains or losses on asset disposals	4	127	(13)
(-) Employee provisions and benefits	6 & 21	10	(37)
(-) Cost of share-based payments	13	1,486	1,301
(-) Financial income	18	(1,923)	391
Cash flow from operations before cost of net financial debt and taxes		**(14,560)**	**(9,101)**
(-) Changes in working capital requirements		(170)	(2,647)
Tax paid		**-**	**-**
Cash flow from operating activities		**(14,730)**	**(11,748)**
Cash flow from investing activities			
Acquisition of property, plant and equipment and intangible assets	4	(27,720)	(11,045)
Capitalized development costs	4	(1,618)	(1,202)
Disposal of fixed assets	4	-	15
Acquisition of financial assets	5	(28,718)	-
Decrease in financial assets	5	313	64
Changes in fixed asset liabilities	7 & 8	1,808	2,665
Cash flow from investing activities		**(55,935)**	**(9,503)**
Cash flow from financing activities			
Capital increase	12	139	377
Treasury shares	12	(298)	(77)
Issuance of loans and financial liabilities	14	759	620
Repayments of loans and financial liabilities	14	(2,275)	(935)
Payment of lease liabilities	4.3	(636)	(944)
Net financial interest paid	18	(918)	(755)
Other financial income and expenses	18	2,791	881
Cash flow from financing activities		**(437)**	**(832)**
Change in cash position		**(71,102)**	**(22,082)**
Cash and cash equivalents at beginning of period	11	191,821	100,557
Cash and cash equivalents at end of period	11	120,719	78,475
Change in cash position		**(71,102)**	**(22,082)**

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' interim consolidated financial statements were approved by the Board of Directors on October 1, 2024, and authorized for publication.

1.1. 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".

Registered office address:
Cataroux site
8 rue de la Grolière
63100 Clermont-Ferrand, France

Trade and Companies Register number: 531 530 228 - R.C.S. Clermont-Ferrand, France

1.2. Highlights of the period between December 31, 2023, and June 30, 2024

The highlights of the first half of 2024 are as follows:

- In February 2024, Carbios and De Smet Engineers & Contractors (DSEC) announced their collaboration, in the form of an engineering partnership, to spearhead the construction of the world's first PET biorecycling plant.

- On February 29, 2024, the Company and Landbell Group announced the signing of a Memorandum of Understanding for the supply, preparation and recycling of post-consumer PET waste using Carbios biorecycling technology in its first commercial plant in Longlaville from 2026.

- In March 2024, Carbios Active, Carbios' enzymatic solution for PLA biodegradation, was added to the inventory of food contact substances (FCS) of the United States Food and Drug Administration (FDA). 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).

- In May 2024, Carbios announced the signing of a Memorandum of Understanding with Hündgen, concerning the supply, preparation and recycling of 15kt/year of post-consumer PET waste using Carbios' biorecycling technology in its first commercial plant in Longlaville, from the end of 2026.

- In June 2024, Carbios and TOMRA Textiles 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 using Carbios' enzymatic depolymerization technology in its first commercial plant under construction.

- At the end of June 2024, the Company and Zhink Group announced the signing of a joint Letter of Intent for the construction of a biorecycling plant in China using Carbios' revolutionary enzymatic depolymerization technology to serve the global market. This agreement formalizes the collaboration towards a long-term partnership with a view to a first license agreement for the construction of a plant with a minimum annual processing capacity of 50,000 metric tons of prepared PET waste, which would contribute to the acceleration of a circular economy for plastics and textiles.

1.3. Going concern

The Company's available financial resources at June 30, 2024, enable it to finance its activities according to its current business plan until May 2025, without recourse to new financing.

Available financial resources include:

- Available cash for €120.7 million at June 30, 2024.
- Current financial assets for €23.4 million corresponding to term deposits pledged with certain suppliers in connection with the construction of the plant.

In order to extend its financing horizon beyond the next 12 months, the Group is relying on:

- The first commercial revenues from several strategic licensing partnerships, the amounts of which are still uncertain,
- Financing of €42.5 million by the French State as part of France 2030 and by the Grand-Est Region (France) (presented in a press release issued on May 31, 2023), the implementation of which is subject to the European Commission's approval of the corresponding State aid scheme then the conclusion of national aid agreements, and
- The formalization of an agreement with Indorama Ventures for the financing of Carbios 54, the terms and conditions of which remain to be defined.

At the same time, the Group has entered into discussions with financial institutions for alternative financing, notably through debt, to secure the construction of the plant and ensure that the schedule for the delivery of the first commercial volumes in 2026 is met.

On the basis of these elements, the going concern assumption was adopted by the Board of Directors.

1.4. Events after the reporting period

Free share allocations

At its meeting of July 2, 2024, the Board of Directors, making use of the delegation granted by the Combined Shareholders' Meeting of June 20, 2024, under its eighteenth resolution, decided to set up a free share allocation plan subject to continued employment and performance conditions:

- The 2024-1 bonus share plan (the "2024-1 Plan"), which provides for a vesting period effective from July 2, 2024, and expiring at the end of the Board of Directors' meeting approving the financial statements for the fiscal year ended December 31, 2027, in respect of which 136,500 free Company shares were allocated to the benefit of Company employees;

- The 2024-2 bonus share plan (the "2024-2 Plan"), which provides for a one-year vesting period effective from September 1, 2024, and expiring at the end of the Board of Directors' meeting approving the financial statements for the fiscal year ended December 31, 2027, in respect of which 10,000 free Company shares were allocated to the benefit of a Company employee.

At its meeting of October 1, 2024, the Board of Directors, making use of the delegation granted by the Combined Shareholders' Meeting of June 20, 2024, under its eighteenth resolution, decided to set up a free share allocation plan subject to continued employment and performance conditions:

- The 2024-3 bonus share plan (the "2024-3 Plan"), which provides for a vesting period effective from October 1, 2024, and expiring at the end of the Board of Directors' meeting approving the financial statements for the fiscal year ended December 31, 2027, in respect of which 24,950 free shares were allocated to the benefit of Company employees.

Scientific publication

In July 2024[34], Carbios and Toulouse Biotechnology Institute published an article in Nature, a scientific journal generally regarded as the most influential, entitled *"An engineered enzyme embedded into PLA to make self-biodegradable plastic"*[35]. The article is co-authored by biotechnology researchers from Carbios and TBI, as well as by two eminent professors from the University of Mons (Belgium) and Kasetsart University in Bangkok (Thailand) and demonstrates Carbios' ambition and its ability to bring together a strong ecosystem to provide a collective solution to a major environmental challenge. This publication presents the work of enzymatic optimization that enables an enzymatic PLA to disintegrate and biodegrade under domestic composting conditions faster than required by certifications. It complements the 2020 publication on the enzymatic depolymerization of PET[36], confirming Carbios's lead in enzymatic engineering.

Supply agreement with Nouvelles Fibres Textiles

At the end of July 2024[37], Carbios and Nouvelles Fibres Textiles announced the signing of a Memorandum of Understanding to establish a contract for the supply of polyester textiles for the world's first PET biorecycling plant under construction.

The polyester textiles supplied will come from used or end-of-life textiles prepared in France by Nouvelles Fibres Textiles for recycling by Carbios enzymatic depolymerization technology. This contract will make it possible to rechannel 5,000 tons per year of these textiles towards biorecycling from 2026 over an initial period of five years, demonstrating the commitment of industrial players throughout the value chain to achieve the ambition of textile circularity for a more virtuous textile sector.

[34] Please refer to the press release of July 17, 2024.
[35] An engineered enzyme embedded into PLA to make self-biodegradable plastic | Nature
[36] An engineered PET depolymerase to break down and recycle plastic bottles | Nature
[37] Please refer to the press release of July 25, 2024.

Letter of Intent with SASA

In August 2024[38], Carbios and SASA announced the signing of a letter of intent for the potential acquisition by SASA of a license for Carbios' unique PET biorecycling technology. This licensing agreement could enable SASA to build and operate an enzymatic depolymerization plant in Adana, Turkey, with an annual capacity of 100,000 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. Thanks to Carbios' biorecycling technology, SASA would diversify its offering to meet the growing global demand for sustainable materials in the textile industry, targeting mainly the European market.

Letter of Intent with FCC Environment UK

In August 2024[39], Carbios and FCC Environment UK announced the signing of a letter of intent to install a PET biorecycling plant in the United Kingdom under license from 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 (r-PET) from PET plastics and textiles. For Carbios, this letter of understanding confirms the interest of the waste management sector, in addition to that of plastic producers, and could enable Carbios' technology to gain a foothold in the United Kingdom.

Note 2 – Segment information

2.1. 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,
- and 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

3.1. Principles applied in the preparation of the financial statements

General principles

The condensed consolidated interim financial statements for the six months ended June 30, 2024, were prepared under the supervision of management and approved by the Chairman of the Company and reviewed by the Company's Board of Directors on October 1, 2024. Unless otherwise indicated, all amounts in the condensed interim consolidated financial statements are presented in thousands of euros. As figures have been rounded, the totals in some tables may not add up exactly to the sum of the previous figures.

Their preparation in accordance with the principles of International Financial Reporting Standards (or "IFRS") requires estimates and assumptions to be made that affect the amounts and information presented therein (see Note 3.2. Estimates and judgments). No significant modifications had taken place at June 30, 2024.

The Company's condensed consolidated financial statements were prepared in accordance with IAS 34 - "Interim Financial Reporting." As these are condensed interim financial statements, they do not contain all of the information required for annual consolidated financial statements and should therefore be read in conjunction with the Company's consolidated financial statements for the fiscal year ended December 31, 2023, as described below.

[38] Please refer to the press release of August 1, 2024.
[39] Please refer to the press release of August 6, 2024.

Declaration of compliance

The consolidated financial statements, prepared for the six-month period ended June 30, 2024, were prepared in accordance with the provisions of IAS 34 - "Interim Financial Reporting". The accounting principles used to prepare the interim consolidated financial statements comply with IFRS as adopted by the European Union, which is available on the European Commission website (https://finance.ec.europa.eu/capital-markets-union-and-financial-markets/company-reporting-and-auditing/ company-reporting_en).

The new standards, amendments and interpretations adopted by the European Commission, and mandatory from January 1, 2024, are as follows:

• Amendments to IAS 1 - Classification of liabilities as current or non-current
• Amendments to IAS 1 - Non-current liabilities with covenants
• Amendments to IFRS 16 - Lease liability in a Sale and Leaseback
• Amendments to IAS 7 and IFRS 7 - Supplier finance agreements
• Amendment to IAS 12 - International Tax Reform (Pillar 2)

These new standards and interpretations did not have a significant impact on the Group's financial statements.

The Group has not opted for the early application of standards, amendments and interpretations whose application is not mandatory as of January 1, 2024.

Seasonality of the Company's activities

Under IAS 34 - "Interim Financial Reporting", an entity whose operations are extremely seasonal should present financial information for the twelve months preceding the end of the interim period as well as additional comparative information for the preceding twelve months in the condensed interim financial statements to enable better understanding and comparison of its interim financial statements. The Group's activities are not considered to be seasonal. Consequently, the following condensed interim financial statements and the corresponding notes do not include comparative information other than that mentioned in IAS 34-20.

3.2. Use of estimates and judgments

The estimate and judgment rules are described in the "Use of estimates and judgments" section of Note 3 to the annual consolidated financial statements for the year ended December 31, 2023. No significant modifications had taken place at June 30, 2024.

3.3. Consolidation scope and methods

The scope of consolidation is identical to that presented in the "Use of estimates and judgments" section of Note 3 to the annual consolidated financial statements for the year ended December 31, 2023.

Consequently, the scope of consolidation is as follows:

	Percentage holding	Consolidation method
Carbios	Parent company (from a legal point of view)	
Carbiolice	100.00%	Full consolidation
Carbios 54	100.00%	Full consolidation

3.4. Presentation currency

The Group's financial statements are prepared in euros (EUR).

Note 4 – Property, plant and equipment and intangible assets

4.1. Intangible assets

Summarized 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 criteria are assessed on the basis of existing information at June 30, 2024.

° *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 close collaboration between the Company and the SPI fund 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.

° *Subsequent impairment tests:*

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 5.4 to the annual financial statements at December 31, 2023.

Intangible assets break down as follows:

INTANGIBLE ASSETS (In thousands of euros)	**12/31/2023**	**Increase**	**Decrease**	**Reclassifi-cation**	**06/30/2024**
Goodwill	20,583	-	-	-	20,583
PET technology	1,694	418	-	30	2,142
Masterbatch technology	9,813	-	-	-	9,813
Concessions, patents and similar rights	3,681	435	(20)	4	4,098
Technology license (rights reacquired)	12,503	-	-	-	12,503
Software	229	-	(98)	-	131
Other intangible assets in progress	(0)	47	-	(30)	17
Advances and advance payments on intangible assets	3	-	-	(4)	-
Total gross values	**48,506**	**900**	**(118)**	**-**	**49,287**
Goodwill	-	-	-	-	-
PET technology	-	(228)	-	-	(228)
Masterbatch technology	(1,908)	(369)	-	-	(2,277)
Concessions, patents and similar rights	(1,594)	(410)	20	-	(1,983)
Technology license (rights reacquired)	(2,431)	(471)	-	-	(2,901)
Software	(116)	(41)	98	-	(59)
Other intangible assets in progress	-	-	-	-	-
Advances and advance payments on intangible assets	-	-	-	-	-
Total depreciation and amortization	**(6,049)**	**(1,518)**	**118**	**-**	**(7,449)**
Goodwill	20,583	-	-	-	20,583
PET technology	1,694	190	-	30	1,914
Masterbatch technology	7,905	(369)	-	-	7,536
Concessions, patents and similar rights	2,087	25	-	4	2,115
Technology license (rights reacquired)	10,072	(471)	-	-	9,602
Software	112	(41)	-	-	72
Other intangible assets in progress	-	47	-	(30)	17
Advances and advance payments on intangible assets	3	-	-	(4)	-
Total net values	**42,457**	**(618)**	**-**	**-**	**41,838**

At June 30, 2023, intangible assets broke down as follows:

INTANGIBLE ASSETS (In thousands of euros)	12/31/2022	Increase	Decrease	Reclassi-fication	06/30/2023
Goodwill	20,583	-	-	-	20,583
PET technology - assets under construction	980	631	-	-	1,611
Masterbatch technology	9,813	-	-	-	9,813
Concessions, patents and similar rights	3,023	317	-	(26)	3,314
Technology license (rights reacquired)	12,503	-	-	-	12,503
Software	66	118	-	26	210
Other intangible assets in progress	(0)	25	-	-	25
Advances and advance payments on intangible assets	3	-	-	-	3
Total gross values	**46,972**	**1,091**	**-**	**-**	**48,062**
Goodwill	-	-	-	-	-
PET technology - assets under construction	-	-	-	-	-
Masterbatch technology	(1,487)	(468)	-	-	(1,955)
Concessions, patents and similar rights	(1,215)	(232)	-	26	(1,421)
Technology license (rights reacquired)	(1,167)	(367)	-	-	(1,534)
Software	(63)	(5)	-	(26)	(94)
Other intangible assets in progress	-	-	-	-	-
Advances and advance payments on intangible assets	-	-	-	-	-
Total depreciation and amortization	**(3,932)**	**(1,073)**	**-**	**-**	**(5,005)**
Goodwill	20,583	-	-	-	20,583
PET technology - assets under construction	980	631	-	-	1,611
Masterbatch technology	8,326	(468)	-	-	7,858
Concessions, patents and similar rights	1,808	84	-	-	1,892
Technology license (rights reacquired)	11,336	(367)	-	-	10,969
Software	3	113	-	-	115
Other intangible assets in progress	(0)	25	-	-	25
Advances and advance payments on intangible assets	3	-	-	-	3
Total net values	**43,040**	**18**	**-**	**-**	**43,057**

At December 31, 2023, impairment and sensitivity tests were performed (see Note 5.4 to the consolidated financial statements at December 31, 2023). No indication of impairment was identified in respect of the first half of 2024. Thus, the valuation of assets used at December 31, 2023, was not called into question.

4.2. Property, plant and equipment

Property, plant and equipment can be broken down as follows:

PROPERTY, PLANT AND EQUIPMENT (In thousands of euros)	**12/31/2023**	**Increase**	**Decrease**	**Reclassification**	**06/30/2024**
Land	-	5,000	-	-	5,000
Buildings	-	-	-	-	-
Technical installations, equipment and tooling	3,933	53	(575)	21	3,431
Transport equipment	7	-	-	-	7
Office equipment	970	145	(282)	-	834
Other property, plant and equipment	30,134	677	(272)	-	30,539
Property, plant and equipment under construction	254	458	-	(21)	691
Carbios 54 plant - assets under construction (1)	23,042	22,745	-	-	45,787
Advances and advance payments on property, plant and equipment	-	-	-	-	-
Gross values	**58,341**	**29,078**	**(1,129)**	**-**	**86,290**
Land	-	-	-	-	-
Buildings	-	-	-	-	-
Technical installations, equipment and tooling	(3,161)	(84)	547	(27)	(2,725)
Transport equipment	(15)	(19)	-	27	(7)
Office equipment	(575)	(93)	273	-	(395)
Other property, plant and equipment	(5,392)	(1,425)	182	-	(6,636)
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)**	**(1,622)**	**1,002**	**-**	**(9,763)**
Land	-	5,000	-	-	5,000
Buildings	-	-	-	-	-
Technical installations, equipment and tooling	772	(31)	(29)	(6)	706
Transport equipment	(8)	(19)	-	27	-
Office equipment	396	52	(9)	-	439
Other property, plant and equipment	1,699	(748)	(90)	-	23,903
Property, plant and equipment under construction	254	458	-	(21)	691
Carbios 54 plant - assets under construction (1)	23,042	22,745	-	-	45,787
Advances and advance payments on property, plant and equipment	-	-	-	-	-
Total net values	**49,200**	**27,456**	**(127)**	**-**	**76,527**

During the first half of 2024, the Company made investments in fixed assets of €29.1 million mainly attributable to the construction of the PET biorecycling plant as well as the acquisition of the factory site.

At June 30, 2023, property, plant and equipment broke down as follows:

PROPERTY, PLANT AND EQUIPMENT (In thousands of euros)	12/31/2022	Increase	Decrease	Reclassi-fication	06/30/2023
Buildings	82	-	-	-	82
Technical installations, equipment and tooling	4,265	30	-	-	4,295
Transport equipment	7	-	-	-	7
Office equipment	900	99	(122)	-	877
Other property, plant and equipment	17,451	1,733	-	348	19,532
Property, plant and equipment under construction	6,642	1,939	-	(348)	8,232
Carbios 54 plant - assets under construction	2,095	7,357	-	-	9,452
Advances and advance payments on property, plant and equipment		-	-	-	-
Total gross values	**31,442**	**11,157**	**(122)**	**-**	**42,477**
Buildings	(80)	-	-	-	(80)
Technical installations, equipment and tooling	(3,136)	(101)	-	-	(3,237)
Transport equipment	(5)	(4)	-	-	(9)
Office equipment	(539)	(73)	120	-	(492)
Other property, plant and equipment	(2,719)	(851)	-	-	(3,570)
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	**(6,479)**	**(1,028)**	**120**	**-**	**(7,387)**
Buildings	2	-	-	-	2
Technical installations, equipment and tooling	1,130	(71)	-	-	1,059
Transport equipment	2	(4)	-	-	(2)
Office equipment	361	26	(2)	-	385
Other property, plant and equipment	14,732	882	-	348	15,963
Property, plant and equipment under construction	6,642	1,939	-	(348)	8,232
Carbios 54 plant - assets under construction	2,095	7,357	-	-	9,452
Advances and advance payments on property, plant and equipment		-	-	-	-
Total net values	**24,964**	**10,129**	**(2)**	**-**	**35,091**

During the first half of 2023, the company had made investments in fixed assets worth €11.2 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.

4.3. Rights of use

The corresponding liability breaks down as follows:

CHANGE IN RIGHT-OF-USE ASSETS (In thousands of euros)	**Premises**	**Technical installations, equipment & tooling**	**Vehicles**	**Total**
At December 31, 2023	**5,600**	**327**	**248**	**6,175**
(-) Depreciation expense for the fiscal year	449	(144)	(90)	(682)
(+) Reversal of depreciation for the fiscal year	-	-	-	-
(+) Additions to "right-of-use" assets	-	61	25	86
(-) Disposals of "right-of-use" assets	(69)	-	-	(69)
At June 30, 2024	**5,083**	**244**	**183**	**5,510**

The corresponding liability breaks down as follows:

CHANGE IN LEASE LIABILITIES (In thousands of euros)	**Current portion of lease liabilities**	**Non-current portion of lease liabilities**	**Total lease liabilities**
At December 31, 2023	**1,231**	**4,639**	**5,870**
Non-monetary changes - New contracts	61	27	87
Non-monetary changes - Contract withdrawals	(79)	-	-
Non-monetary changes - Reclassifications and other impacts	489	(489)	-
Repayments lease liabilities	(636)	-	(636)
At June 30, 2024	**1,066**	**4,177**	**5,322**

Note 5 – Non-current financial assets

Financial assets break down as follows:

FINANCIAL ASSETS (In thousands of euros)	12/31/2023	Increase	Decrease	Reclassification	06/30/2024
Non-current financial assets (1)	1,219	8,330	(313)	-	9,236
Current financial assets (2)	-	20,388	-	-	20,388
Total gross values	**1,219**	**28,718**	**(313)**	**-**	**29,624**
Non-current financial assets	-	-	-	-	-
Current financial assets	-	-	-	-	
Total depreciation and amortization	**-**	**-**	**-**	**-**	**-**
Non-current financial assets (1)	1,219	8,330	(313)	-	9,236
Current financial assets (2)	-	20,388	-	-	20,388
Total net values	**1,219**	**28,718**	**(313)**	**-**	**29,624**

(1) Including €5 million paid into an escrow account for the land and €3 million in term deposits pledged with suppliers at June 30, 2024.

(2) Including €20.4 million in term deposits pledged with suppliers at June 30, 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 method,
- guarantee deposits and the liquidity contract,
- term deposits and SICAV pledged with suppliers.

The classification and fair value of financial instruments is described in Note 10.

Liquidity contract

As part of the transactions relating to the liquidity contract 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 contract" account. It represented €528 thousand at December 31, 2023, and €199 thousand at June 30, 2024.

Deposits and guarantees

These represented €339 thousand at December 31, 2023, and €5,339 thousand at June 30, 2024.

Note 6 – Provisions

6.1. 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 21), no provision has been recognized.

Note 7 – Trade receivables and other current assets

Trade receivables and other current assets break down as follows:

TRADE RECEIVABLES & OTHER CURRENT ASSETS (In thousands of euros)	06/30/2024	12/31/2023
Trade receivables (1)	19	6
Other current assets (2)	6,697	10,621
Tax & social security receivables	*5,943*	*6,685*
Advance payments made on orders	*33*	*33*
Prepaid expenses	*453*	*311*
Other receivables	*268*	*3,591*
Other current assets	**6,717**	**10,627**

(1) Trade and other receivables are initially recognized at fair value and then at amortized cost, which generally corresponds to their nominal value due to their short-term maturity.
In accordance with IFRS 9, the Company applies the simplified method to measure trade receivables and recognizes expected impairment losses over their lifetime.

(2) Other current assets consist mainly of tax and social security receivables: a VAT receivable of €4.3 million, as well as research tax credit (CIR) receivables for a total amount of €1.6 million. At December 31, 2023, other receivables mainly consist of a €3.3 million deposit paid to the notary for the acquisition of the land in Longlaville.

Note 8 – Inventories

8.1. Accounting principles

In accordance with IAS 2, inventories of raw materials are valued at their purchase cost.

Inventories of raw materials (PET waste) were recognized for a total of €1,354 thousand for the first half of 2024, and €511 thousand for the 2023 fiscal year.

These inventories were not subject to any impairment at June 30, 2024.

Note 9 – Trade payables and other current liabilities

TRADE PAYABLES AND OTHER CURRENT LIABILITIES (In thousands of euros)	06/30/2024	12/31/2023
Trade payables	2,024	4,829
Other current liabilities	13,292	11,888
Social security liabilities	*3,109*	*3,035*
Tax liabilities	*359*	*398*
Debts on fixed assets and related accounts	*9,199*	*7,390*
Other liabilities	*14*	*394*
Deferred income	*612*	*671*
Trade payables and other current liabilities	**15,316**	**16,716**

Trade payables:

At June 30, 2024, trade payables included unpaid invoices at the closing date for a total amount of €0.6 million, but also unreceived invoices related to the operating cycle for €1.4 million.

Other current liabilities

Other current liabilities concern:

- 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,

- debts on fixed assets and related accounts, which mainly concern amounts invoiced and not yet paid in view of the construction of the Carbios 54 plant,

- deferred income consists of the following items:
  - other deferred income related to invoicing for €0.5 thousand,
  - deferred income related to restatements of repayable advances and interest-free loans in accordance with IFRS 9 for €0.1 thousand.

- debts on fixed assets and related accounts, which mainly concern amounts invoiced and not yet paid in view of the construction of the industrial Unit.

Other non-current liabilities:

Other non-current liabilities amounted to €0.4 million at June 30, 2024, and mainly relate to deferred income related to the restatement of repayable advances and interest-free loans in accordance with IFRS 9.

Note 10 – Classification and fair value of financial instruments

10.1. Summarized 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:

- level 1 category: only quoted prices on an active market for an identical instrument and without any adjustment,
- 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,
- level 3 category: fair value determined on the basis of unobservable market data.

The Group's assets and liabilities are valued as follows at June 30, 2024:

			06/30/2024				12/31/2023			
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**	**Liabilities carried at amortized cost**	**Fair value**	**Total net carrying amount**	**Assets carried at amortized cost**	**Liabilities carried at amortized cost**	**Fair value**
Non-current financial assets	Fair value	Note 5	9,235	9,235	-	9,235	1,219	1,219	-	1,219
Current financial assets	Fair value	Note 5	20,388	20,388	-	20,388	-	-	-	-
Trade receivables and related accounts	Amortized cost	Note 7	19	19	-	19	6	6	-	6
Other current assets	Amortized cost	Note 7	6,697	6,697	-	6,697	10,621	10,621	-	10,621
Cash and cash equivalents	Amortized cost	Note 11	120,719	120,719	-	120,719	191,821	191,821	-	191,821
Total assets			**157,059**	**157,059**	**-**	**157,059**	**203,667**	**203,667**	**-**	**203,667**
Current and non-current borrowings and financial liabilities	Amortized cost	Level 2 - Note 13	38,373	-	38,373	38,373	39,226	-	39,226	39,226
Other non-current liabilities	Amortized cost	Note 9	425	-	425	425	449	-	449	449
Non-current lease liabilities	Amortized cost	Note 4.3	4,176	-	4,176	4,176	4,639	-	4,639	4,639
Current borrowings and financial liabilities	Amortized cost	Level 2 - Note 13	3,452	-	3,452	3,452	3,524	-	3,524	3,524
Current lease liabilities	Amortized cost	Note 4.3	1,067	-	1,067	1,067	1,232	-	1,232	1,232
Trade payables and related accounts	Amortized cost	Note 9	2,024	-	2,024	2,024	4,829	-	4,829	4,829
Other current liabilities	Amortized cost	Note 9	13,292	-	13,292	13,292	11,888	-	11,888	11,888
Total liabilities			**62,810**	**-**	**62,810**	**62,810**	**65,786**	**-**	**65,786**	**65,786**

Note 11 – Cash and cash equivalents

CASH AND CASH EQUIVALENTS (In thousands of euros)	06/30/2024	12/31/2023
Bank accounts	13,331	19,284
Term deposits and savings accounts	107,388	172,537
Total cash and cash equivalents	**120,719**	**191,821**

Cash and cash equivalents consist of cash at bank, cash on hand and term deposits with an initial maturity of less than three months. 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.

The change in cash and cash equivalents of -€71.1 million between the end of June 30, 2024, and the end of December 31, 2023, includes -€23.4 million of pledged term deposits, which would have been classified as cash and cash equivalents had they not been pledged (in accordance with IAS 7). These deposits will be reclassified as cash once the pledges have been released. Consequently, taking into account the term deposits pledged with certain suppliers for €23.4 million, classified as financial assets, the available cash in the short and long term stood at €144 million at June 30, 2024.

Note 12 – Share capital

Share capital

SHARE CAPITAL	06/30/2024	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 during the period ended June 30, 2024:

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.

Thus, as of June 30, 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.

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 share premium.

At June 30, 2024, the share premiums paid after deducting capital increase costs amounted to €276,699,584.00.

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 contract in order to limit the intraday volatility of the Company's shares.

Under this agreement, 18,236 treasury shares representing €397 thousand were recognized as a deduction from equity at June 30, 2024.

Cash paid to the intermediary and not yet used is recognized as non-current financial assets and represented €199 thousand at June 30, 2024.

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 June 30, 2024, the Company held 21,177 shares for an accounting value of €580 thousand intended for the implementation of employee shareholding transactions reserved for members of a company savings plan.

Distribution of share capital

At June 30, 2024, the 16,845,630 shares comprising the share capital were distributed as follows:

SHAREHOLDERS	Number of shares	% ownership	Number of voting rights	% of voting rights
BOLD Business Opportunities for L'Oréal Development	943,211	5.60%	943,211	5.60%
Copernicus Wealth Management S.A.	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%
Funds managed by Truffle Capital	176,565	1.05%	176,565	1.05%
Management and directors	3,001	0.02%	3,001	0.02%
Treasury shares	39,413	0.23%	0	0.00%
Free-float	14,116,575	83.80%	14,160,851	84.04%
Total	**16,845,630**	**100.00%**	**16,850,493**	**100.00%**

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 June 30, 2024, 44,276 registered shares included in the free float met these criteria.

Note 13 – Share-based payments

13.1. Summarized accounting principles

The Company has set up several equity-settled compensation plans in the form of share subscription warrants ("BSAs") and founders' warrants ("BSPCEs" or "BCEs") 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.

13.2. Share subscription warrants (BSAs)

The table below shows the status of the BSAs issued since the creation of the Company that were still outstanding at June 30, 2024, as well as additional information regarding their status at 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, of which the number 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	€40 for 50% of the BSA EIB €38.8861 for 50% of the BSA EIB
Number of shares subscribed at June 30, 2024	0
Cumulative number of subscription or purchase warrants canceled or null and void	0
Share subscription warrants that could be exercised at June 30, 2024	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 June 30, 2024, 296,928 BSAs giving rights to 318,158 shares were still exercisable.

13.3. Founder share subscription warrants (BSPCEs)

The table below shows the status of the BSPCEs issued since the creation of the Company that were still outstanding at June 30, 2024, as well as additional information regarding their status at that date.

	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 a number x of 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 June 30, 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 could be exercised at June 30, 2024	15,000	39,750	28,750

(1) In a decision dated 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, and consequently decided to increase by 45,812 additional shares the number of shares that may be subscribed by holders on exercise of the 640,686 BSPCEs and to subject them to the terms of their respective plan regulations.

	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)	61,703	39,362	6,847	201,726
Emmanuel LADENT	-	39,362	-	148,151
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 a number x of 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.	Possibility of exercising a number x of 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 June 30, 2024	0	0	0	0
Cumulative number of subscription or purchase warrants canceled or null and void	27,414	0	0	0
Share subscription warrants that could be exercised at June 30, 2024	57,586	36,735	6,390	188,265 (2)

(1) In a decision dated 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, and consequently decided to increase by 45,812 additional shares the number of shares that may be subscribed by holders on exercise of the 640,686 BSPCEs and to subject them to the terms of their respective plan regulations.

(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	57,928	88,307	34,004
Emmanuel LADENT	-	-	2,168	34,004
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 June 30, 2024	0	0	0	0
Cumulative number of subscription or purchase warrants canceled or null and void	0	50,000	0	0
Share subscription warrants that could be exercised at June 30, 2024	50,000 (2)	54,062 (3)	82,413 (3)	31,735 (3)

(1) In a decision dated 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, and consequently decided to increase by 45,812 additional shares the number of shares that may be subscribed by holders on exercise of the 640,686 BSPCEs and to subject them to the terms of their respective plan regulations.
(2) May be exercised from September 29, 2025.
(3) May be exercised from December 13, 2025.

During the first half of 2024, no BCEs were exercised and 50,000 BCE-2022-6 lapsed.

At June 30, 2024, 590,686 BSPCEs giving rights to 632,923 shares were still exercisable.

13.4. Free Allocation of Shares ("AGA")

On September 27, 2023, the Board of Directors decided to set up two free share allocation plans ("AGA") for the benefit of some of its employees and corporate officers with a vesting period running until September 27, 2026, and also allocated 84,150 free Company shares. On July 2, 2024, the Board of Directors noted the lapse of 400 AGA-2023-1.

On July 2, 2024, the Board of Directors decided to set up two free share allocation plans for some of its employees and corporate officers with a vesting period running until the Board of Directors' meeting approving the financial statements for the fiscal year ended December 31, 2027, and allocated 146,500 free Company shares. On October 1, 2024, the Board of Directors noted the lapse of 3,000 AGA-2024-1.

On October 1, 2024, the Board of Directors decided to set up a third free share allocation plan for the benefit of some of its employees and corporate officers with a vesting period running until the Board of Directors' meeting approving the financial statements for the fiscal year ended December 31, 2027, and allocated 24,950 free Company shares.

The table below shows the free share allocation plans in force on the date of this report:

PLAN	2023-1 Plan	2023-2 Plan	2024-1 Plan	2024-2 Plan	2024-3 Plan
Date of the Shareholders' Meeting that authorized the allocation of free shares	June 22, 2023	June 22, 2023	June 20, 2024	June 20, 2024	June 20, 2024
Grant date	September 27, 2023	October 16, 2023	July 2, 2024	September 1, 2024	October 1, 2024
Vesting period	3 years	3 years	+3 years	+3 years	+3 years
Retention period	-	-	-	-	-
Total number of free shares allocated	74,150	10,000	136,500	10,000	24,950
Of which subject to performance conditions	74,150	10,000	136,500	10,000	24,950
Of which allocated to corporate officers	12,000 (1)	-	60,000 (1)	-	-
Number of shares vested in 2024	-	-	-	-	-
Number of shares canceled as of the date of this report	400	-	3,000	-	-

(1) Mr. Emmanuel Ladent, Chief Executive Officer of the Company.

At June 30, 2024, there were still 83,750 free shares (AGA) in the process of being vested, giving entitlement to 83,750 shares.

As of the date of this document, there are still 252,200 free shares (AGA) in the process of being vested, giving entitlement to 252,200 shares.

13.5. Employee shareholding plan (FCPE)

On April 3, 2024, the Company 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 absence of a vesting period, the estimated expense of €0.3 million is to be recognized in full for the 2024 fiscal year.

13.6. Breakdown of expense recognized in accordance with IFRS 2

	06/30/2024				12/31/2023				06/30/2023			
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**	**Probabilized cost of the plan to date**	**Cumulative expense at the beginning of the period**	**Expense for the period**	**Cumulative expense to date**
BCE 2020	1,997	1,732	41	1,774	1,997	1,445	287	1,732	2,312	1,445	152	1,597
BCE 2021	1,983	1,815	41	1,856	1,930	1,581	234	1,815	2,096	1,581	194	1,775
BCE 2022	6,634	2,334	813	3,147	6,634	460	1,873	2,334	6,792	460	955	1,415
AGAP 2023 (1)	1,853	161	308	469	1,853	-	161	161	-	-	-	-
FCPE 2024	282	-	282	282	-	-	-	-	-	-		-
Total	**12,749**	**6,042**	**1,486**	**7,528**	**12,414**	**3,487**	**2,556**	**6,042**	**11,201**	**3,487**	**1,301**	**4,788**

(1) The expense relating to the 2023 fiscal year for free preference share allocation plans (AGAP) corresponds to three months of expenses.

Note 14 – Loans and financial liabilities

BORROWINGS AND CURRENT AND NON-CURRENT FINANCIAL LIABILITIES (In thousands of euros)	**06/30/2024**	**12/31/2023**
Loans from credit institutions	32,440	33,350
Conditional advances	5,934	5,877
Lease liabilities (1)	4,176	4,639
Current and non-current borrowings and financial liabilities	**42,550**	**43,865**
Loans from credit institutions	2,709	2,680
Conditional advances	743	843
Lease liabilities (1)	1,067	1,232
Current borrowings and financial liabilities	**4,519**	**4,755**
TOTAL BORROWINGS AND FINANCIAL LIABILITIES	**47,068**	**48,620**

(1) Information on lease liabilities is discussed in Note 4.3 "Right of use."
The classification and fair value of financial instruments are described in Note 10.

14.1. Loans from credit institutions

LOANS (In thousands of euros)	**Fixed/ floating rate**	**Nominal interest rate**	**EIR**	**Initial nominal amount**	**Remai-ning nominal amount**	**Year of maturity**	**06/30/2024**	**12/31/2023**
(1) Bpifrance Innovation loan	Fixed	3.2%	3.2%	1,500	600	2025	600	750
(1) Bpifrance Innovation loan	Fixed	4.5%	4.5%	1,500	900	2026	900	1,050
(2) State-guaranteed loan (SGL) (a)	Fixed	0.6%	1.2% - 3%	1,000	625	2026	624	750
(4) Loan from TZ BPI DOS0068879/00 (a)	Fixed	0.0%	3.0%	500	150	2025	146	193
(4) Loan from TZ BPI DOS0096740/00 (a)	Fixed	0.0%	3.0%	250	138	2027	132	154
(4) Loan from TZ BPI (Region) DOS0096739/00 (a)	Fixed	0.0%	3.0%	250	138	2027	132	154
(5) CEPAL loan €177 thousand 031231E (a)	Fixed	1.1%	1.1%	177	33	2024	33	51
(5) CEPAL loan €334 thousand 278044E (a)	Fixed	2.1%	2.1%	334	130	2026	130	163
(6) CEPAL loan PGE €950 thousand 189838E (a)	Fixed	0.7%	1.1% - 3%	950	480	2026	470	584
(6) BPI loan PGE €950 thousand (a)	Fixed	2.2%	2.2% - 3%	950	534	2026	529	645
(3) EIB LOAN €30,000 thousand - Debt component	Fixed	5.0%	8.8%	30,000	30,000	2030	26,858	26,484
(7) Financial liability related to the lease-back - Batch 1	Fixed	N/A	3.9%	1,534	927	2027	927	1,065
(7) Financial liability related to the lease-back - Batch 2	Fixed	N/A	7.1%	4,256	3,643	2028	3,643	3,954
Accrued interest	N/A	N/A	N/A	N/A	N/A	N/A	25	31
TOTAL							**35,149**	**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.

(1) BPIFRANCE INNOVATION LOANS

Two innovation loans were granted by Bpifrance in 2018 and 2019. 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 €1,500 thousand at June 30, 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 €625 thousand at June 30, 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[40]. Supported by the European Commission's InnovFin energy demonstration program, the contract provides for annual repayments at constant capital, from June 29, 2025, to June 29, 2030.

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 to never pay cash, such as a special 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

[40] Please refer to the press release of December 20, 2021.

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	06/30/2024
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.

(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.

(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.

(7) FINANCIAL LIABILITIES RELATED TO THE LEASE-BACK - BATCH 1 AND BATCH 2

During the 2022 and 2023 fiscal years, the Company continued its investments in the industrial demonstration plant. These investments were the subject of two lease-back transactions, with financing covering €4.3 million of equipment (batch 2), thus adding to the €1.5 million (batch 1) financed in 2022.

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 December 31, 2023 -Current	**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	(150)	(150)	(125)	-	(50)	(26)	(26)	(18)	(33)	(118)	(119)	(157)	(443)	(1,414)
Non-monetary changes	150	150	127	-	54	26	26	15	33	121	120	163	462	1,447
At June 30, 2024 - Current	**300**	**300**	**244**	**-**	**97**	**47**	**47**	**33**	**68**	**232**	**234**	**302**	**779**	**2,683**

Non-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 December 31, 2023 -Non-current	**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	(150)	(150)	(128)	374	(50)	(23)	(23)	(15)	(33)	(117)	(118)	(144)	(331)	(909)
At June 30, 2024 – Non-current	**300**	**600**	**380**	**26,858**	**49**	**85**	**85**	**-**	**61**	**238**	**295**	**625**	**2,864**	**32,440**

14.2. Repayable advance

Summarized 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.

LOANS (In thousands of euros)	Fixed/ floating rate	Nominal interest rate	EIR	Nominal value	Remaining nominal amount	Year of maturity	06/30/2024	12/31/2023
(1) Conditional Advance OSEO THANAPLAST™ (a)	Fixed	2.7%	1.5% - 3%	3,707	3,707	2031	3,678	3,648
(2) Repayable + Conditional Advance ADEME CE-PET (a)	Fixed	0.7%	0.8% - 3%	3,102	1,551	2026	1,535	2,261
(3) Repayable + Conditional Advance ADEME OPTI-ZYME (a)	Fixed	4.1%	3.8% - 4.8%	1,515	1,515	2028	1,463	726
(4) Repayable advance BPI €500 thousand (DOS0060297) (a)	/	N/A	0.5% - 3%	400	-	2024	-	84
TOTAL							**6,677**	**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): 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 TM 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.*

As the Company's forecast is not expected to reach this threshold before 2026, no provision has been recorded to recognize the difference between the discounted debt, as provided for in the contract, and the debt actually recognized. 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 June 30, 2023, the project was successful, and the Company therefore 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 were fully incurred and the Company collected all of the program funds.

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 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 June 30, 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 June 30, 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**

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 June 30, 2024, generate a theoretical subsidy in excess of the amount received. To date, the Company has received €702 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 1, the amount of subsidy to be received 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 Rate R1 is set at 4.06%.

The Beneficiary shall repay ADEME an amount whose Discounted Value using Rate R1 is equal to 80% of the Discounted Value using Rate R1 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 Rate R1 is set at 4.06%.

The Beneficiary shall repay ADEME an amount whose Discounted Value using Rate R2 is equal to 20% of the Discounted Value using Rate R2 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 collected €1,516 thousand from ADEME but this debt remains subject to the achievement of the income thresholds set out above.

(4) BPIFRANCE - INNOVATION GRANT (DOS0060297)

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 the entire advance was repaid on June 30, 2024.

Change in cash flows on repayable advances:

REPAYABLE ADVANCES (In thousands of euros)	**CURRENT**					**NON-CURRENT**				
	(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.)	TOTAL	(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.)	TOTAL
At December 31, 2023	**759**	**-**	**-**	**84**	**843**	**1,502**	**3,648**	**726**	**-**	**5,876**
Change in scope					-					-
Cash flows - receipt of new debts					-			759		759
Cash flows - repayment of debts	(776)			(84)	(860)					-
Non-monetary changes	760				760	(710)	31	(22)		(702)
At June 30, 2024	**743**	**-**	**-**	**-**	**743**	**792**	**3,678**	**1,463**	**-**	**5,934**

14.3. 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 TECHNIP ZIMMER, 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 payment of 40% within 30 days following the signature of the contract, i.e. €1,320 thousand received on December 5, 2021, of which €32 thousand goes to the partners and €1,288 thousand to Carbios,
- 2nd pre-financing payment 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, and
- the balance of 20% at the end of the project.

Expenses incurred at June 30, 2024, were estimated at approximately €6,904 thousand. The corresponding theoretical grant amounts to €246 thousand (€6,904 thousand x 31.21%) and has been recognized as accrued income.

As of June 30, 2024, the Group had received aid for a total amount of €2,640 thousand (including the share of partners). This grant amount was used to finance operating expenses, and an amount of €2,155 thousand was recognized in the income statement. An amount of €600 thousand was recognized, as a deduction from the fixed asset, corresponding to capitalized development costs. This portion of the subsidy will be recognized in the income statement at the same rate as the depreciation of the underlying asset.

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 June 30, 2024, the Company had incurred only €31 thousand in expenses, i.e. a theoretical subsidy of €22 thousand. The difference, i.e. €251 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 payment in the amount of €136 thousand, then €145 thousand for a total of €281 thousand. As the expenses incurred at June 30, 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 June 30, 2024, amounted to €20 thousand and do not justify the receipt of all the grant. Deferred income was therefore recognized for an amount of: €46 thousand - €14 thousand (€20 thousand of expenses x 70%) = €31 thousand.

Note 15 – Income

Summarized 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 period ended June 30, 2024, 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.
- On the other hand, deliveries of raw materials and Carbios Active samples to various customers: income is recognized upon delivery.

Note 16 – Breakdown of income and expenses by function

Summarized 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 15) 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."

16.1. Research and development expenses

RESEARCH AND DEVELOPMENT (In thousands of euros)	06/30/2024	06/30/2023
Raw materials and consumables	(529)	(581)
Studies and research	(848)	(1,508)
Subcontracting	(4)	(7)
Employee expenses	(5,279)	(3,711)
Maintenance and repairs	(231)	(396)
Depreciation, amortization and impairment	(3,312)	(2,573)
Others (1)	(1,568)	(662)
Research and development expenses	**(11,771)**	**(9,438)**
Research tax credit	1,379	1,947
Subsidies	567	52
Other rebillings	6	518
Subsidies and other income from activities	**1,952**	**2,517**
Capitalization of development costs	**1,618**	**1,202**
Research and development expenses	**(8,201)**	**(5,719)**

(1) At June 30, 2024, this item includes compensation for intermediaries for €560 thousand, and €433 thousand at June 30, 2023.

During the first half of 2024:

- Concerning "Research and Development expenses", the Group incurred €11,771 thousand in expenses, in line with its industrialization goals. The significant increase in R&D expenses is mainly related to personnel expenses, enabling the Company to successfully carry out its R&D and industrial projects with a rapidly growing workforce.
- Concerning "Subsidies and other income from activities", the Group recorded €1,952 thousand, partially offsetting its R&D expenses. This item notably includes research tax credits (CIR) of €1,043 thousand for Carbios and €336 thousand for Carbiolice in respect of the first half of 2024.
- Lastly, the Group continued to capitalize "Development costs" relating to the PET enzymatic recycling project in the amount of €1,618 thousand, in accordance with the activation criteria of IAS 38.

During the first half of 2023:

- Concerning "Research and Development expenses", the Group incurred €9,438 thousand in expenses, in line with its industrialization goals. The increase in R&D expenses was mainly related to the work undertaken on the industrial demonstration plant, the various studies (including engineering) for the construction of the Company's bio recycling plant, and lastly, the R&D expenses of Carbiolice. The main changes are explained by the increase in personnel costs with a strong growth in the workforce, particularly at the industrial demonstration plant.
- Concerning "Subsidies and other income from activities", the Group recorded €2,517 thousand, partially offsetting its R&D expenses. This item includes research tax credits of €1,721 thousand for Carbios and €418 thousand for Carbiolice for the first half of 2023.
- Lastly, the Group continued to capitalize "Development costs" relating to the PET enzymatic recycling project in the amount of €806 thousand, in accordance with the activation criteria of IAS 38.

16.2. Sales and marketing expenses

SALES AND MARKETING EXPENSES (In thousands of euros)	06/30/2024	06/30/2023
Purchases and supplies not held in inventories	(9)	(9)
Employee expenses	(2,360)	(1,392)
Rental expenses	(70)	(2)
Maintenance and repairs	(11)	(2)
Consulting fees	(1,632)	(753)
Advertising	(18)	(77)
Transport, travel	(340)	(108)
Depreciation, amortization and impairment	(13)	(20)
Other rebillings	154	8
Sales and marketing expenses	**(4,301)**	**(2,280)**

Sales and marketing expenses amounted to €4,301 thousand for the first half of 2024, compared to €2,280 thousand in 2023. This increase was mainly due to the strengthening of the Group's sales teams to support the acceleration of its developments and be able to meet market expectations by offering an efficient and widely available recycling solution.

16.3. General and administrative expenses

GENERAL AND ADMINISTRATIVE EXPENSES (In thousands of euros)	06/30/2024	06/30/2023
Travel expenses and missions	(249)	(212)
Fees	(2,520)	(1,409)
Insurance	(71)	(78)
Taxes and duties	(100)	(73)
Employee expenses	(3,128)	(2,671)
Depreciation, amortization and impairment	(499)	(324)
Other	(1,011)	(524)
General and administrative expenses	**(7,578)**	**(5,290)**

General and administrative expenses amounted to €7,578 thousand for the first half of 2024, compared to €5,290 thousand in 2023. This increase was mainly due to the increase in personnel costs as a result of recruitments made by the Group.

Note 17 – 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)	**06/30/2024**	**06/30/2023**
Short-term employee benefits	527	441
Post-employment benefits (1)	1	(4)
Share-based payments	334	375
Total Executive compensation	**862**	**812**

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 21) as well as share-based compensation (Note 13).

(1) For 2023, the amount is positive due to the impact of the pension reform.

License agreement with Carbiolice

The Company entered into a patent license and know-how agreement with 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 for the first half of the 2023 and 2024 fiscal years.

From June 4, 2021, this license agreement was reassessed and taken into account in the Group's assets (see Note 3.5).

Note 18 – Net financial income

NET FINANCIAL INCOME/(EXPENSES) (in thousands of euros)	**06/30/2024**	**06/30/2023**
Foreign exchange gains	3	1
Other financial income	2,798	909
Financial income	**2,801**	**910**
Cost of borrowing	(868)	(1,301)
Monetary interest expenses	*(852)*	*(851)*
Non-monetary interest expenses (EIR)	*(585)*	*(367)*
Interest expense on lease liabilities	*(66)*	*(80)*
Interest expense on employee benefit obligations IAS 19	*(5)*	*(4)*
Gross cost of borrowing	*(1,508)*	*(1,301)*
Capitalization of borrowing costs (1)	*640*	*-*
Net cost of borrowing	*(868)*	*(1,301)*
Other financial expenses	(10)	-
Financial expenses	**(878)**	**(1,301)**
Net financial income/(expenses)	**1,923**	**(391)**

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.

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

Note 19 – Income tax

Summarized 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.

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)	06/30/2024	12/31/2023
Tax losses	1,795	1,960
Right-of-use assets	2	6
Provision - employee benefits	4	3
Deferred tax assets	**1,800**	**1,969**
Intangible assets	(3,493)	(3,662)
Deferred tax liabilities	**(3,493)**	**(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., 25.00%.

The Group has tax losses that can be carried forward indefinitely in France. At December 31, 2023, they amounted to:

- €99,596 thousand for Carbios.
- €32,612 thousand for Carbiolice.
- €5,749 thousand for Carbios 54.

No tax payable was recognized in the first half of 2024 or in the 2023 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 June 30, 2024, and December 31, 2023.

Carbiolice recognized deferred tax assets up to the cap on the use of tax losses carried forward as part of the purchase price allocation exercise. At December 31, 2023, the amount of tax losses relating to unrecognized deferred tax assets amounted to €17,243 thousand.

Note 20 – Earnings per share

EARNINGS PER SHARE	06/30/2024	06/30/2023
Weighted average number of shares outstanding	16,841,051	11,278,517
Number of diluted shares	17,880,861	12,216,131
Net income for the period - attributable to shareholders of the parent company (in thousands of euros)	(18,085)	(13,660)
Basic earnings per share (€/share)	**(1.07)**	**(1.21)**
Diluted earnings per share (€/share) (*)	**(1.07)**	**(1.21)**

** For the first half years of 2023 and 2024, diluted earnings per share are identical to basic earnings per share. Potentially dilutive shares for the first half of 2023 (937,614 shares - 296,928 share subscription warrants (BSA) and 640,686 founder share subscription warrants (BSPCE)) and 2024 (1,034,831 shares - 318,158 share subscription warrants (BSA), 632,923 founder share subscription warrants (BSPCE), and 83,750 via the free share allocation plan (AGA)) were excluded from the calculation of diluted earnings per share, as these shares had an anti-dilutive effect due to the reported losses.*

Note 21 – Employee benefit obligations

Summarized accounting principles

The main actuarial assumptions used to measure retirement benefits are as follows:

ACTUARIAL ASSUMPTIONS	06/30/2024	12/31/2023
Retirement age	65 years	
Collective bargaining agreement	Chemicals: Industry	
Discount rate	3.60%	
Mortality table	INSEE 2016-2018	
Rate of salary increases	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%	
Carbios 54	40%	
Carbiolice	39%	

The provision for retirement commitments changed as follows:

(In thousands of euros)	Pension commitment
At December 31, 2023	**216**
Cost of services rendered	10
Interest expense	5
Actuarial gains or losses	1
At June 30, 2024	**232**

Note 22 – Off-balance sheet commitments

22.1. 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 has been 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.

22.2. Other commitments

Due to the impact of IFRS 16, the off-balance sheet commitments existing at June 30, 2024, are not considered to be significant.

ADDITIONAL INFORMATION

LIQUIDITY CONTRACT

Under the liquidity contract signed by Carbios with Natixis ODDO BHF on June 12, 2020, with effect from July 1, 2020, the following assets appeared in the liquidity account on June 30, 2024:

- Number of shares: 18,236 Carbios securities
- Cash balance of the liquidity account: €199,349.87

It is noted that at December 31, 2023, the following resources comprised the liquidity account:

- Number of shares: 4,047 Carbios securities
- Cash balance of the liquidity account: €528,496.09

On June 30, 2024, the Company held 18,236 Carbios shares, or a carrying amount of €397 thousand. The closing net asset value was €391 thousand. As the net asset value was lower than the carrying amount, a provision for impairment in the amount of €5 thousand was recognized.

The cash paid to the intermediary and not yet used is recognized under "Liquidity contract" and represents €199 thousand.

SHARE BUYBACK PROGRAM

In December 2023, the Company launched a share buyback program intended for the implementation of employee shareholding transactions reserved for members of a company savings plan. The details of this program are presented in Section 6 of the 2023 Universal Registration Document filed on April 19, 2024, under number D.24-0305 with the French Financial Markets Authority (*Autorité des marchés financiers* - AMF).

Breakdown of shares held by objective as of June 30, 2024:

Beyond the 18,236 shares held by the Company intended for market marking in the secondary market or the liquidity of the Company's share through a liquidity agreement, the Company held 21,177 shares intended for the implementation of employee shareholding transactions reserved for members of a company savings plan.

PERSON RESPONSIBLE FOR THE INTERIM FINANCIAL REPORT

PERSONS RESPONSIBLE FOR THE INTERIM REPORT

Emmanuel Ladent, Chief Executive Officer

DECLARATION OF THE PERSON RESPONSIBLE FOR THE INTERIM REPORT

I certify that, to the best of my knowledge, the financial statements presented for the past six months in the interim financial report have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of the Company and all companies included in the consolidation, and that the interim management report (pages 9 to 28) gives a true and fair view of the significant events that occurred during the first six months of the fiscal year, their impact on the financial statements, the main transactions with related parties and a description of the main risks and uncertainties for the remaining six months of the fiscal year.

Emmanuel LADENT
Chief Executive Officer

FINANCIAL COMMUNICATIONS

SHAREHOLDER INFORMATION

Carbios shares are listed on the Euronext Growth Paris market.
ISIN code: FR0011648716
Ticker code: ALCRB
LEI: 969500M2RCIWO4NO5F08
Carbios is listed on the Euronext Growth All-share, Euronext Growth Bpifrance innovation, Euronext Tech Croissance, CAC PME, Enternext PEA-PME 150 and Euronext Tech Leaders.
Carbios shares are eligible for the PEA-PME tax scheme.

RELATIONS WITH THE FINANCIAL COMMUNITY

Carbios is regularly in contact with the financial community. In 2024, the Company organized an analyst/investor videoconference to present its annual results for 2023 (in collaboration with SFAF, the French Society of Financial Analysts). In addition, meetings are regularly organized with financial analysts and investors in the form of roadshows and private meetings. These various events facilitate communication between the financial community and the Company regarding its strategy, results and outlook.

All information disseminated by Carbios is available on its website www.carbios.com

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GLOSSARY

- **Biodegradation**
  The decomposition of materials into simple molecules (H_2O, CO_2, humus) through the enzymatic action initiated by micro-organisms.

- **Bioprocess**
  Production process using micro-organisms or enzymes.

- **Biorecycling**
  Process for the degradation of a polymer into its constituent monomers followed by a conversion process, by chain formation, of a monomer, or a mixture of monomers, into a polymer.

- **Depolymerization**
  Degradation of a polymer into its constitutive monomers.

- **Enzyme**
  A protein that catalyzes, meaning that it increases the speed of the chemical reaction.

- **Micro-organism**
  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 – Poly(ethylene terephthalate)**
  Plastic polymer that is the predominant constituent of water bottles and some textile materials, such as polyester fibers.

CARBIOS

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Trade and Companies Register (RCS) Clermont-Ferrand 531 530 228