

Global Bioenergies updates its situation and outlook

Evry, 15 September 2022 - Global Bioenergies provides a review of its situation and outlook based on four horizons, each corresponding to (i) a volume and a production cost and (ii) one or more target markets.

The first horizon involved the conversion of renewable resources into isobutene and derivatives on the scale of a few tonnes per year. Production was carried out at the demo plant in Leuna, Germany, which has now been dismantled. While these volumes enabled a number of process validations, the production cost was too high to allow the marketing of isobutene or its derivatives on this basis. However, a marketing approach was identified: isododecane, a derivative obtained by combining three isobutene molecules, is the basis for the formulation of all longwear eyes and lips make-up. It is systematically used as the No. 1 ingredient in terms of proportion and cannot currently be replaced by any other compound. The Company moved up the value chain as far as the end customer and has produced the first make-up range combining longwear properties and naturalness of over 90%. This led to the creation of the LAST® brand.

Florence Hébert, Head of the LAST® Business Unit, said: “The LAST® product range was designed to combine performance with naturalness: it breaks the mould for natural-origin make-up. Besides being marketed via our website www.colors-that-last.com, the brand is now available at several physical and digital sales outlets. The brand should soon be distributed by a major retail chain, and we expect new points of sale to open in 2023, both in France and abroad.”

The second horizon is just beginning and involves producing isobutene in tens of tonnes per year. A fully French value chain has been set up comprising five stages, four of which are carried out at toller facilities. Only the second stage, involving the production of isobutene itself, takes place in a unit owned by Global Bioenergies. This unit has been built over the last few months at the Pomacle site near Reims. The construction phase is now complete, and commissioning is underway. The unit is expected to reach maximum capacity of nearly two tonnes of isobutene per week by the end of 2022. Part of this isobutene will be converted into isododecane and sold as a make-up ingredient to major cosmetics industry players under the Isonaturane® 12 brand.

Daphne Galvez, Global Bioenergies Commercial Director, said: “The first batch comprising several tonnes of Isonaturane® 12 will be delivered in the first quarter of 2023. A large portion of this batch has been purchased by L’Oréal. We then plan to produce a further batch by summer 2023 and another towards the end of the year. Global Bioenergies is currently being listed with around ten manufacturers, some of whom have already purchased volumes for testing, in particular as formulation pilots. In total, we plan to deliver around 15 tonnes of Isonaturane® 12 in 2023. The debottlenecking of the downstream part of the value chain by our tollers would enable us to produce and deliver greater volumes from 2024 onwards.”

The isobutene not converted into Isonaturane® 12 will be sold directly or converted into other compounds of the isobutene product tree in order to trigger the start of commercial operations for the third horizon.

The third horizon will consist of constructing and commissioning in 2025 a plant capable of producing 2,000 tonnes of isobutene and derivatives per year. This operation will be headed by an SPV, which is currently being set up and will initially be a wholly owned subsidiary of Global Bioenergies. The production cost of isobutene and its derivatives will be significantly reduced due to major economies of scale and the fuller integration of production stages. Isonaturane® 12 sales will target not only the make-up market, but also the much larger skincare and haircare markets. The plant may also be able to serve other markets, including materials and fuels.

Ronan Euzen, Global Bioenergies Head of Business Development, explained: “Numerous discussions have recently taken place with manufacturers in areas as diverse as rubber, gas and industrial solvents. Times are changing and the entire industry is now actively searching for ways of limiting its consumption of petroleum products. The road fuel sector in particular is undergoing a radical change: European announcements on the possible phase-out of combustion vehicles have tied their destiny to that of biofuels. Niche markets will be exploitable as of the third horizon.”

The fourth horizon, which is expected to take shape within five years, will consist of setting up a unit to produce tens of thousands of tonnes of isobutene per year at a reduced cost, enabling the aviation fuel market to be targeted. Many Western countries are strongly committed to reducing CO₂ emissions in this sector with its high environmental impact.

Bernard Chaud, Head of Industrial Strategy at Global Bioenergies, said: “The certification of our technology for air transport is on track. Achieving the performance improvement targets set by our R&D division will enable our process for converting residual sugars into sustainable aviation fuel to reach competitive costs. As such, we are looking to significantly reduce the greenhouse gas emissions of air transport on a global scale.”

Marc Delcourt, co-founder and CEO of Global Bioenergies, concluded: “The creation of a new industry always relies on niche markets initially. The multiple niche markets for isobutene and its derivatives have prompted us to draw up a roadmap with four horizons, and will enable our Company, despite its small size, to realistically tackle a challenge as broad as environmental transition.”

About GLOBAL BIOENERGIES

Global Bioenergies converts plant-derived resources into compounds used in the cosmetics industry, as well as the energy and materials sectors. After launching the first long-lasting and natural make-up brand LAST® in 2021, Global Bioenergies is now marketing Isonaturane®12, its key ingredient, to major cosmetics companies to improve the naturalness of their formulas whilst improving their carbon footprint. Its process has numerous applications in specialty chemicals and polymers. In the long run, Global Bioenergies is also aiming at cutting CO₂ emissions in the aviation sector and thereby curb global warming. Global Bioenergies is listed on Euronext Growth Paris (FR0011052257 - ALGBE).

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