



First Half Year 2020-2021 Financial Results (July 1 - December 31, 2020)

Resilience in activity and profitability in a particularly volatile and uncertain sanitary, economic and financial environment

- Global business activity growing with underlying contrasts according to geographical areas and business sectors
- Resilience of profitability despite the direct and indirect effects of the sanitary crisis and difficult harvests, which were particularly marked in the fresh prepared food operating segment in North America
- A sound financial situation, controlled ratios, secured financing
- Initial annual objectives validated but subject to the evolution of the sanitary context
- The Bonduelle Group's purpose approved at the Shareholders' Meeting
- Bonduelle, partner of the agricultural world: dedicated capital increase and agreement to share price revaluations in France

Comments from Guillaume Debrosse, Chief Executive Officer:

"This first half of the year was marked by a still volatile economic environment and the persistence of the Covid-19 global pandemic. Nevertheless, in this context, the Bonduelle Group, with its diversity of technologies, distribution channels and geographical areas, continues to show resilience in its business activity and results and is continuing on its path: we want to become a company that combines financial performance and positive impact, and are aiming for B Corp. certification. This path implies a profound transformation, a key stage of which has been reached with the inclusion in the company's articles of association of a purpose shared with employees and shareholders: "To inspire the transition toward a plant-based diet, to contribute to people's well-being and planet health".

A strong feeling unites us: never before has the framework of the actions we are taking to become a company with a positive impact been as relevant as it is today. In the unprecedented circumstances of the sanitary crisis, it gives meaning to the commitment of our teams, creates value for our stakeholders and ensures better risk management."

www.bonduelle.com

A French SCA (Limited Partnership by Shares) with a capital of 56,942,095 Euros

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

The 2020-2021 half-year financial statements were approved by the General Partner, then reviewed by the Supervisory Board of February 25, 2021 and by the Statutory Auditors.

Significant Results

(in € millions)	1 st HY 2020-2021	1 st HY 2019-2020	Variation
Revenue	1,441.5	1,442.3	-0.1%
Current Operating Income	56.3	57.2	-1.5%
Current Operating Margin	3.9%	4.-,%	-6 bps
Consolidated Net Income	31.9	29.5	+8.3%
Gearing ⁽¹⁾ exclud. IFRS 16	1.20	1.24	

Revenue

The Bonduelle Group's revenue stands for the 1st half of financial year 2020-2021 at € 1,441.5 million, flat at -0.1% on reported figures and an increase of +3.9% on a like for like basis⁽²⁾. The negative effects of currency exchange rates contributed to -4.-% on the reported variation for the 1st half of the financial year, explained by a strengthening of the Euro, particularly against the Russian rouble and the US and Canadian dollars. No change in the group's scope of consolidation occurred over the period.

Activity by Geographic Region

Total Consolidated Revenue (in € millions)	1 st HY 2020-2021	1 st HY 2019-2020	Variation Reported figures	Variation Like for like basis ⁽²⁾
Europe Zone	648.-	640.4	1.2%	1.5%
Non-Europe Zone	793.5	801.9	-1.1%	5.8%
Total	1,441.5	1,442.3	-0.1%	3.9%

Activity by Operating Segments

Total Consolidated Revenue (in € millions)	1 st HY 2020-2021	1 st HY 2019-2020	Variation Reported figures	Variation Like for like basis ⁽²⁾
Canned	589.-	559.2	5.3%	10.5%
Frozen	332.-	340.3	-2.4%	1.3%
Fresh processed	520.5	542.8	-4.1%	-1.1%
Total	1,441.5	1,442.3	-0.1%	3.9%

Europe Zone

The growth of revenue for the Europe Zone, representing 45.-% of the business activity over the period, posted for the 1st half of the financial year a global change of +1.2% on reported figures and +1.5% on a like for like basis⁽²⁾.

Long life operating segments (canned and frozen food) in the retail business activity posted robust growth over the 1st half of the year and even more so in the second quarter, particularly in the branded products (Bonduelle and Cassegrain), due to the sanitary crisis and its related measures (curfews, etc.) leading to a renewed interest in these product categories with long shelf lives.

This phenomenon has made it possible to absorb the sharp drop in activity in the food service business segment, particularly noticeable in frozen food, still at a standstill over the period (closure of commercial catering, home-working, etc.) and in fresh food, this market declined significantly, in the 3 related countries (France, Italy, Germany), as a result of lower in-store traffic, the driving force behind the purchasing act.

Taking into account the seasonality of production and the once again difficult crops observed in the summer of 2020, the high level of activity recorded at the beginning of the financial year could be reduced, in the long term, by product shortage, and therefore a loss of sales in the spring of 2021 on a high basis of comparison.

Non-Europe Zone

The revenue of the Non-Europe Zone, representing 55.-% of the revenue of the group, is at -1.1% on reported figures and up +5.8% on a like for like basis⁽²⁾. All three technologies posted positive growth in the region and over the half year as a whole.

In North America, the long life operating segment (canned and frozen food) recorded solid growth over the period, with supermarket sales, particularly branded sales (Arctic Gardens, Bonduelle and Del Monte), and B2B sales more than offsetting an out-of-home catering business impacted by the sanitary crisis, even if the downturn was less severe than in Europe.

Despite a difficult agricultural context observed on the west coast as a result of the autumn fire coupled with difficulties in recruiting workers and a health situation that was unfavorable to on-the-go consumption, the overall ready-to-eat fresh business segment and customer service levels were maintained in the United States, at the price of significant additional supply and production costs and an unfavorable product mix (bagged salads vs. bowls).

In Russia and the countries of the Commonwealth of Independent States, the sanitary crisis context, strongly impacting the economy and purchasing power on the one hand, and the strategy of preserving margins, involving price increases in a context of imported inflation on certain cost components on the other hand, finally, arbitrations in favor of Bonduelle and Globus branded canned products to the detriment of private labels limited the overall volumes of the canned operating segment. The frozen food one, based on local production and still limited in size, continued to grow.

Operating income

The current operating income of the Bonduelle Group for the 1st half year of 2020-2021 stands at € 56.3 million, up 5.2% on like-for-like basis⁽²⁾ and down 1.5% on reported figures.

The current operating margin of 3.9% shows a slight decline compared to the first half of the previous year and is stable at 4.-% at constant exchange rates. In line with the ambitions announced at the beginning of the financial year, the Bonduelle Group further strengthened its marketing investments, increasing the visibility of its brands and resulting in significant gains in market share.

The Europe Zone posted a significant increase in profitability to € 35.4 million on a like-for-like basis⁽²⁾, representing a current operating margin of 5.4%, helped by the good performance of the long-life retail business and the resilience of the profitability of the fresh food business, which held up well despite the decline in revenue.

In the Non-Europe Zone, the current operating profitability stands at 24.7 million, representing a current operating margin of 2.9% on a like-for-like basis⁽²⁾. In this area, the underperformance of the fresh prepared business (salad bowls, salad kits and bagged salads) due to agricultural supply difficulties coupled with additional costs related to the sanitary crisis and an unfavorable business mix, masked the remarkable performance of the canned and frozen business activities observed in North America, Russia & CIS and Export.

After taking into account non-recurring items, including costs related to the takeover of the assets of the France Champignon Cooperative, the operating income rose to € 54.- million, compared with € 52.6 million for the same period of the previous financial year.

Net result

The net financial result stands at € 9.9 million, down € 2.5 million, in line with the decrease in the group's financing costs and a break-even exchange rate result over the period. Corporate income tax expenses amounted to € 12.1 million compared to € 10.6 million in the first half of the previous financial year, an increase explained by the end of the use of tax loss carryforwards and the decline in profitability of the Non Europe Zone.

After taking into account both financial result and the taxes, the Bonduelle Group's net income amounts to € 31.9 million, or 2.2% of revenue, up 8.3% compared to the same period last financial year.

Financial situation

The group's net financial debt stood on December 31, 2020 at € 890.7 million compared to € 978.2 million for the same period the previous year. Restated from IFRS 16, the group's net financial debt stands at € 808.2 million, compared to € 892.5 million the previous financial year, a significant fall in debt mainly due to the reduction in inventories (difficult crop season and strong sales activity). The gearing⁽¹⁾ ratio, excluding the impact of IFRS 16, was 1.20 compared to 1.24 as of December 31 of the previous year. Finally, the average cost of debt, excluding IFRS 16 impact, was 1.99%, a significant and continuous improvement over the previous year (2.20%), due to the ongoing optimization of the group's financing instruments.

Highlights

Bonduelle associates the agricultural world to the group's value creation

Pursuant to the resolution passed at the Shareholders' Meeting of December 17, 2020, Bonduelle announced on February 22, 2021 that it had initiated a capital increase project dedicated to agricultural partners. The purpose of this operation is to enable these agricultural partners to share the Bonduelle SCA's value creation and to strengthen lasting and close ties with the company by associating them with its capital. The funds raised are not earmarked for any specific purpose and the proceeds of the issue, and any limitations on the issue, have no effect on the company's liquidity and financing horizon. Once again, through this action, Bonduelle is demonstrating its collective construction, alongside its stakeholders, of its ambition for sustainable growth with a positive impact.

The Bonduelle Group is committed to improving the income of its vegetable production partners in France

The Bonduelle Group and its partners, OPLVert and OPLINORD, which regroups the vegetable producers of the Hauts-de-France area and its partner Euralis Coop for the green vegetable producers in the Southwest of France, have just signed price revaluation agreements to finance the increase in agricultural income and the agro-ecological transition.

This revaluation is based upon a strong commitment to "runoff" in favor of agricultural producers, which involves all the actors of the value chain, in a state of mind consistent with that of the General States of Food ("Etats Généraux de l'Alimentation") in order to perpetuate one of the main sectors of French agricultural excellence.

Bonduelle takes over the industrial assets of the France Champignon Cooperative

The Bonduelle Group's offer to take over the industrial assets of the France Champignon Cooperative, which was placed in receivership by judgment on November 12, 2020, was validated by a decision of the Saumur District Court. The final takeover is now subject to approval by the French Competition Authority.

With its mushroom-producing partners and the support of its main distributor customers, Bonduelle is actively participating in preserving the industry and continuing to supply the French market with processed mushrooms from a high-quality French industry.

The expected financial impact for the Bonduelle Group is the cancellation of the residual value of the equity interests in the "Coopérative France Champignon", with an offsetting entry to the group shareholders' equity, and a charge of € 0.6 million in non-recurring items.

The Bonduelle Group's Shareholders' Meeting adopts the company's purpose

The Shareholders' Meeting of December 17, 2020, adopted by 99.91% of the votes the resolution to amend its articles of association to include the company's purpose: "Inspire the transition toward a plant-based diet to contribute to people's well-being and planet health". With this inclusion in its articles of association, the Bonduelle Group is thus giving concrete expression to its commitments in terms of Corporate Social and Environmental Responsibility and its ambition to achieve B Corp certification by 2025.

Once again, Bonduelle strengthens its financial flexibility and aligns this financing to sustainable development objectives

After the successful issuance of a NEU CP program in July 2020, the Bonduelle Group announced on November 30, 2020 the early renewal of its syndicated loan, increasing it from € 300 million to € 400 million and indexing the margin on Environmental, Social and Governance criteria (ESG).

Signed with an enlarged pool of 11 banks (9 banking groups), this syndicated loan, with impact, includes a single tranche of revolving credit (RCF - Revolving Credit Facility) significantly oversubscribed and refinances the existing RCF of € 300 million that was due to mature in July 2021.

This financing transaction, carried out in a particularly uncertain economic and financial context, once again underlines the group's financial strength. The over subscription and the expansion of the pool of lenders also demonstrate the enthusiasm of financial institutions for the Bonduelle Group's financial profile.

Via its endorsement of the B Corp certification process, this transaction illustrates the group's commitments in terms of Social and Environmental Responsibility, in line with its purpose.

Outlooks

Given the resilience of the business recorded in the first half of the financial year, but also the high level of uncertainties related to the economic and sanitary environment, the Bonduelle Group is targeting a revenue growth of 1% to 2% and a current operating margin of 3.6% to 3.8% at constant exchange rates and scope of consolidation.

⁽¹⁾ net financial debt / equity

⁽²⁾ 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.

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.

Next financial events:

- 2020-2021 3rd Quarter FY Revenue: May 3, 2021 (after stock exchange trading session)
- 2020-2021 Financial Year Revenue: August 2, 2021 (after stock exchange trading session)
- 2020-2021 Annual Results: September 27, 2021 (prior to stock exchange trading session)

Find the complete Half Year results on www.bonduelle.com

About the Bonduelle Group

We want to inspire the transition toward a plant-based diet, to contribute to people's well-being and planet health. We are a French family business with 14,600 employees and we have been innovating with our farming partners since 1853. Our products are cultivated on 126,000 acres and marketed in 100 countries, with a revenue of € 2,855 million."

Our 6 strong brands are:



Bonduelle is listed on Euronext compartment B

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

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

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

Find out about the group's current events and news on Twitter @Bonduelle_Group, and its financial news on @BonduelleCFO