

PRESS RELEASE

## Groupe Berkem - 2022 First-Half Revenue up 11.6% to €28.1 million

- Continued growth in revenue of +11.6% in H1 2022, driven by the good performance of the Formulation division (+12.7%)
- Price increases from May 2022 to gradually cover inflation in raw materials

Blanquefort (France), July 21, 2022, 06:00 pm CEST – Groupe Berkem, a leading player in bio-based chemicals (ISIN code: FR00140069V2 - Ticker: ALKEM), announces its 2022 First-Half Revenue.

**Olivier FAHY, Chairman and Chief Executive Officer of Groupe Berkem, stated:** "Groupe Berkem recorded a solid growth in its revenue during the first half of the year, illustrating the real interest of industrials for our bio-based solutions, which has been further enhanced by the high volatility of the current oil market. Also, faced with the rise in the price of certain raw materials, we took action very early on to gradually offset their effects on our margins. This half-year was also an opportunity to formalize our collaboration with the Soprema group, which is seeking to develop a natural solution to increase the performance and resistance of its insulation panels to microorganisms. This partnership demonstrates the expertise acquired by our R&D teams and we hope to sign new agreements of this kind with industrials in demand for naturalness. We are thus perfectly positioned to pursue healthy and profitable growth over the long term and achieve the objectives announced during our IPO."

### 2022 First-Half Revenue up 11.6% to €28.1 million

At June 30, 2022, the Group's consolidated revenue were up 11.6% compared with the first half of 2021, to €28.1 million.

**The plant extraction division** contributed 29% of this performance, or €8.1 million. After a very strong first quarter (+35.7% vs. Q1 2021), the plant extraction division recorded a more moderate revenue in the second quarter, due in particular to a slowdown in the "nutritional supplement" business and a slight drop in Eurolyo's activity in the second quarter. At the end of the first half of 2022, the plant extraction division nevertheless shows growth of 8.9% compared to the first half of 2021.

Revenue from **the formulation division** amounted to €19.9 million, representing 71% of the Group's total activity. This performance is mainly due to volume increases, as price increases only occurred from May 2022. The formulation division posted sustained growth in revenue in the second quarter (+19% compared to Q2 2021) and showed an increase of 12.9% compared to the first half of 2021. The Lixol subsidiary alone recorded an increase in revenue of more than 20.6% in the first half of this year. The increase in activity in

this division partially compensated for the increase in raw material prices. The price increases, effective since May, June and July, should make it possible to gradually recover normal gross margins.

### [Update on 2022 first half activity](#)

#### **Governance**

The Annual Shareholder's Meeting held on June 3, 2022 approved the payment of a dividend of €0.06 per share in cash for the 2021 financial year.

In addition, Mrs. Karen LE CANNU was appointed as a member of the Company's Board of Directors at this General Meeting.

#### **R&D investments**

During the first half of 2022, investments were made within the Lixol subsidiary in order to increase production capacity, effective from the second half of the year. These investments should enable the Group to reduce the use of outsourcing, while positively impacting the Group's gross margin level.

#### **Activity**

In March 2022, Groupe Berkem launched its range of 100% bio-based alkyd resins aimed at the construction paints market. This range has been developed from bio-based and renewable raw materials that can replace raw materials of petrochemical origin.

In June 2022, Groupe Berkem and the SOPREMA Group signed a collaboration agreement to market an insulating panel incorporating a bio-based anti-fungal solution developed by Groupe Berkem.

As planned in 2022 first-quarter, while tensions on raw materials did not have a significant impact on the 2021 financial year, nor on 2022 First-Half Revenue, the Group anticipates an impact on the margin level of certain activities in the formulation division.

#### **International**

As of June 30, 2022, Groupe Berkem generated 21.1% of its half-yearly revenue from exports.

## Next financial publication:

2022 First-Half Results: September 29, 2022 (after market close)

## 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 lives (cosmetics, food and beverages, construction, public hygiene, etc.). 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 a revenue of €46 million and an EBITDA margin close to 20% in 2021. The Group has almost 170 employees working at its head office (Blanquefort, Gironde) and three production facilities in Gardonne (Dordogne), La Teste-de-Buch (Gironde), and Chartres (Eure-et-Loir).

Groupe Berkem has been listed on Euronext Growth Paris since December 2021 (ISIN: FR00140069V2 – ALKEM)

[www.groupeberkem.com](http://www.groupeberkem.com)



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