

**Euglena Co., Ltd. Completes 15% Investment in Biorefinery JVCo in Malaysia**  
**Marks a Major Milestone Toward Commercialization;**  
**Enabling Annual Handling of 100,000KL of Biofuels**

Euglena Co., Ltd.

Euglena Co., Ltd. (Head Office: Minato-ku, Tokyo; President: Mitsuru Izumo; hereinafter "Euglena") announced today that, as of July 16, 2025, it had increased its equity stake to 15% in the joint venture company<sup>\*1</sup> responsible for constructing and operating a commercial-scale biorefinery in Malaysia. This project is being jointly promoted with PETRONAS Mobility Lestari Sdn Bhd (a subsidiary of Petroliaam Nasional Berhad (PETRONAS), headquartered in Malaysia) and Enilive S.p.A. (a subsidiary of Eni S.p.A., headquartered in Italy).

This investment will enable Euglena to handle approximately 100,000 KL annually of biofuels such as SAF (Sustainable Aviation Fuel) and HVO (Hydrotreated Vegetable Oil), representing a critical milestone on the path to the commercialization of its biofuel business, which has been a key initiative since its IPO. With the biorefinery targeted to be operational by the second half of 2028, this investment brings Euglena one step closer to realizing its simulated revenue potential of JPY30 billion sales and over JPY6 billion pre-tax profit<sup>\*2</sup>.

With the production side secured through this investment, Euglena will now focus on expanding supply destinations and building a robust supply chain to meet Japan's annual SAF demand of 1.7 million KL from 2030 and contribute to the country's decarbonization efforts.

<sup>\*1</sup> Pengerang Biorefinery Sdn. Bhd.

<sup>\*2</sup> The figures are based on Euglena's own simulation and are not intended as official projections or forecasts of the project. The simulation assumes annual handling of approximately 100,000 KL biofuels, biofuel price at JPY300/L, net profit margin of the joint venture company exceeding 20% and 100% dividend payout ratio (reflecting no financing impact). Please note that the figures are for illustrative purposes only and subject to change depending on future business progress and market trends.

**Message from Mitsuru Izumo,  
 Founder and President of Euglena Co., Ltd.**

*"I am truly delighted to announce the completion of our critical 15% investment toward the commercialization of biofuels, a long-standing goal since our IPO. The ability to handle 100,000 KL of biofuel annually is a significant step in our biofuel business establishing a solid revenue base, as well as in supporting Japan's future SAF demand and transforming the country into a leader in biofuels. The journey has been challenging, but as a pioneering venture company, we were able to take on the challenge as a frontrunner, which led to collaboration with reliable partners. I sincerely thank all stakeholders who have supported us along the way.*

*Toward a Sustainable Energy Future—from Japan to the World. Euglena will continue to take on challenges. First, we will focus on expanding supply destinations and building a supply chain in Japan toward the operation of the biorefinery targeted to start by the second half of 2028. Additionally, we remain committed to developing algae oil, another long-standing goal since our IPO. Although cost remains a significant barrier, we will pursue various approaches with unwavering determination. We sincerely appreciate your continued support as we strive for a more sustainable future."*



## About the Biorefinery



Pengerang Integrated Complex (PIC), one of the largest integrated refinery and petrochemical developments in Asia.



Construction site (as of June 2025)

The biorefinery is currently under construction within the Pengerang Integrated Complex (PIC), one of the largest integrated refinery and petrochemical developments in Asia, operated by PETRONAS. EPC (Engineering, Procurement, and Construction) work commenced in 2025, with operations targeted to start by the second half of 2028. The biorefinery will flexibly produce both SAF and HVO, depending on supply-demand dynamics. Its location in Johor, Malaysia, offers strategic geographical advantages with access to abundant feedstock sources in Asia and major international shipping routes, enabling it to meet growing global demand for biofuels.

The biorefinery is expected to have the capability to process about 650,000 tons per year of feedstocks to produce up to 12,500 barrels per day (approximately 725,000 KL annually) of biofuels such as SAF and HVO, positioning it as one of the largest biorefineries in Asia. The feedstocks to be used will include used cooking oil, animal fats, waste from vegetable oil processing, and other biomass including microalgae oils which will be explored in the mid-term.

## Euglena's Efforts Toward Biofuel Commercialization



In October 2022, project leaders from each company, including our President Izumo, visited the PIC site

Euglena, PETRONAS, and Eni announced joint consideration of the project in December 2022<sup>\*3</sup> and made the final investment decision in July 2024<sup>\*4</sup>. Euglena initially held a 5% equity stake at the time of the joint venture company establishment in December 2024. By exercising its call option defined in the shareholders' agreement signed in September 2024, Euglena increased its investment to the maximum 15%. As a result, Euglena will be able to handle approximately 100,000 KL of biofuels annually produced by the biorefinery.

At the time of biorefinery operation, Euglena intends to independently source feedstocks such as used cooking oil and supply them to the joint venture company. However, concerns have emerged that used cooking oil, currently the main feedstock for biofuels, may become increasingly scarce. Euglena is currently developing procurement partnerships across Asia. Furthermore, Euglena aims to initiate commercial production of microalgae for biofuel feedstocks in the early 2030s and has been promoting R&D to establish large-scale, low-cost cultivation technologies by 2030.

Recent developments include a comprehensive joint research agreement signed in August 2024 with PETRONAS Research Sdn. Bhd<sup>\*5</sup>. and a successful scale-up demonstration of high-density tank cultivation announced in February 2025<sup>\*6</sup>. Euglena remains committed to steadily advancing toward its ambitious goals.

<sup>\*3</sup> News Release on 22 December 2024, "Euglena, PETRONAS and Eni to Explore Biorefinery Opportunity in Malaysia" (<https://ssl4.eir-parts.net/doc/2931/tdnet/2215348/00.pdf>)

<sup>\*4</sup> News Release on 26 July 2024, "PETRONAS, Enilive and Euglena reach Final Investment Decision to construct a biorefinery in Malaysia" ([https://ssl4.eir-parts.net/doc/2931/ir\\_material4/234417/00.pdf](https://ssl4.eir-parts.net/doc/2931/ir_material4/234417/00.pdf))

<sup>\*5</sup> News Release on 28 August 2024, "Euglena Co., Ltd. signs with Petronas Research Sdn. Bhd., concluded a joint development agreement to execute R&D to develop large-scale production technology for microalgae oil for biofuels" (<https://www.euglena.jp/en/news/20240828-2/>)

<sup>\*6</sup> News Release on 17 February 2025, "In a demonstration test for developing biofuel raw materials, successfully cultivated *Euglena* (green algae) at high density in a commercial production tank - Achieved a maximum density of approximately 10 times higher in *Euglena* culture ratio for healthcare" (<https://www.euglena.jp/en/news/20250217-2/>)

### About Euglena Co., Ltd.

In 2005, Euglena was the first company in the world to successfully establish outdoor mass cultivation technology for edible microalgae *Euglena*. The company develops and sells food, cosmetics, and other products using microalgae such as *Euglena* and *Chlorella*, and is also engaged in the development and production of biofuels. Since 2014, Euglena has been running the "Euglena GENKI Program," delivering nutrient-rich biscuits containing *Euglena* to children in Bangladesh. With "Sustainability First" as its corporate philosophy, Euglena continues to expand its business.

<https://www.euglena.jp/en/>

