



Parc de la Cassine
04310 PEYRUIS

Phone: 33 4 92 33 17 17
Fax: 33 4 92 33 17 18

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Our company SOPHIM has developed in recent years:

- ❖ in the buoyant market of natural cosmetics ingredients, which is growing by 12% per year worldwide.
- ❖ But in a difficult environment: lack of olive raw materials for 3 years, competitors who suffer and are aggressive, dumping of AMYRIS with its synthetic squalane.

Since 2008, we have been committed to a quality approach aimed at satisfying the expectations of our customers, suppliers, employees and shareholders.

Satisfactory results have been obtained, especially in regards to traceability, security of supply, savings in energy and consumables, the renewal of our team and better employee training.

In this context, SOPHIM has become a leader for its main product, squalene/squalane, which generates 66% of our business.

However, the year 2018 demonstrated our fragility due to certain shortcomings, particularly in the improvement of existing processes and equipment, in the use of our analytical knowledge and exceptional experience, and in the diagnosis of problems.

In 2019, significant progress was made, but much work remains to be done to double our production capacity by 2021. 3.6 million euros of investments have been made in France over the last two years, with a sharp increase in the financial resources invested in R&D in both France and Spain. Our team is undergoing a strengthening process to manage the improvements in our results and work towards our company's challenges.

In this context, our objective is to quickly achieve ISO 9001 certification, as a result of which we aim to achieve, on a daily basis:

- excellence with our customers. They are indeed more demanding due to new GMP (Good Manufacturing Practice) standards which have been imposed on them (ISO 22716 standard), and this requires us to share their quality objectives and to comply with their audits.
- Continuous monitoring and improvement of our performance
- Better involvement of each individual in each sector of the company.

We want to achieve this goal while improving quality of life for all of us, as well as benefiting our environment. At the same time, HACCP certification will be targeted, and a voluntary CSR policy is affirmed.

Jacques Margnat
Chief Executive Officer

Alexis Margnat
Managing Director