

Press release

Evonik to acquire technology from METEX for the fermentative production of methionine

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- Evonik will take over a technology package from METabolic EXplorer (METEX)
- The acquisition will strengthen the Evonik biotechnology platform for amino acids
- The move will also enhance the ability of METEX to commercialize other technologies that it has developed as alternatives to chemical processes
- Further opportunities for cooperation are being explored

Essen/Clermont-Ferrand. Evonik Industries AG of Germany and METabolic EXplorer (METEX) of France have agreed that Evonik will acquire a technology package from METEX to strengthen its biotechnology platform for amino acids, following an agreement signed today in Paris. The package includes METEX's entire technology portfolio for the fermentative production of methionine, as well as patents, essential bacteria strains, and the inoLa™ brand. METEX considers that this agreement will underscore the relevance of METEX's alternative technologies and will strengthen its ability to commercialize its other technologies.

The transaction also includes a back license agreement pertaining to certain patents to be transferred to Evonik; this agreement will allow METEX to continue using these patents for activities other than those relating to methionine. Furthermore, the companies intend to explore the possibility of a research and development cooperation agreement on the development of biotechnologically produced amino acids.

The total consideration for the transfer of this technology, including a two-year transfer service agreement, amounts to 45 million euros.

Amino acids produced by fermentation are an important pillar of Evonik's product portfolio for sustainable animal nutrition. Production process efficiency for Biolys® (lysine), ThreAMINO® (threonine) and TrypAMINO® (tryptophane) has been continuously

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improved over the past few years, and the portfolio was recently expanded to include ValAMINO® (valine).

“Through its fermentative methionine production process, METEX has demonstrated excellent development work and was able to secure wide-ranging patent protection,” says Dr. Emmanuel Auer, head of Evonik’s Animal Nutrition Business Line. “The acquisition of this technology will expand our technological leadership for amino acids produced both chemically and by fermentation,” he explains.

“We have been able to show that the fermentation process for manufacturing methionine is a potential alternative to familiar manufacturing routes. For all of the company’s stakeholders, this is a validation of our technical leadership. Proceeds from the sale will accelerate our ability to further develop and market our other technologies, such as PDO, MPG, or new high-value-added molecules,” says Benjamin Gonzalez, CEO of METEX. “The technology will be transferred to Evonik immediately after the required approval of Evonik committees. This is expected before mid-December 2016.”

According to Mr. Auer, “METEX has many years of experience in the field of strain development and fermentation technology. We believe the potential exists to develop viable process optimization methods for products manufactured using biotechnology—in animal nutrition and beyond. This acquisition will complement and broaden Evonik’s technology portfolio for important innovation fields.”

As Mr. Gonzalez sees it, “Amino acids are clearly high-value-added products, and we are confident that our expertise will deliver new competitive solutions beyond methionine. Improving processes for key natural products for animal feed is one of our top priorities. We look forward to the possibility of a constructive R&D partnership with Evonik to that effect.”

Founded in 1999 and headquartered in the French town of Clermont-Ferrand, METabolic EXplorer is an industrial biochemistry company specializing in the development of biotechnology production processes for bio-based substances

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used in a wide variety of everyday products such as textile fibers and feed additives. In the future, METEX will sharpen its focus on developing environmentally safe production processes for the consumer goods industry, thus catering to consumers' expectations of sustainable production processes.

With more than 60 years of experience in the production of essential amino acids, Evonik offers solutions for efficient and sustainable animal nutrition to customers in more than a hundred countries around the world. By extending its product range beyond amino acids to include innovative feed additives, Evonik plans to contribute even further to the efficiency of animal feed and to create additional value for its customers. Evonik products and services in the area of animal nutrition play a key role globally in healthy and affordable feed production that conserves natural resources and reduces the carbon footprint.

Company information

Evonik, the creative industrial group from Germany, is one of the world leaders in specialty chemicals. Profitable growth and a sustained increase in the value of the company form the heart of Evonik's corporate strategy. Its activities focus on the key megatrends health, nutrition, resource efficiency and globalization. Evonik benefits specifically from its innovative prowess and integrated technology platforms. Evonik is active in over 100 countries around the world. In fiscal 2015 more than 33,500 employees generated sales of around €13.5 billion and an operating profit (adjusted EBITDA) of about €2.47 billion.

Evonik Industries has been producing specialty chemical products in the Greater China region (Mainland China, Hong Kong and Taiwan) since the late 1970's; with wide-ranging trading relations already in place prior to this in the region. Evonik regards Greater China as one of the driving forces of the global economy and we consequently endeavor to grow our business in the region. The company now has around 3,000 employees in the Greater China region, the regional sales reached over €1.3 billion in 2015.

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