



## 2023-2024 First Half Year Financial Results (July 1 - December 31, 2023)

### **Bonduelle Group: revenue and profitability in line with annual targets in a climate of consumption under pressure**

The Bonduelle Group's revenue for the 1<sup>st</sup> half of fiscal year 2023-2024 amounted 1,213.1 million euros compared with 1,243.4 million euros for the 1<sup>st</sup> half of previous fiscal year, up +4.5% on a like-for-like basis<sup>(1)</sup> and down -2.4% on reported figures.

For the 1<sup>st</sup> half of the 2023-2024 fiscal year, the Bonduelle Group posted a current operating income of 38.5 million euros at current exchange rate and 50.5 million euros at constant exchange rates compared with 43.1 million euros the previous year, representing a +17.1% increase in current operating income, on a like-for-like basis<sup>(1)</sup>.

Thus, the group posts revenue and profitability growth in line with targets communicated in October 2023 and confirms its annual targets.

#### **Comments from Xavier Unkovic, Chief Executive Officer:**

*In a particularly challenging environment where inflation remains present and weighs on household food consumption, our brands portfolio has demonstrated its resilience thanks to relevant innovations and targeted activations. Our revenue is increasing at constant exchange rates and our profitability is being maintained by the ongoing improvement in our competitiveness. At the end of this 2023-2024 1<sup>st</sup> first half year, the group's revenue growth and profitability are in line with targets communicated in October 2023.*

*Our mission is more than ever aligned with consumer expectations, which place plant-rich food at the heart of consumer trends. The turnaround in profitability is an essential catalyst in our strategy of positive impact with sustainable growth and in support of this mission.*

*The Bonduelle Group is committed to sustainable and local agriculture based on the principles of regenerative agriculture to which 46% of our growers are already committed. As a family business, we have been working hand-in-hand for decades with our farming partners, with whom we've forged strong ties.*

*Our relationship is based on trust, exchange of know-how and goes far beyond a contractual relationship. These ties are a strength in meeting the sector's environmental challenges, while offering our consumers healthy and quality products.*

*With the commitment and agility of all the group's employees, we will pursue our transformation and efficiency efforts in the second half year, to enable us to achieve the targets set for 2023-2024.*

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A French SCA (Limited Partnership by Shares) with a capital of 57,102,699.50 Euros

Head Office: La Woestyne 59173 Renescure, France - Registration number: Dunkerque B 447 250 044 - [finance@bonduelle.com](mailto:finance@bonduelle.com)

## Financial notice - February 29, 2024 - 6 pm

The 2023-2024 half year financial statements were approved by the General Partner, then reviewed by the Supervisory Board of February 29, 2024 and by the Statutory Auditors.

### Key figures

(in millions of euros)	1 <sup>st</sup> half year 2023-2024	1 <sup>st</sup> half year 2022-2023	Variations
Revenue	1,213.1	1,243.4	-2.4%
Current operating income	38.5	43.1	-10.7%
Current operating margin	3.2%	3.5%	-29 bps
Consolidated net income	4.5	20.0	-77.4%
Gearing <sup>(2)</sup>	0.95	0.79	

### Revenue

The Bonduelle Group's revenue for the 1<sup>st</sup> half of fiscal year 2023-2024 amounted 1,213.1 million euros compared with 1,243.4 million euros for the 1<sup>st</sup> half of previous fiscal year, up +4.5% on a like-for-like basis<sup>(1)</sup> and down -2.4% on reported figures.

### Activity by Geographical Region

Total consolidated revenue (in millions of euros)	1 <sup>st</sup> half year 2023-2024	1 <sup>st</sup> half year 2022-2023	Variation Reported figures	Variation Like-for-like basis <sup>(1)</sup>
Europe Zone	786.4	739.1	6.4%	5.9%
Non-Europe Zone	426.6	504.2	-15.4%	2.5%
Total	1,213.1	1,243.4	-2.4%	4.5%

### Activity by Operating Segments

Total consolidated revenue (in millions of euros)	1 <sup>st</sup> half year 2023-2024	1 <sup>st</sup> half year 2022-2023	Variation Reported figures	Variation Like-for-like basis <sup>(1)</sup>
Canned	594.7	597.1	-0.4%	10.6%
Frozen	148.9	138.5	7.5%	9.3%
Fresh processed	469.5	507.7	-7.5%	-3.9%
Total	1,213.1	1,243.4	-2.4%	4.5%

### Europe Zone

The Europe Zone representing 64.8% of the business activity over the period, posted overall growth of +6.4% on reported figures and +5.9% on a like-for-like basis<sup>(1)</sup> over the 1<sup>st</sup> half year, with all technologies showing growth over the period.

The downturn in volumes remains limited in the region despite a significant weakness in food consumption. In canned and frozen retail activity, the private label category grew in both volume and value, while branded products (Bonduelle and Cassegrain) increased in value but fell back in volume.

The food service activity continued to grow, in both volume and value.

The fresh processed segment (bagged salads) was virtually stable in volume, but grew in value in retail. However, the situation varied from one region to another, with France affected by bad weather leading to a lower service rate. Germany is operating in a difficult market context while Italy is recording solid growth.

Fresh prepared segment posted growth over the period, fuelled by range renovations.

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## **Non-Europe Zone**

The Non-Europe Zone revenue representing 35.2% of the business activity over the period, posted an overall decline of -15.4% on reported figures and +2.5% on a like-for-like basis<sup>(1)</sup>.

The activity was clearly penalized by the translation effects of the Russian ruble, which lost an average of 40% of its value between the 1<sup>st</sup> half of the 2023-2024 fiscal year and the same half of the previous fiscal year.

In the Eurasia region, the canned activity remained sustained in terms of volume and value, for both branded products (which are largely predominant in the region) and private label category. The frozen activity recovered significantly over the last quarter and now shows sustained growth in volume and value over the period as a whole.

In North America, the decline in fresh processed products (bagged salads and meal solutions) remained more limited than in the same period last year, due to negative market trends. In this context, branded complete meal solutions based on salads as well as salad kits (salad bags with ingredients) posted significant market share gains.

## **Operating Income**

The Bonduelle Group's recurring operating income for 2023-2024 1<sup>st</sup> half year stands at 38.5 million euros at current exchange rate and at 50.5 million euros at constant exchange rates against 43.1 million euros the previous year. This corresponds to a +17.1% increase in current operating income, i.e. a current operating margin of 3.9% on a like-for-like basis<sup>(1)</sup> and 3.2% on reported figures.

The Europe Zone succeeded in maintaining an operating margin of 5.6% on a like-for-like basis<sup>(1)</sup>, close to that of the 1<sup>st</sup> half year of the previous year, thanks to price upgrades and productivity efforts which helped to partially absorb increases in production costs, in particular for agricultural materials.

Profitability of the Non-Europe Zone, although still lower than Europe, is improving under the effect of the industrial competitiveness measures initiated in spring 2023 in North America and continued buoyant activity in Eurasia despite a very unfavorable exchange rate equation.

After taking into account non-recurring items of -5 million euros over the period, mainly reflecting a decision by the French Competition Authority, the Bonduelle Group operating income stands at 33.4 million euros on reported figures, compared with 41.5 million euros for the same period last year.

## **Net Result**

Financial result came to -17.4 million euros, compared with -17.5 million euros at the end of the previous half year. Interest expense for the half year rose from -11.5 million euros to -15.6 million euros, mainly due to the increase of interest rates (partially offset by interest-rate hedges) and an increase in indebtedness linked to the rise in inventories both in volume and value (inflation). The group's average financing rate increased over the period.

The foreign exchange result for the half year was balanced (-0.2 million euros), compared with a loss of -4.5 million euros for the same period last year.

The tax charge stands at 12.5 million euros against 13.1 million euros in the 1<sup>st</sup> half of previous fiscal year, with the effective tax rate (78.3%) still distorted by the non-activation of losses from the North American fresh activities on the one hand and the non-deductibility of the penalty imposed by the French Competition Authority on the other.

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Result from associates amounts to 1.1 million euros, mainly corresponding to the group's share in the net result of Nortera Foods, which is accounted for under the equity method.

After taking into account financial result, tax charge and result of equity method, the Bonduelle Group's consolidated net result for 2023-2024 1<sup>st</sup> half year amounted to 4.5 million euros, compared with 20.0 million euros the previous fiscal year, representing 0.4% of revenue.

### **Financial Situation**

Net financial debt (excluding IFRS 16) stood on December 31, 2023 at 649 million euros against 556.7 million euros at December 31 of the previous fiscal year. After taking IFRS 16 into account, debt stood at 716.5 million euros (versus 633.9 million euros at December 31 of the previous fiscal year), and the debt-to-equity ratio (gearing<sup>(2)</sup>) was 0.95, compared with 0.79 at the same period last year.

The rebuilding of inventories in terms of volume, and their revaluation due to significant increases in production costs, in particular agricultural raw materials, explains the rise in debt over the period, it being specified that the seasonal nature of the activity (summer agricultural harvests) results in a high level of debt at December 31, which is not representative of average debt or debt at the end of fiscal year.

### **Other significant information**

#### **Annual Shareholder's Meeting held on Dec 7, 2023**

The Bonduelle Group's Annual Shareholder's Meeting held on December 7, 2023 approved the payment of a dividend of 0.25 euro per share, with effective payment on January 4, 2024, as well as the election of Rémi Duriez to replace Matthieu Duriez, whose mandate expired at this meeting, and the reappointment of Jean-Michel Thierry as members of the Supervisory Board.

### **Outlook**

Like the whole food industry, the Bonduelle Group operates in a general context of declining consumption, weighing on sales volumes, and inflation in production costs, partly offset by limited price increases.

Despite this environment, given the performance recorded in the 1<sup>st</sup> half year and all the commercial initiatives of targeted activations and promotions, the continuous improvement of our industrial efficiency and the strict control of our overheads, the Bonduelle Group confirms its objectives of revenue growth of around 5% and an increase in current operating income of around 15% on a like-for-like basis<sup>(1)</sup>, announced in October 2023.

<sup>(1)</sup> at constant currency exchange rate and scope of consolidation basis. The revenues in foreign currency over the given period are translated into the rate of exchange for the comparable period. The impact of business acquisitions (or gain of control) and divestments is restated as follows

- For businesses acquired (or gain of control) during the current period, revenue generated since the acquisition date is excluded from the organic growth calculation;
- For businesses acquired (or gain of control) during the prior fiscal year, revenue generated during the current period up until the first anniversary date of the acquisition is excluded;
- For businesses divested (or loss of control) during the prior fiscal year, revenue generated in the comparative period of the prior fiscal year until the divestment date is excluded;
- For businesses divested (or loss of control) during the current fiscal year, revenue generated in the period commencing 12 months before the divestment date up to the end of the comparative period of the prior fiscal year is excluded.

<sup>(2)</sup> net debt / equity - Inc. IFRS 16

*Alternative performance indicators: the group presents in its financial notices performance indicators not defined by accounting standards. The main performance indicators are detailed in the financial reports available on [www.bonduelle.com](http://www.bonduelle.com)*

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### Next financial events:

- Analysts and investors meeting:	March 1, 2024
- 2023-2024 3 <sup>rd</sup> Quarter FY Revenue:	May 2, 2024 (after market closing)
- 2023-2024 Financial Year Revenue	August 1, 2024 (after market closing)
- 2023-2024 Annual Results:	September 27, 2024 (after market closing)
- Analysts and investors meeting:	September 30, 2024

**Find the complete Half Year results on [www.bonduelle.com](http://www.bonduelle.com)**

### About the Bonduelle Group

We want to inspire the transition toward a plant-rich diet, to contribute to people's well-being and planet health. We are a French family business with 11,038 full-time equivalent employees and we have been innovating with our farming partners since 1853. Our products are cultivated on 68,316 hectares and sold in nearly 100 countries, for revenue of 2,406.2 million euros (data as of June 30, 2023)

Our 4 flagship brands are:



Bonduelle is listed on Euronext Paris compartment B

Euronext indices: CAC MID & SMALL – CAC FOOD PRODUCERS – CAC ALL SHARES

Bonduelle is part of the Gaia non-financial performance index and employees shareholder index (I.A.S.)

Code ISIN: FR0000063935 - Code Reuters: BOND.PA - Code Bloomberg: BON FP

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