

Groupe Berkem announces its very successful IPO on Euronext Growth® in Paris

*Capital increase of €43.9 million after the full exercise of the
Extension Clause (Initial Offering multiple times oversubscribed at
the IPO price)*

- Total amount of the operation of €45.9 million (including €2.0 million of sales) after the full exercise of the Extension Clause which may be increased to €52.8 million (including €8.9 million of sales) if the Over-Allotment Option is fully exercised
- IPO price set at €9.30 per share (in the middle of the indicative price range)
- Market capitalisation of approximately €165 million
- Trading commences on Euronext Growth® in Paris on 8 December (ISIN code: FR00140069V2 – Ticker symbol: ALKEM)

Blanquefort (France), on 3 December 2021 – Groupe Berkem (the “Group”), a leading player in plant-based chemicals, announces its successful IPO on the Euronext Growth® market in Paris (ISIN code: FR00140069V2 – Ticker symbol: ALKEM).

Olivier Fahy, Chairman and CEO of Groupe Berkem, states: “We are very pleased with our highly successful IPO. On behalf of all of Groupe Berkem’s teams, I would like to warmly thank the shareholders, both institutional and individual, who made this IPO a real success. With these new financial resources, we have the necessary means to deploy our bio-sourced solutions in new markets and new regions, and drive our growth through targeted acquisitions. Already recognised for our unique positioning enabling us to support the ecological transition of conventional chemical players, we intend to extend this commitment by strengthening our investments in R&D and our product portfolio. We will thus continue to capitalise on what makes up the DNA of Groupe Berkem while benefiting from the advantages of the stock market listing to further position ourselves as one of the leaders in plant-based chemistry serving industry.”

Price and size of the Offering

The price for the Global Placement (the “**Global Placement**”) and the Open Price Offering (the “**Open Price Offering**” or “**OPO**”, and together with the Global Placement, the “**Offering**”) was set at €9.30 per share.

The IPO enables the Company to carry out a capital increase of €43.9 million through the issuance of 4,719,222 new ordinary shares. As the Initial Offering was several times oversubscribed at the IPO price, the Company decided to fully exercise the Extension Clause.

215,983 existing shares have been sold by KENERCY¹, bringing the size of the Offering (as defined below) to €45.9 million.

The number of ordinary shares allocated under the Offering breaks down as follows:

- 5,243,520 ordinary shares allocated under the Global Placement, representing €48.8 million, i.e. 92.4% of the total number of shares allocated; and
- 431,966 ordinary shares allocated under the Open Price Offering, representing €4.0 million, i.e. 7.6% of the total number of shares allocated. Under the OPO, the A1 orders (from one share up to and including 250 shares) will be completely filled and the A2 orders (over 250 shares) will be 12.1% filled.

Based on the Offering Price and the issuance of 4,719,222 new ordinary shares, the market capitalisation of Groupe Berkem will be approximately €164,5 million following the Offering. The free float represents 28% of the Company’s capital and may be increased to approximately 32% of the capital if the Over-Allotment Option (the “**Over-Allotment Option**”) is fully exercised.

Recap of the reasons for the Offering

The net proceeds from the issuance of the new ordinary shares, which amounts to €40.2 million following the full exercise of the Extension Clause, will be allocated as follows:

- ▶ Approximately 45% to optimise the Group's financial structure, in particular to partly finance the repayment of the convertible bonds (which will be repaid in the amount of approximately €18.5 million, of which €17.8 million in principal plus accrued and capitalized interest since June 30, 2021) and the exercise of the options to acquire the Berkem Développement ADP₂₀₁₅ (in the amount of €3.5 million) and Berkem ADP₂₀₁₅ (in the amount of €2 million);
- ▶ Approximately 27.5% to finance geographic expansion; and
- ▶ Approximately 27.5% to strengthen the Group's investment capacity to continue external growth transactions.

Over-Allotment Option

The Over-Allotment Option granted by KENERCY (the “**Selling Shareholder**”) relates to a maximum of 15% of the size of the Offering after exercise of the Extension Clause, i.e. a maximum of 740,281 additional shares that may be sold under the Offering, which would increase the amount of the Offering to approximately €52.8 million. The Over-Allotment Option may be exercised by Berenberg

¹ Limited liability company of which Olivier Fahy is the manager, formerly known as HOF



(the “**Stabilisation Agent**”) from the start of trading of the Company’s shares on the Euronext Growth® market, i.e. according to the indicative timetable, from 8 December 2021 until 7 January 2022 (inclusive). In this context, KENERCY has granted a loan commitment and a sales mandate. The Company will not receive any proceeds from the sale of the shares sold in this context.

Recap of abstention from trading and lock-up undertakings

Groupe Berkem has agreed (as from the execution of the placement agreement) to an abstention from trading undertaking of 360 calendar days following the settlement-delivery date of the Offering, subject to certain customary exceptions.

KENERCY, representing 100% of the capital and voting rights of the Company prior to the Offering, as well as the members of the Company’s management and the other existing shareholder, have granted a lock-up undertaking of 360 calendar days following the settlement-delivery date of the Offering, subject to certain exceptions. These undertakings cover 100% of the Company’s capital before the Offering.

Breakdown of capital and voting rights

Before the Offering and following the Offering after the full exercise of the Extension Clause relating to 15% of the Initial Primary Offering and in case of the full exercise of the Over-Allotment Option, the capital and voting rights of the Company break down as follows:

Shareholders	Before the Offering		After the Offering (100% issuance + Extension Clause)		After the Offering (in case of the full exercise of the Over-Allotment Option)	
	Number of shares	% capital and voting rights	Number of shares	% capital and voting rights	Number of shares	% capital and voting rights
KENERCY	12,965,802	100.00%	12,749,819	72.09%	12,009,538	67.91%
Mr. Stanislas Fahy	1	0.00%	1	0.00%	1	0.00%
Free float ⁽¹⁾	-	-	4,935,205	27.91%	5,675,486	32.09%
TOTAL	12,965,803	100.00%	17,685,025	100.00%	17,685,025	100.00%

(1) Including Danske Bank A/S at 7,30% and Berenberg Asset Management at 5,74%

Transaction next steps

7 December 2021

Settlement-delivery of the OPO and the Global Placement (including shares sold pursuant to the Initial Offering)

8 December 2021	Trading commences in the Company's shares on Euronext Growth® under the listing "Groupe Berkem" Beginning of any stabilisation period
7 January 2022	Deadline for the exercise of the Over-Allotment Option End of any stabilisation period
11 January 2022	Settlement-delivery date of the additional shares sold pursuant to the Over-Allotment Option, in the event of exercise of the Over-Allotment Option at the deadline

Groupe Berkem share identification codes

- Name: Groupe Berkem
- ISIN Code: FR00140069V2
- Ticker symbol: ALKEM
- Industry: Specialty chemicals

Financial intermediaries and advisors



Global Coordinator
Joint Bookrunner



Listing Sponsor
Global Coordinator –
Joint Bookrunner



Legal advisor on the
transaction



Legal advisor to the
issuer



Financial advisor



Statutory Auditors



Financial
communication

Availability of the Prospectus

A Prospectus, consisting of (i) the registration document approved by the AMF on 9 November 2021 under number I. 21-064 and (ii) a securities note including the prospectus summary, was approved by the AMF under number 21-497 on 19 November 2021. This Prospectus is available free of charge and on request at the Company's registered office and on the AMF website: www.amf-france.org and on the Company's website: www.berkem-finance.com. Investors should review the risk factors presented in the Prospectus. The approval of the Prospectus should not be considered as a favourable opinion on the securities offered.



Groupe Berkem draws the public's attention to section 3 “*Risk factors*” in the registration document and in section 2 of the securities note. The occurrence of one or more of these risks is likely to have a material adverse effect on the Group’s business, reputation, financial position, results or outlook, as well as the market price of Groupe Berkem’s shares.

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 €41 million and an EBITDA margin close to 19% in 2020. The Group has almost 165 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). www.groupeberkem.com

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