

PRESS RELEASE

Groupe Berkem announces 2023 First-Half Revenue of €28 million

- Expanded offering and stronger international positioning following external growth operations carried out during the half-year period
- Solid sales momentum in the "Health, Beauty & Nutrition" division thanks to new product launches and distribution agreements initiated in the 1st half of 2023

Blanquefort (France), July 31st, 2023, at 06:00 pm - Groupe Berkem, a leading player in bio-based chemistry (ISIN code: FR00140069V2 - Ticker: ALKEM), announces its 2023 First-Half Revenue and provides an update on recent activity.

Olivier FAHY, Chairman and CEO of Groupe Berkem, stated: "In an economic context that remains complex, Groupe Berkem's positioning on four distinct but complementary high-potential business divisions has once again demonstrated its relevance. Indeed, we ended the first half of the year with relatively stable revenue compared with the same period last year, while our two divisions "Construction & Materials" and "Hygiene & Protection" were impacted by a building market that has slowed sharply in recent months, due to inflationary pressures. We are offsetting this setback thanks to the excellent sales momentum of our "Health, Beauty & Nutrition" division, boosted by the ongoing launch of new products and an ever-expanding international distribution network, which will enable this division to accelerate in the second half of the year. In addition, our external growth strategy, embodied by two strategic acquisitions in recent months, enabled us to extend our offering, notably to the Nutraceuticals market, and to secure the Group's value chain, while also initiating the Group's internationalization, which started with our first foothold in the United States. The in-depth work carried out by our teams since the beginning of the year, our selective acquisition policy and the investments we made in our production facilities, give us confidence in our ability to achieve our financial targets for 2024."

2023 FIRST-HALF REVENUE

At June 30, 2023, Groupe Berkem revenue stood at €28 million, relatively stable compared with €28.2 million for the 1st half of 2022.

<i>in € thousands</i>	H1 2023	H1 2022	Change
Construction & Materials	12,459	13,398	-7%
Hygiene & Protection	6,479	6,608	-2%
Health, Beauty & Nutrition	8,556	8,033	+6.5%
Industry	377	104	+262%
Other	86	65	+32%
TOTAL	27,956	28,207	-0.9%

In the 1st half of 2023, revenue for the **Construction & Materials** division came to €12.5 million, down 7% on the 1st half of 2022, heavily impacted by the slowdown in the use of wood in the construction market. The **Hygiene & Protection** division was down slightly by 2%, also impacted by the adverse conditions in the construction sector, with half-year revenue of €6.5 million. Revenue in the **Health, Beauty & Nutrition** division rose by a healthy +6.5%, underlined by the Group's strong revenue momentum with the launch of new cosmetics products and the signing of distribution agreements worldwide. Lastly, the **Industry** division continued its growth trajectory, thanks to new business opportunities secured with the acquisition of Biopress in early April 2023, and recorded revenue of €0.4m in the first half of 2023.

2023 FIRST-HALF HIGHLIGHTS

External growth operations

February: **Acquisition of i.Bioceuticals**, exclusive North American distributor of nutritional supplements from the Dutch company INC, enabling Groupe Berkem to distribute its full range of antioxidant active ingredients directly in North America, thus broadening its offering in the Nutraceuticals segment.

April: **Acquisition of Biopress**, a French producer of 100% vegetable oils and proteins. With this operation, the Group now benefits from a local supply of technical vegetable oils, consolidates its offering for the "Health, Beauty & Nutrition" and "Industry" business=divisions, and secures new commercial opportunities in the food market.

Activity

March: **Launch of H₂OLIXIR, a new range of 100% natural floral waters** with 97.5% organic content, aimed at the health and beauty industries.

April: **Marketing of Termifuge K**, a ready-to-use preventive anti-termite and water-repellent solution for the construction industry. This boosted solution reduces the content of conventional biocides by 50%, thanks to the integration of a bio-based booster and the benefits of a plant-based insecticide, formulated by Groupe Berkem.

International

March: **Partnership with Unipex** for the distribution of its cosmetic ingredients in Benelux and French-speaking Switzerland.

April: **Partnership with Kreglinger** for the distribution of its cosmetic ingredients in the UK.

June: **Partnership with Azelis** for the distribution of its cosmetic ingredients in Thailand and South Korea.

June: **Signature of a memorandum of understanding for the creation of a joint venture between Groupe Berkem and Groupe Dolidol**, the leading pan-African player in the polyurethane foam, bedding and industrial joinery sectors, to set up an alkyd resin production and marketing site in Ivory Coast.

CONFIRMATION OF FINANCIAL TARGETS FOR 2024

The Group confirms its ambition to achieve a revenue of at least €85 million by 2024 following the external growth operations carried out. By the same date, the Group's objective is to achieve an EBITDA margin of around 25%.

ABOUT GROUPE BERKEM

Founded in 1993 by Olivier Fahy, Chairman and Chief Executive Officer, Groupe Berkem is a leading force in the bio-based chemicals market. Its mission is to advance the environmental transition of companies producing the chemicals used in everyday life (Construction & Materials, Health, Beauty & Nutrition, Hygiene & Protection, and Industry). By harnessing its expertise in both plant extraction and innovative formulations, Groupe Berkem has developed bio-based boosters—unique high-quality bio-based solutions augmenting the performance of synthetic molecules. Groupe Berkem achieved revenue of €51.8 million in 2022. The Group has almost 200 employees working at its head office (Blanquefort, Gironde) and 4 production facilities in Gardonne (Dordogne), La Teste-de-Buch (Gironde), Chartres (Eure-et-Loir) and Tonneins (47).

Groupe Berkem has been listed on Euronext Growth Paris since December 2021 (ISIN code: FR00140069V2 - ALKEM). www.groupeberkem.com



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