



COMUNICACIÓN DE INFORMACIÓN RELEVANTE 1NKEMIA IUCT GROUP, S.A.

En virtud de lo previsto en el artículo 17 del Reglamento (UE) nº 596/2014 sobre abuso de mercado y en el artículo 228 del texto refundido de la Ley del Mercado de Valores, aprobado por el Real Decreto Legislativo 4/2015, de 23 de octubre ponemos en su conocimiento el siguiente Hecho Relevante relativo a la sociedad **INKEMIA IUCT GROUP, S.A.** (en adelante “**InKemia**” o “**la Sociedad**” indistintamente).

Se adjunta a continuación la presentación ante inversores que se realizará el día 30 de mayo de 2018 en La Bolsa de Madrid en el marco del Foro MedCap 2018 organizado por Bolsas y Mercados Españoles.

En Mollet del Vallès, a 29 de mayo de 2018

A handwritten signature in blue ink, appearing to read 'Josep Castells Boliart', written over a horizontal line.

Fdo: Josep Castells Boliart,
Consejero Delegado de 1NKEMIA IUCT GROUP, S.A.



inkemia

IUCT group

Our knowledge at your service



Know-how

March, 2018



Introduction



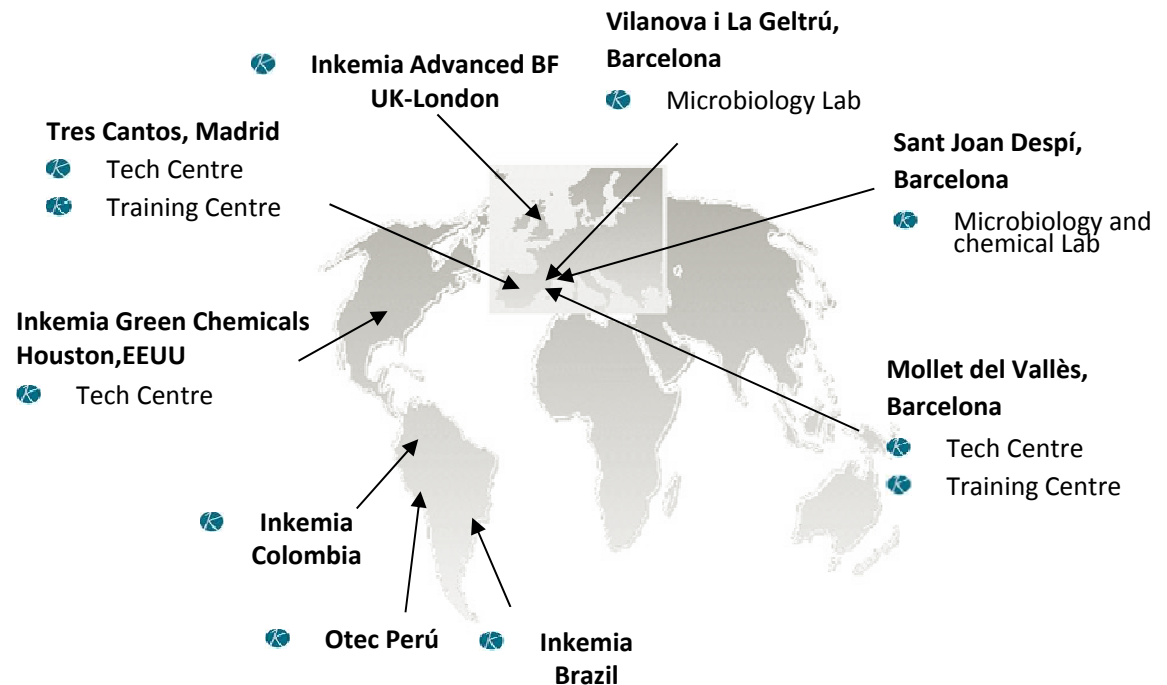
Biotechnological Holding founded in 1997.

Group of Life Sciences companies, focusing on the **generation and exploitation of KNOWLEDGE**. The group focuses its R & D activity on the acquisition of new products, processes and services for the chemical, pharmaceutical, biotechnological, cosmetic and functional food industries.

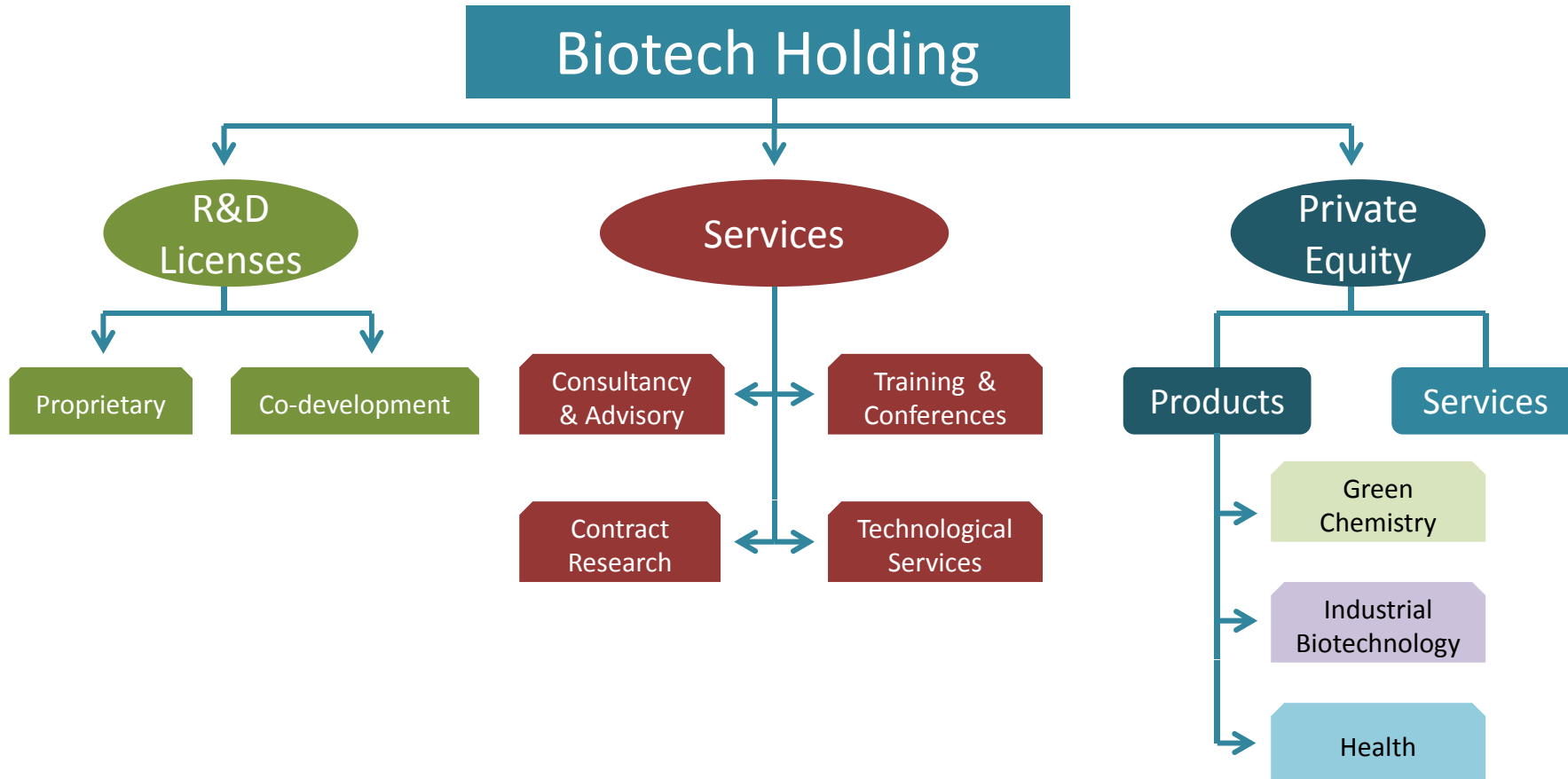
InKemia began trading on Spanish MAB in 2012.

Main activity areas

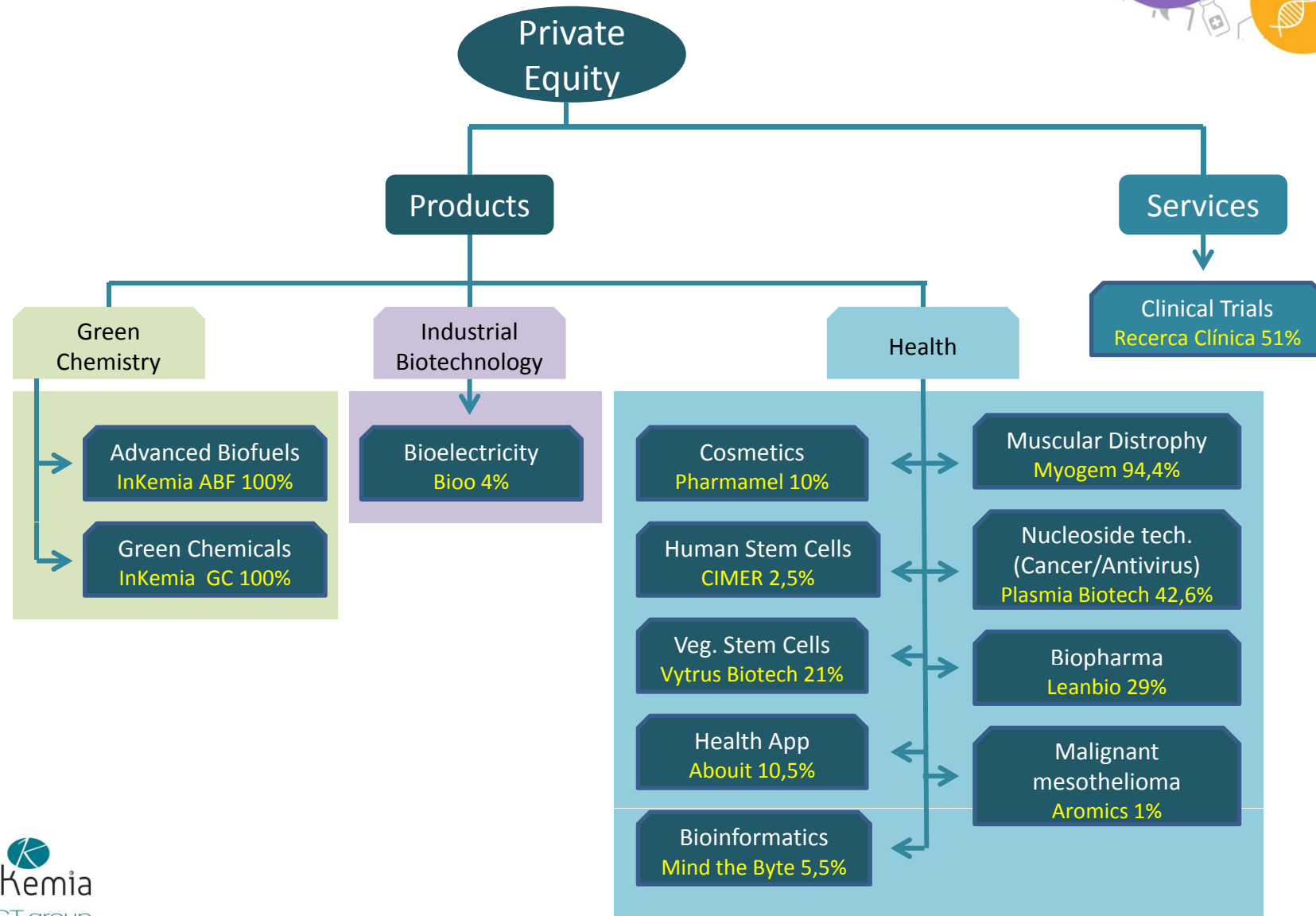
- Green Chemistry
- Industrial Biotechnology
- Drug Discovery and Development
- High Throughput Analysis and Synthesis



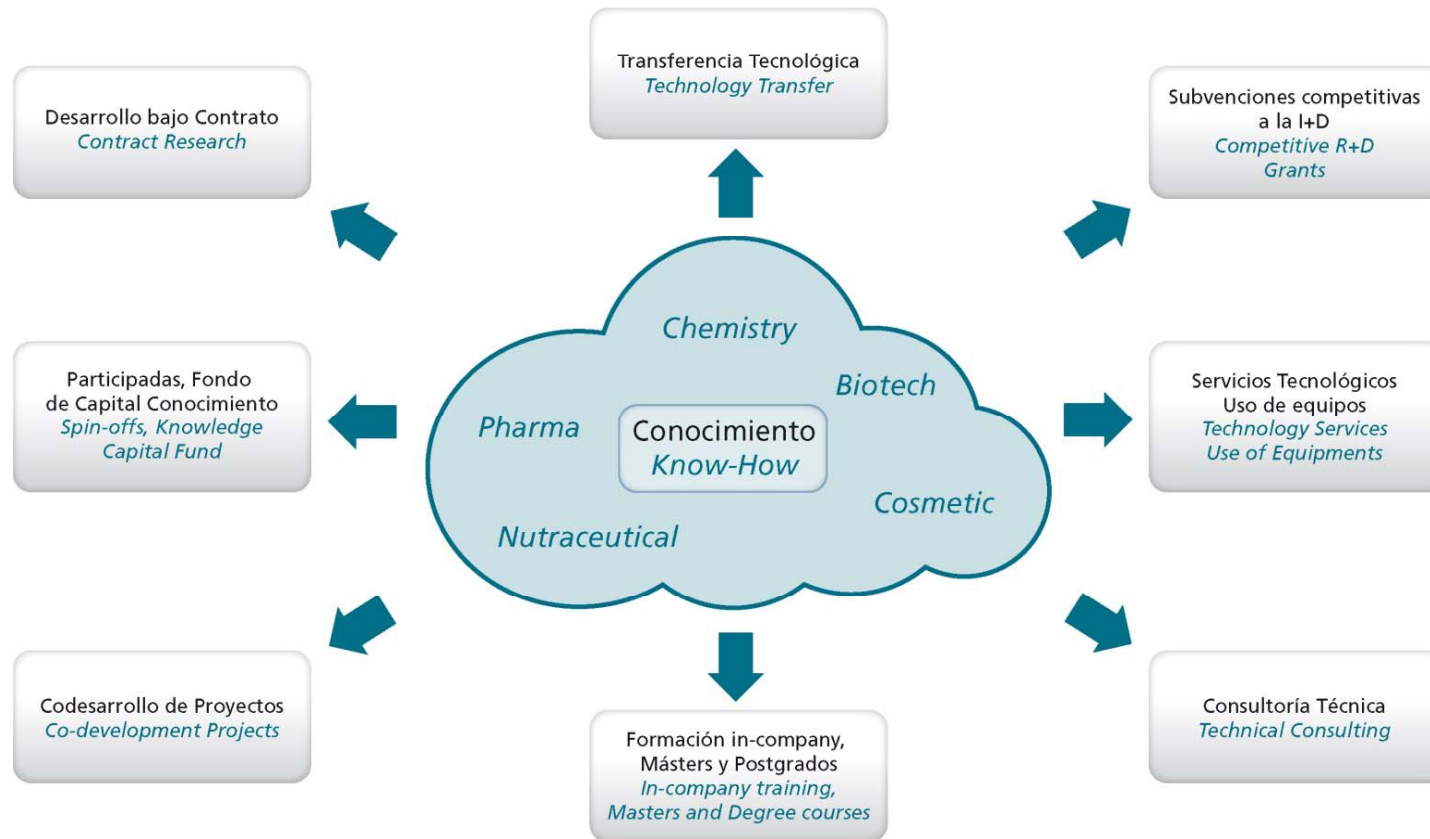
Business Model



Portfolio of investees



Multichannel Business Model



Inkemia in Numbers

GROUP:

- Knowledge Division
 - ✓ Employees: 98
 - ✓ External collaborators: 200
- Whole group
 - ✓ Employees : > 170
 - ✓ External collaborators : > 220

R&D projects:

- More than 50 collaborative R + D projects developed.
- R+D Joint Ventures with 5 companies.

InKemia Pipeline

- 24 products
- 7 processes
- 18 technologies

Patents:

- Granted patents: 72 (26 families)
- Patents in study: >150

Clients:

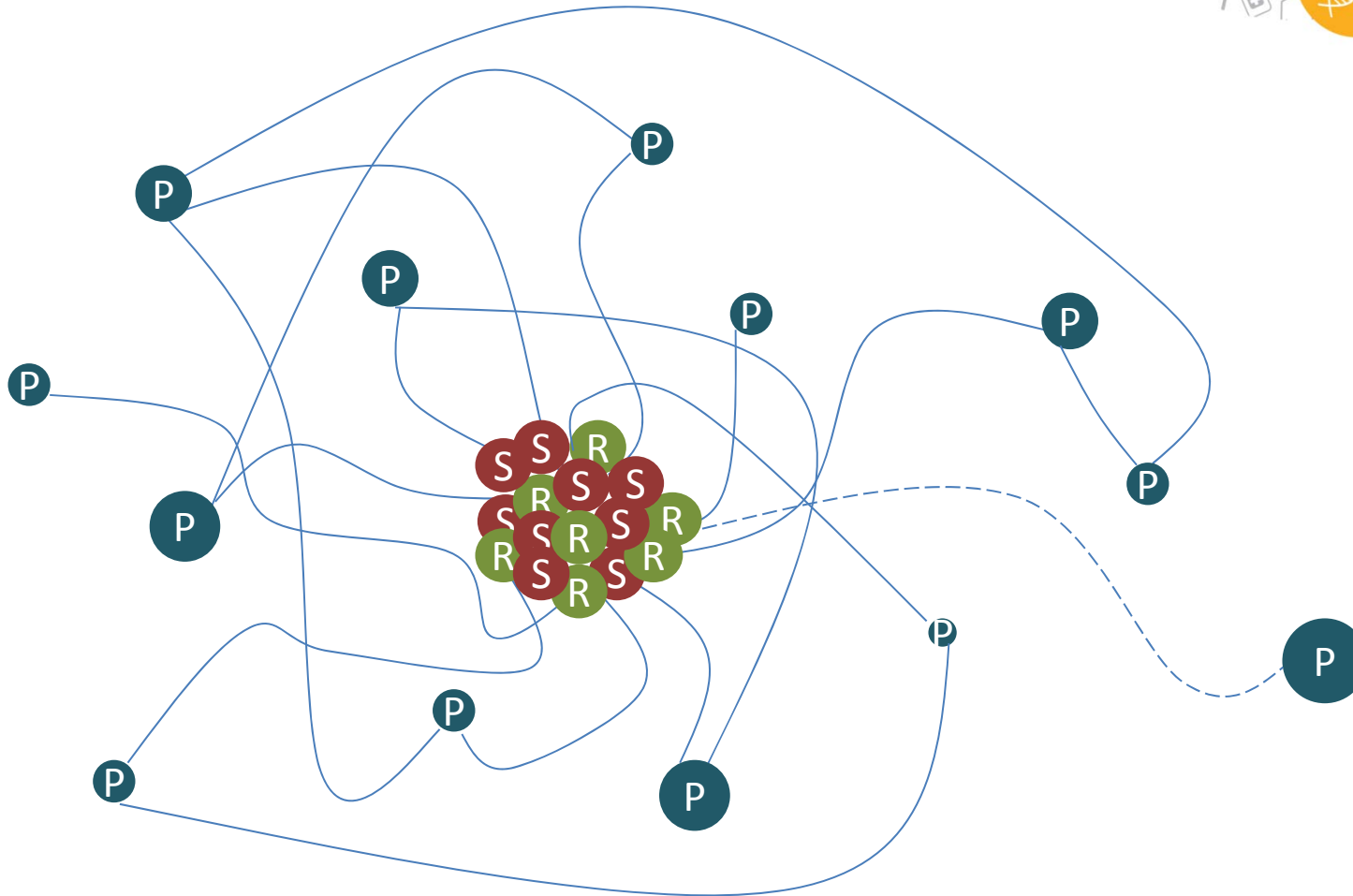
- More than 300 industrial clients
- More than 10.000 professionals trained



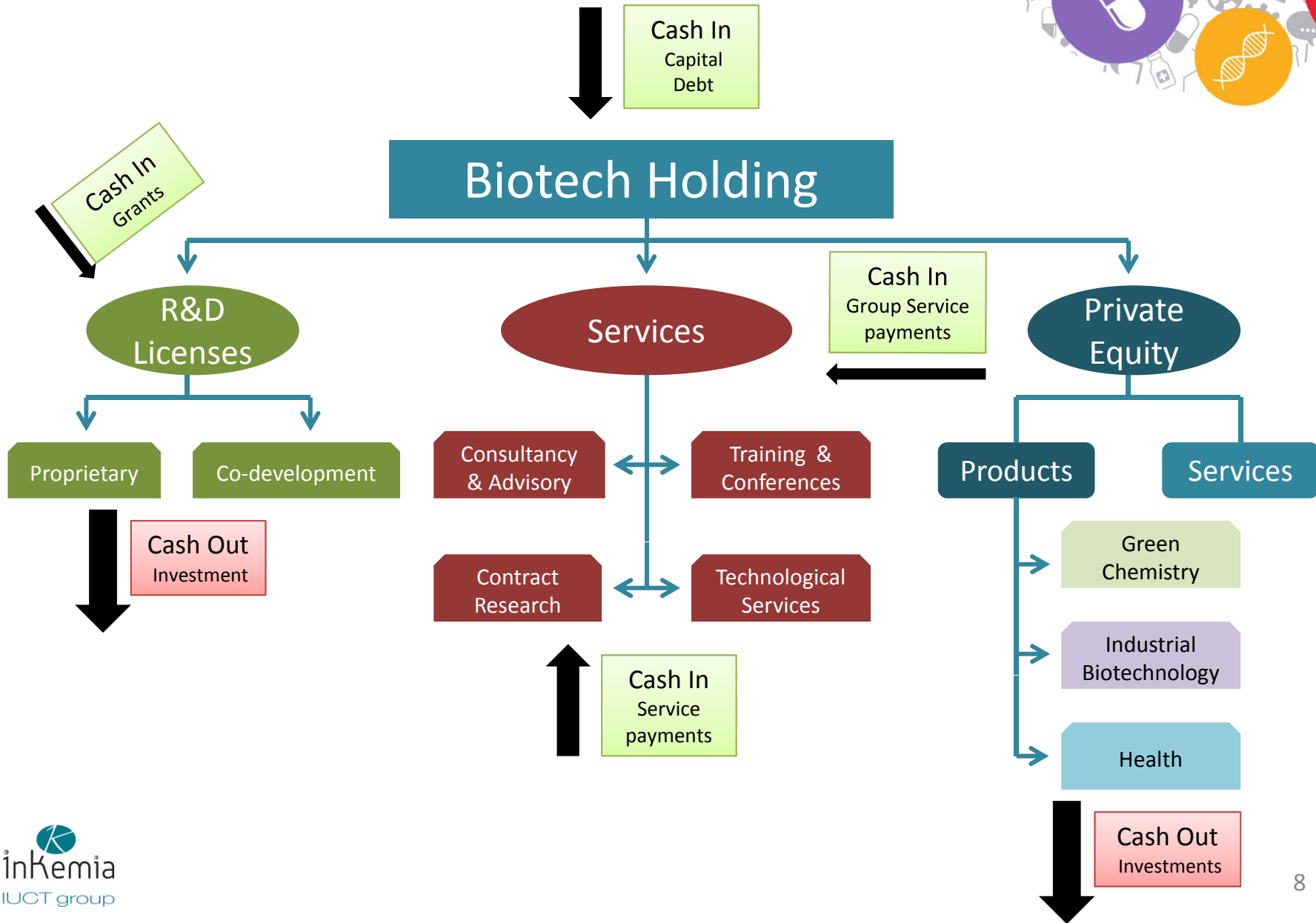
Examples of industrial clients



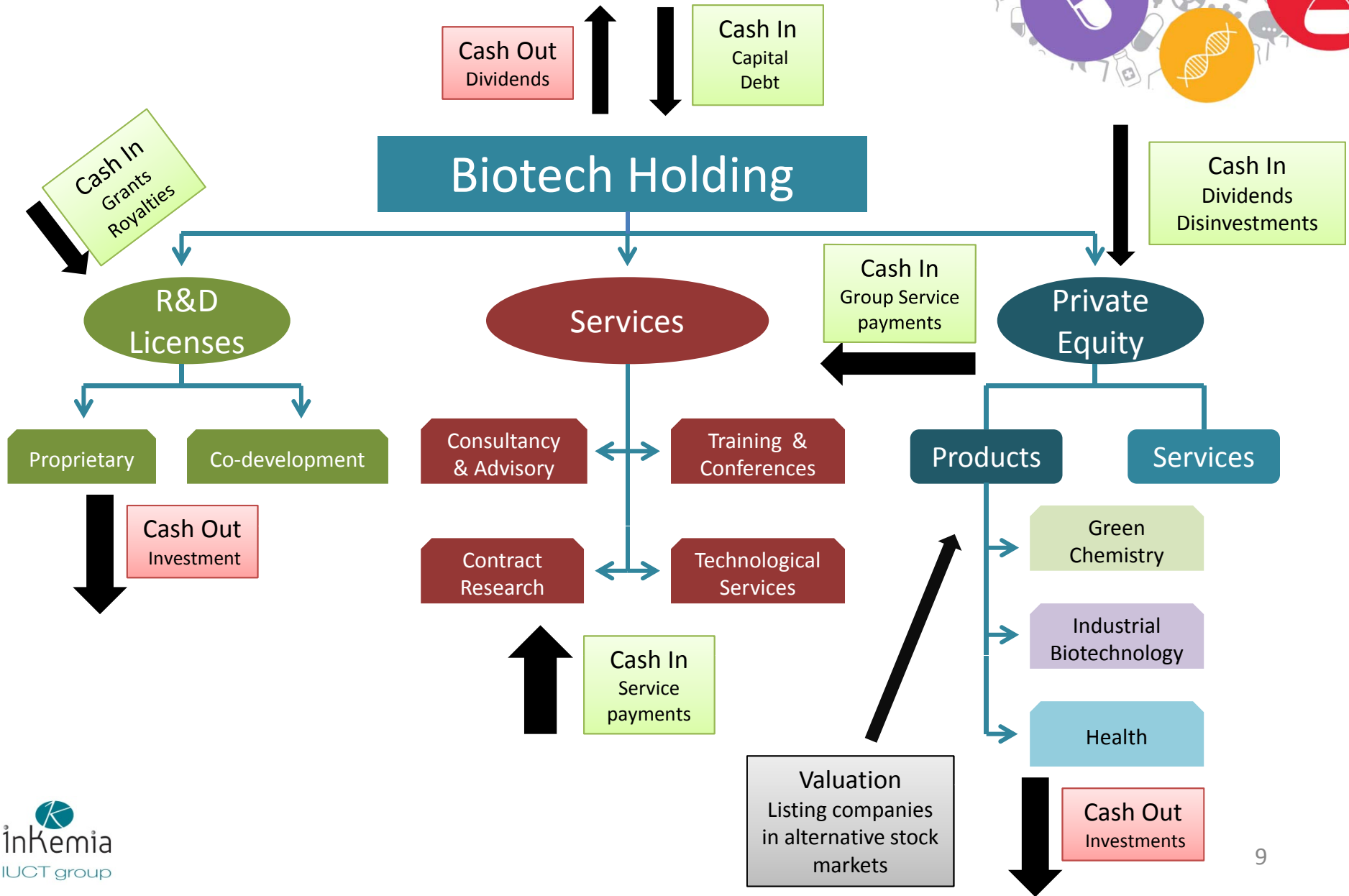
The strength of synergies



Current Cash Model



Future Cash Model



Disruptive Value Model



Questions to highlight

- **Is the value of the companies participating in the group visible?**
 - Many do not consolidate.
 - Others are consolidated by equivalence and the real value behind is not shown.
 - Few do a global consolidation.
- **What is the value of the group's entrepreneurial division?**
 - Global technological value. Synergistic network of life sciences companies.
 - Scalability of the value of the technology by the inclusion of new companies to the network.
 - Participation in companies with high potential for growth in their value.
- **Is it easy to show the real value of these companies?**
 - Participating in companies in the early stages of development requires time and a lot of work to reach their level of maturity.
 - The value is not easy to reflect in the financial statements.
- **Do we have to disinvest to show this value?**
 - If we disinvest, we will lose technological value in the short and long term.
 - Disinvestments could break the disruptive business model that we are creating.
 - Divestment has its meaning if synergies with the group disappear.
- **How to show the value of the entrepreneurial division?**
 - The real value of a company is what others are willing to pay for it → Financial Markets.
 - Once they are ready to go to stock market → MAB, Euronext, AIM, Nasdaq, others

InKemia Advanced BF

Technical valuation



Paul Bryan

20 years experiences in chemical process research, development and commercialization.

Focus on renewable fuels since 2006

- PH.D. From Berkley (UC)
- Post doc. École des Mines, Paris.
- 4 years as Vice President for Biofuels Technology for Chevron
- 2 years leading the Biofuels Program at US Department of Energy

Conclusions

Overall, my assessment is that IBT, aka the S-50 Process, represents a major potential advance in biodiesel technology, and that **it has strong potential to become a leader in that field**, both economically, because of its utilization of glycerine, which can only be considered a “distressed” byproduct at present, and because of its reduced CO2 footprint, which derives from the same underlying improvement.

An investment decision will necessarily involve many considerations outside the scope of this assessment, but my review indicates that the techno-economic prospects of IBT are sound.

Indeed, **IBT is among the most promising technologies in the biodiesel field that I have seen** at this stage of development.

InKemia Advanced BF

Financial valuation



Hogan
Lovells

Executive Summary

- In accordance with our engagement with 1nkemia Advanced Biofuel Ltd ("1nkemia BF"), Hogan Lovells Solutions Transfer Pricing ("we" or "Hogan Lovells") have undertaken an indicative valuation of the intangible property ("IP"), including patents, trademarks, copyrights, manufacturing processes and other IP (collectively "the IP"), relating to the 1nkemia BF business.
- This indicative valuation is for the purpose of supporting management with internal discussions and considering options to exploit IP through licensing, commercialisation or a potential sale in the future. Should a sale be considered we can provide further advice regarding the tax valuation and transfer pricing implications of that sale. The report is a summary version of our full analysis, to be issued mid-December 2017.
- The application of a discounted residual profit methodology produced an indicative valuation of **EUR 111.51 million**.
- A sensitivity analysis of the various key data inputs to the methodology produced an interquartile range of possible values of **EUR 72.72 million to EUR 161.61 million**, which encompasses the indicative value of EUR 111.51million.
- The application of a supporting discounted royalty methodology produced a supporting valuation of EUR 109.08 million, falling within the sensitivity range and corroborating the indicative valuation of EUR 111.51 million.
- The valuation relies upon facts and information provided by management and employees of 1nkemia BF and its related entities, particularly forecast data. No independent verification has been sought to validate this information. Consequently, the description of facts and circumstances in this document reflects our understanding of the situation at the time of our information gathering. The management of 1nkemia BF has reviewed this report and confirmed that there are no material misunderstandings or misrepresentations of the facts gathered during its preparation.
- Our analysis also uses information obtained from third party sources. We have used our knowledge and experience to assess as far as is reasonably possible the reliability and accuracy of such third party data, but are unable to guarantee its accuracy.

InKemia Advanced BF Business Development



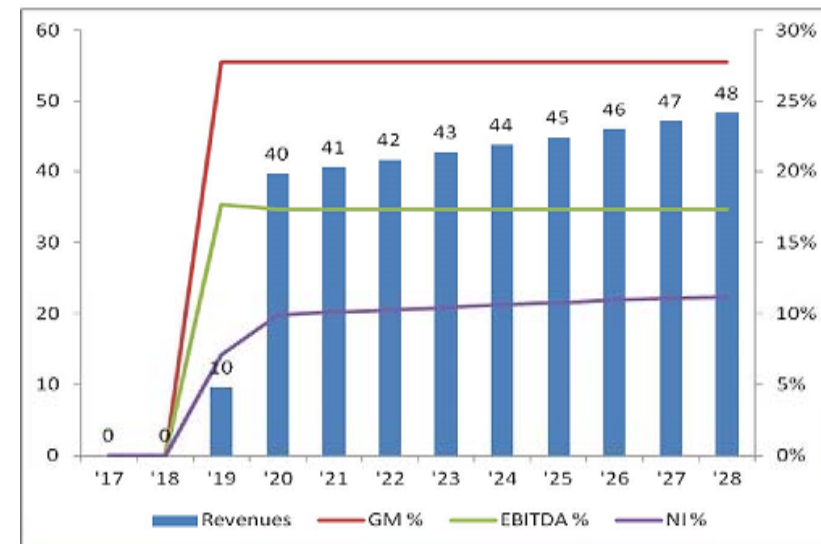
Corporate development

- Required resources (capital or debt): 4 million GBP
- Use of funds:
 - Business development
 - Building Pilot plant, for processes tests
 - R&D to explore new business areas

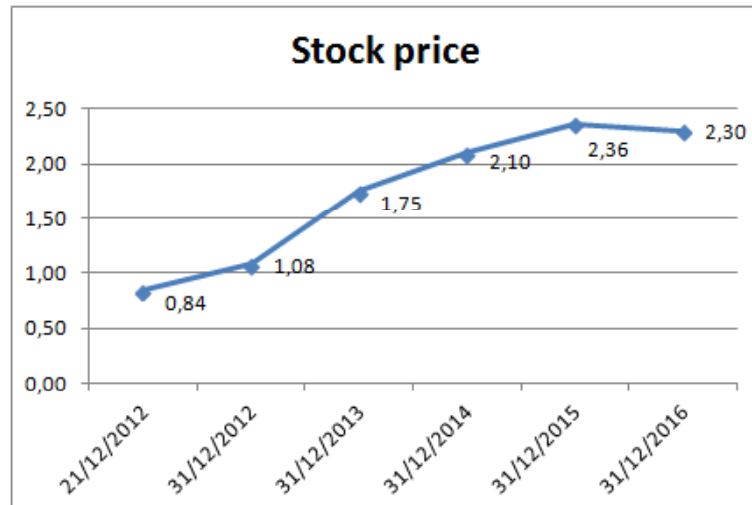
First industrial plant in Portugal

- Required funds: 26,8 million EUR
- Portuguese financial aid 9,4 million EUR
- Other funds (capital or financial/banking debt) 17,4 million EUR

P&L Projections

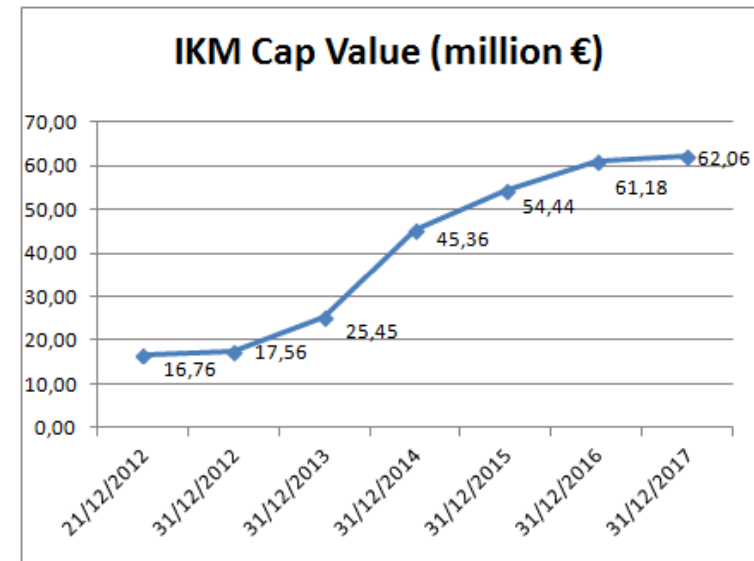


InKemia - Market Value

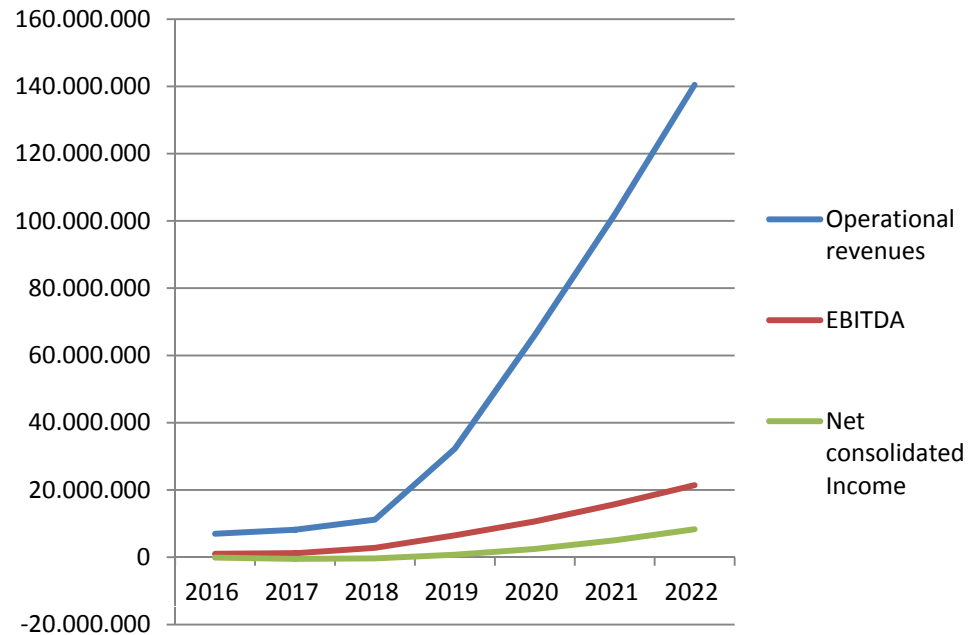


Date	Stock price	% of change	Volume in Thousand €
21/12/2012	0,80		
31/12/2012	0,84	5,0%	125
31/12/2013	1,08	28,6%	3.986
31/12/2014	1,75	62,0%	13.977
31/12/2015	2,10	20,0%	6.401
31/12/2016	2,36	12,4%	12.947
31/12/2017	2,30	-2,5%	3.021

Date	IKM Cap Value (million €)	IKM Value increase	Accumulated Value Increase
21/12/2012	16,76		
31/12/2012	17,56	4,8%	4,8%
31/12/2013	25,45	44,9%	51,8%
31/12/2014	45,36	78,2%	170,6%
31/12/2015	54,44	20,0%	224,8%
31/12/2016	61,18	12,4%	265,0%
31/12/2017	62,06	1,4%	270,3%



Financial Projections 2017 - 2022



Relevant facts:

- Significant impact on sales due to the start-up of biofuel production plants from 2019.
- Significant impact (although less than in biofuels), in sales, also in 2019, of the start-up of the main industrial projects of Green Chemicals.
- Reduction of operating margins for the two previous industrial projects
- Continuous improvement of the CORE business of group services and other divisions

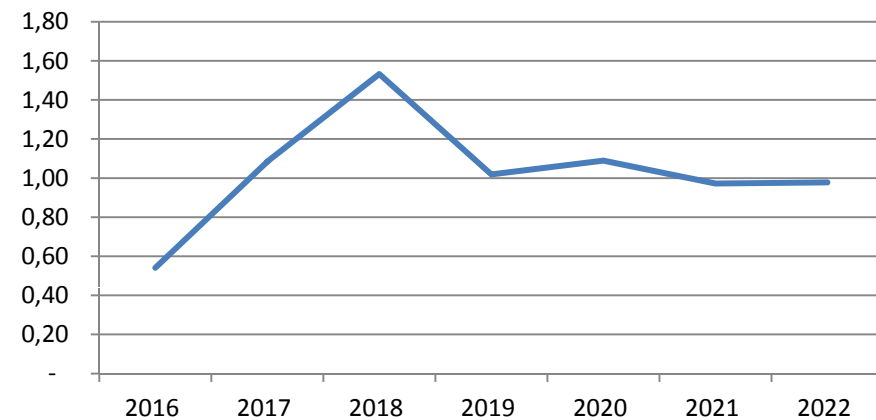
Financial Projections 2017 -2022



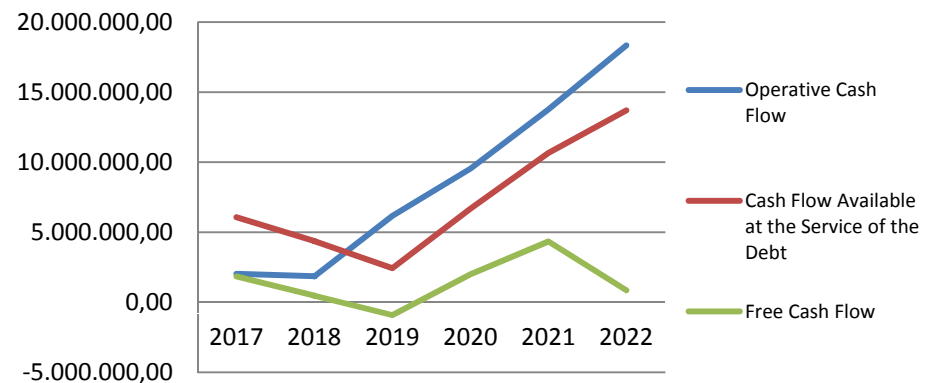
Relevant facts:

- Maintaining a balanced current ratio.
- Reduction of financial debt (excluding bonds and structured financing of biofuels plants), with a slight increase in 2021/2022 to consolidate the company's financial position before the return of the bond:
 - In 2022 the level of long-term financial debt will be reduced to 69% of the existing at the close of 2016
 - In 2022 the level of short-term financial debt will be reduced to 34% of the existing at the close of 2016
- Global reduction of financial debt by 47%

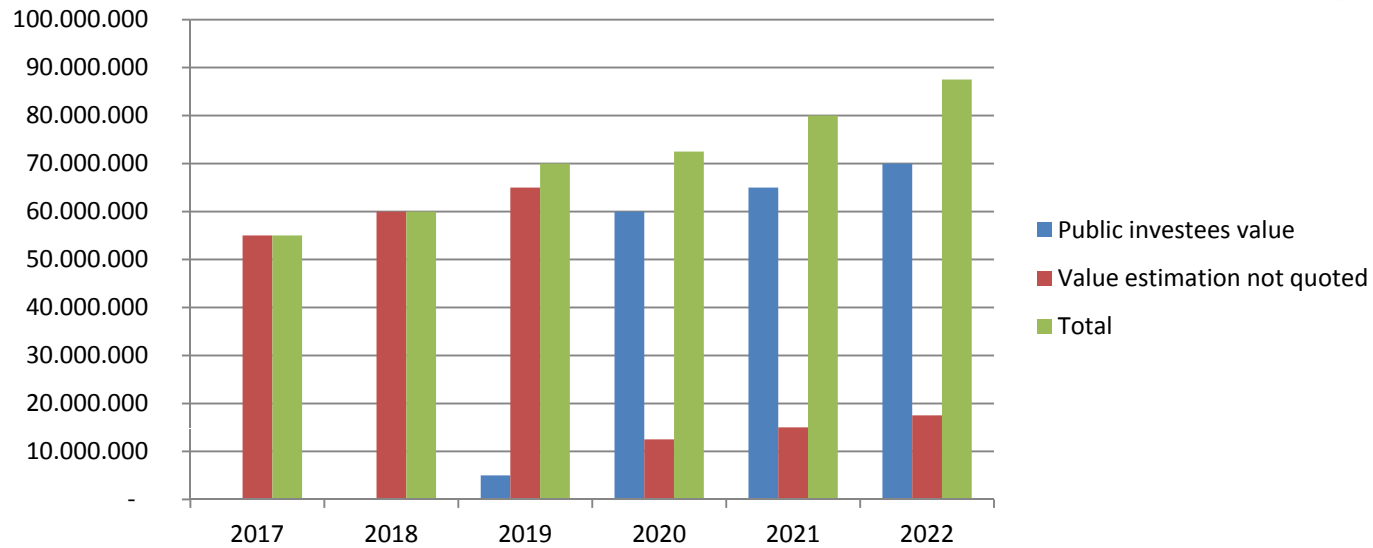
Current Ratio



Cash Flows



Investees value



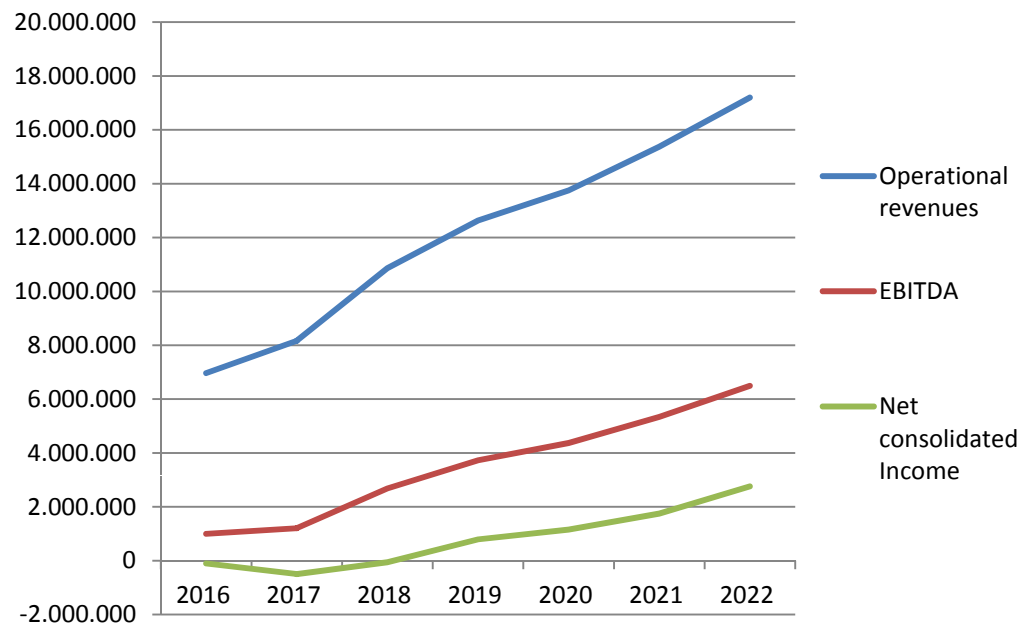
Investees value

	2017	2018	2019	2020	2021	2022
Investees	15	17	20	23	27	30
Public investees	0	0	2	4	5	6
Public investees value	-	-	5.000.000	60.000.000	65.000.000	70.000.000
Value estimation not quoted	55.000.000	60.000.000	65.000.000	12.500.000	15.000.000	17.500.000
Total	55.000.000	60.000.000	70.000.000	72.500.000	80.000.000	87.500.000

Financial Projections 2017 - 2022



(excluding InKemia Green Chemicals and InKemia Advanced BF)



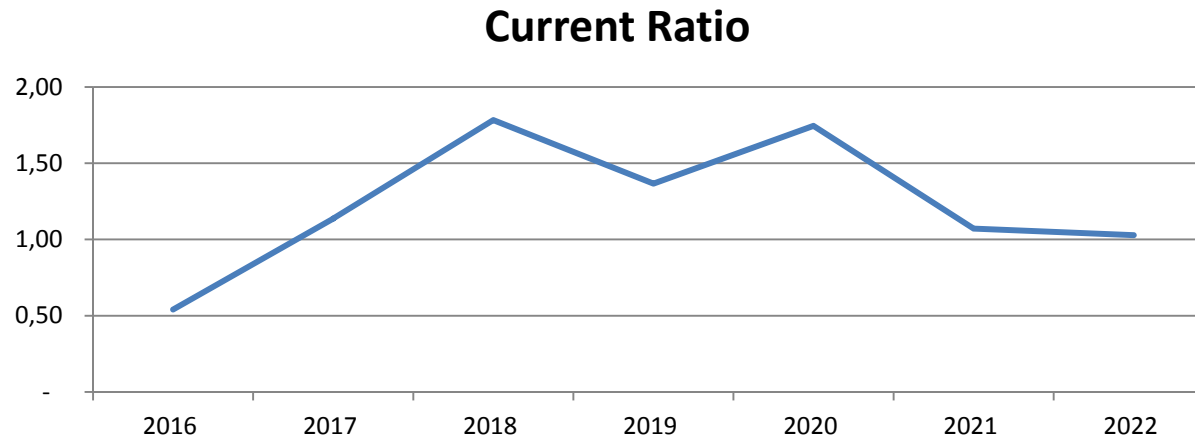
Relevant facts:

- Continuous improvement of the CORE business of group services and other divisions
- EBITDA close to 6.5 million euros in 2022 would be achieved
- The sources of income of the CORE business will be very diversified in different business areas.

Financial Projections 2017 - 2022



(excluding InKemia Green Chemicals and InKemia Advanced BF)



Relevant facts:

- Maintaining a balanced current ratio.
- Maintenance of the financial debt, excluding the bonds, in 2022 close to the 2016 figures:
 - In 2022 the level of long-term financial debt would grow by 25% with respect to the one existing at the end of 2016
 - In 2022 the level of short-term financial debt would be reduced to 71% of the existing at the close of 2016

Issuance of corporate bonds



Issuance

- Issuance of 20 million Euros Corporate Bonds at 5 years, bullet payment
- Interest rate 6,5%
- Guarantee: piece of industrial land Barcelona, value at 2015 8,8 million Euros

Use of funds

- Develop the InKemia Advanced BF (UK) business:
 - Biggest investment requirements
 - Corporate Business Development
 - Development of the demonstration plant
 - Development of the first industrial plant (Portugal)
- Develop the InKemia Green Chemicals (USA) business:
- Corporate business acquisitions (reinforce core business)
- Launch of the Venture Capital Fund -> InKemia Fond ICO Global
- Continue investing in the development of R & D for the generation of new high-value products



Our knowledge at your service



Pharmaceutical



Biotech



Cosmetic



Nutraceutical



Chemistry

COMPETITIVE R&D GRANTS

CONTRACT RESEARCH

CO-DEVELOPMENT PROJECTS

TECHNOLOGICAL SERVICES

CONSULTANCY

LINCENSING-OUT / TECHNOLOGY TRANSFER

TRAINING

KNOWLEDGE CAPITAL FUND



Thank you

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