

NEWS RELEASE

Vinpai Publishes its 2023 Half Year Results

10/5/2023

- Strong growth in sales over the 1st half, up +33% compared with 1st half of 2022, to €4.0 million
- Gross margin improved from 44.5% to 48.6%
- Successful capital increase carried out as part of the IPO in July 2023
- Continued sales momentum driven by additional customer acquisitions and business expansion into 3 new countries

SAINT-DOLAY, France--(BUSINESS WIRE)-- Regulatory News:

Vinpai (ISIN: FR001400AXT1; ticker: ALVIN), a specialist in the design, manufacture and marketing of algae- and plant-based functional ingredients for the food and cosmetics industries, today announces its results for the first half of 2023, ended June 30, 2023, approved by the Board of Directors on October 5, 2023.

Philippe Le Ray, Chief Executive Officer and Co-founder, declares: "The first-half results are satisfying thanks to the Company's strong momentum, reflected by sales growth of around 33%. Our business has been benefitting from favorable trends in our markets, with the development of new consumer habits and the growing desire to consume in a responsible way, and continuing strong demand for natural ingredients, which confirms the promising potential of Vinpai's positioning. Thanks to our fundraising closed in July, we will pursue our development strategy backed by the necessary resources to meet this growing demand. We can leverage on our capacity for innovation to expand our ranges of both natural and clean-label ingredients to meet the needs of major industrial players."

2023 Half Year Results

In €k	06/30/2023	06/30/2022	06/30/2022 restated ¹	Change in % vs. restated
Sales	3,984	2,294	2,294	+33.0%
Gross margin	1,935	1,334	1,334	+45.1%
Gross margin rate	48.6%	44.5%	44.5%	+4.1 pts
Earnings Before Interest and Taxes (EBITDA)	(381)	(373)	(536)	+28.9%
Operating profit	(612)	(560)	(722)	+15.2%
Profit before taxes	(834)	(626)	(788)	-5.9%
Net profit (group share)	(781)	(573)	(735)	-6.3%

In the first half of 2023, Vinpai reported sales up +33% compared with June 30, 2022, at €3,984k, with the sector mix remaining unchanged. Food accounts for 75% of total sales and cosmetics and nutraceuticals for 25%.

By geographic region, Vinpai generated nearly 55% of its sales in France. International sales have also been dynamic, particularly in Latin America, where the Company recorded an increase of more than 100% in sales over the first 6 months of the year, thanks mainly to the ramp-up of recurrent customers in Mexico and the opening of new customer accounts in Brazil, Peru and Chile.

This growth has been driven by higher purchasing orders from major recurring customers across all regions. The Company has also strengthened its distribution network with the signing of a distribution agreement in the Maghreb region with Lactavit, a supplier specializing in the procurement of food raw materials, enabling Vinpai to expand its business in this region.

The backlog² stood at €6,416k on June 30, 2023, compared with €4,241k on June 30, 2022.

Gross margin came to €1,935k, an improvement of +45% compared with €1,334k on June 30, 2022, despite higher purchase prices for raw materials and consumables. Thank to higher volumes, tight control over purchasing and good pricing power, the gross margin set to 48.6%, up 4 points over the 44.5% recorded on June 30, 2022.

The increase in operating expenses was swollen by a reversal of a provision for paid leave, which artificially reduced personnel costs for the 1st half of 2022. Excluding this impact, operating expenses are increasing at a slower pace compared to sales, resulting in an EBITDA for the 1st half of 2023 of -€381k, an improvement of €155k compared with the restated EBITDA for the 1st half of 2022.

Operating profit was negative at -€612k for the 1st half of 2023, compared with -€722k for the 1st half of 2022.

The financial result amounted to -€224k, mainly due to interest payments on financing set up prior to the IPO.

After taking these items into account, net income showed a loss of €781k, compared with a loss of €735k in the first half of 2022.

Cash position on June 30, 2023 and successful IPO project

On June 30, 2023, Vinpai's cash position stood at €0.3 million, compared with €0.4 million on December 31, 2022. On July 13, 2023, the Company announced the success of its initial public offering on Euronext Growth, with a capital increase of nearly €7 million, including €2.4 million by debt set-off. This operation has allowed the strengthening of the Company's financial resources and met great success with both institutional and retail investors. On September 30, the cash position stands at €2.2 million.

Strategy and outlook

Over the coming months, the Company intends to pursue its development strategy, drawing on its strong capacity for innovation to expand its ranges of natural ingredients aimed at customers in the food, cosmetics and nutraceutical industries.

The Company will also further adapt its organization and production facilities in order to increase its production capacity.

This investment policy will be combined with strict control of overhead costs and close monitoring of cash management to ensure Vinpai's continued progress towards operating breakeven.

Positioned on structurally promising trends and benefiting from a strong sales momentum with a capacity to innovate and a solid order book, Vinpai reminds its objectives for 2025, with sales of €16 million and an EBITDA rate above 10%.

Availability of the 2023 Half Year Financial Report

The interim financial statements were approved by the Board of Directors on October 5, 2023. The 2023 half year financial report will be available by October 31, 2023 on the Company's Investor Relations website (www.vinpai-finance.com), in the Documentation section.

Next financial announcement: 2023 third quarter sales, on November 9, 2023, after market close

About Vinpai

Founded in 2011 by Cyrille Damany and Philippe Le Ray, Vinpai is an ingredien'tech specializing in the design, manufacture and marketing of functional ingredients based on algae, plants, minerals and fibers, offering manufacturers natural alternatives to chemical additives. Positioned in the most promising market segments, Vinpai provide supports to food, cosmetics and nutraceutical manufacturers, thanks to its cross-technology know-how, enabling them to upgrade the nutritional qualities of their end products. The combination and mixing of

ingredients and food additives enable manufacturers to accelerate their development, optimize their production costs and generate profitability. Operating on two sites, in Saint-Dolay (Morbihan) and near the harbour of Saint-Nazaire, Vinpai has developed over 3,500 formulations and has 39 employees. In 2022, the Company has recorded sales of €6.2 million, over half of which abroad, and is established in over 35 countries.

For further information: www.vinpai.com

1 In 2022, reversal of a proposal for paid leave expense of €162,000 incorrectly booked in 2021

2 The backlog is defined by all orders validated by customers, registered in the company's ERP system and to be delivered within a maximum of 9 months

Vinpai

Philippe Le Ray

Chief Executive Officer

investors@vinpai.com

NewCap

Théo Martin

Aurélie Manavarere

Investor Relations

vinpai@newcap.eu

T. : 01 44 71 94 94

NewCap

Nicolas Mérigeau

Antoine Pacquier

Media Relations

vinpai@newcap.eu

T. : 01 44 71 94 98

Source: Vinpai