



Lactips, producer of the first soluble bioplastic, raises 13 million euros

Lactips is being supported by the Bpifrance SPI (Société de Projet Industriel) fund and Diamond Edge Ventures (DEV), Mitsubishi Chemical Holdings Corporation's strategic investment fund, to accelerate its growth

Saint-Jean-Bonnefonds (Loire), May 26, 2020 – Lactips, the French company specialized in producing a soluble bioplastic with zero environmental trace, has raised 13 million euros in new capital. This round was led by Bpifrance's SPI (Société de Projet Industriel) fund, managed on behalf of the French Government as part of the Investments for the Future Program (PIA), and Diamond Edge Ventures (DEV), the innovation investment arm of Mitsubishi Chemical Holdings Corporation (MCHC). The new infusion of capital will enable Lactips to ramp up its product development and industrial facilities. Lactips now has the financial resources needed to drive the development of its innovative and responsible biosourced, biodegradable and water-soluble solution, providing an alternative for numerous industrial plastics.

Lactips designs, develops and markets innovative and natural plastics based on a natural raw material with zero environmental impact. With this key round of fundraising, Lactips will accelerate the industrialization of its plastic pellets and films to offer a wider selection of fully biodegradable and recyclable biosourced packaging. Lactips will press forward with its breakthrough in the packaging products, to respond to the issue of micro-plastics ending up in the oceans. In addition, Lactips will be looking to conquer certain packaging markets in the food and construction sectors as well as single-use packaging.

Lactips' industrial project is being supported by the SPI fund within Bpifrance, which, through this operation, wants to help drive progress with this essential industry for the ecological transition, while helping create an industry in France with a strong future in this area.

Lactips is also being supported by MCHC, which is committed to develop and offer solutions for a sustainable future. In Japan, which aims to accelerate the introduction of marine biodegradable polymers, this support will be not only financial, but also industrial and commercial.

"This 13 million euros fundraising is structural and strategic at the same time, thanks to these two new shareholders. More than ever, our industries need new solutions to respond to future economic challenges tied to the goal of reducing the environmental impact of plastics. Since our company's inception, we have successfully demonstrated that our innovative material can cover a wide range of applications. This support for our mission, built around a vision of an economy that is more respectful of the environment and human health, will enable us to rapidly transition to production phase, while continuing to develop the planet's greenest plastic", states **Marie-Hélène GRAMATIKOFF, CEO and co-founder of Lactips.**

Jean-Philippe RICHARD, Investment Director with Bpifrance's SPI fund: *“We are proud to be supporting Marie-Hélène GRAMATIKOFF and her teams to accelerate the development of Lactips' products, and to have successfully completed this fundraising in the current context of the global pandemic. Our commitment illustrates Bpifrance's core values and its commitment to supporting jobs through the structuring of an innovative industrial sector in the Energy and Environmental Transition field”.*

« The cooperation with Lactips underscores our direction towards circular economy and our commitment to Europe as an important market. It perfectly complements our growing portfolio of sustainable materials. Supporting the development of environmentally friendly products like those of Lactips aligns with our vision of « KAITEKI », which signifies the sustainable well-being of people, society and our planet Earth », says **Ansgar POHL, President and CEO Mitsubishi Chemical Europe, the regional headquarters for Mitsubishi Chemical Corporation in Europe.**

« With its natural, biodegradable and edible polymer, Lactips is a game changer that holds the promise to help reducing plastic pollution in landfills and oceans. Lactips offers Mitsubishi Chemical Holdings Corporation a unique platform to tackle the challenges created by plastics contamination and we're looking forward to multiple collaborations to solve such issues in Japan and beyond. » says **Patrick SUEL, President of Diamond Edge Ventures.**

Major capital increase to accompany and support the development of a cleaner industry

This fundraising, subscribed primarily by the SPI fund and followed by DEV, will enable Lactips to:

- continue moving forward with its R&D to develop new applications based on its thermoplastic pallets manufactured in France;
- accelerate its industrialization phase to meet future demand with a new plant in the Gier Valley, which will open in 2021, with the new production lines gradually ramping up;
- access new mass markets (food, construction, single-use plastics, lamination, etc.) in France and abroad.

New jobs will be created (R&D, commercial operations, industrialization and production, support) to support the opening of the new production plant at a 2,500 sq.m site, making it possible to revitalize a former regional industrial hub.

Prestigious shareholders further strengthening development capabilities

With 20 million euros raised since inception, Lactips now has a group of leading shareholders in place around its co-founders alongside institutional investors (Bpifrance, Demeter, BNP Paribas Développement, Crédit Agricole Loire Haute-Loire) and industrial experts, positioned to support its commercial development (BASF Venture Capital GbmH and Mitsubishi Chemical Holdings through its DEV's fund).

The fundraising was led by CleanTech Capital Advisors and supported the law firm Lamy Lexel.

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About Lactips

Because plastic lasts for hundreds of years in our oceans, causing a major pollution issue, Lactips is manufacturing the first plastic with zero environmental impact, thanks to a pioneering technology enabling it to be produced using a natural raw material. Aligned with sustainable development challenges in the packaging sector and the needs of manufacturers, Lactips pellets are used to produce 100% natural packaging for detergent products. This new material is edible and is therefore also suitable for food products.

Created in 2014 by Marie-Hélène Gramatikoff, plastics engineer and business strategy specialist, and Frédéric Prochazka, PhD, lecturer-researcher at Saint-Etienne University, Lactips employs 45 people today and is working to deploy a 2,500 sq.m new production site to further increase its annual capacity to over 3,000 tons. Learn more at www.lactips.com.

About Bpifrance

Bpifrance is the French national investment bank: it finances businesses – at every stage of their development – through loans, guarantees, equity investments and export insurances. Bpifrance also provides extrafinancial services (training, consultancy) to help entrepreneurs meet their challenges (innovation, export...).

For more information, please visit: www.bpifrance.fr and presse.bpifrance.fr - Follow us on Twitter: @Bpifrance - @BpifrancePresse

About Mitsubishi Chemical Holdings Corporation

Mitsubishi Chemical Holdings conducts its corporate activities and businesses worldwide in the domains of Performance Products, Industrial Materials, and Health Care based on the three decision-making criteria of "Sustainability," "Health," and "Comfort." The company will create sustainable corporate value and be a trusted company to its stakeholders by contributing to the sustainable development of people, society, and the Earth. <https://www.mitsubishichem-hd.co.jp/english>

About Diamond Edge Ventures

Diamond Edge Ventures, Inc ("DEV"), a wholly owned subsidiary of Mitsubishi Chemical Holdings Corporation ("MCHC"), was established in July 2018 as the Corporate Venture Capital arm of the MCHC Group. DEV's mission is to foster innovation across MCHC's Group companies through investment in and strategic partnership with high-potential startups. DEV is led by experienced Silicon Valley venture capitalists and serial entrepreneurs, and maintains a deep connection with MCHC Group business units in Japan and worldwide. DEV is building a strong ecosystem built on competence, trust, and added value. For further information, contact info@diamondedge.vc