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INTERIM MANAGEMENT REPORT

30 JUNE 2021

Growth in the three Divisions of the Group

Positive development of BIOBEST and ongoing integration of acquisitions

Improved profitability for Food Division, which is concentrating on its specialities markets

Increase in volumes of batteries processed by SNAM

Positive outlook in the three Divisions

Floridienne Group interim management report

1. Consolidated results

The Floridienne Group turnover as at 30 June 2021 amounted to EUR 164.5 million, down 5.5% compared with EUR 174.1 million recorded as at 30 June 2020. This fall can mainly be attributed to the divestments made by the Group over the past 12 months. At constant scope, our three Divisions are managing to substantially increase their turnover and the organic growth of the Group amounts to 15.6%.

The EBITDA stood at EUR 23.5 million as at 30 June 2021, up EUR 7 million compared with 30 June 2020. This reflects the dynamism of the various activities and the soundness of the strategic choices made by the Group, which has repositioned itself on buoyant markets. The acquisitions made recently by BIOBEST to strengthen its growth on the biocontrol markets in the United States (BENEFICIAL INSECTARY) and in Australia (BIOLOGICAL SERVICES) are meeting expectations and beginning to bear fruit as anticipated.

Amortisation and impairments amounted to EUR 6.8 million, down EUR 1.4 million compared with the first half of 2020. The Group had recorded an extraordinary impairment of EUR 1.2 million during the first half of 2020 on the goodwill of the activities of the German company IKA Innovative Kunststoffaufbereitung GmbH & Co KG and its subsidiaries ('IKA') to take account of the anticipated loss upon the divestment of this subsidiary in October 2020.

The divestment of SALM INVEST and GEL MANCHE on 22 January 2021 led to the recognition of a gain on divestments of EUR 1.5 million. The Group has also concluded the sale of its vanilla distribution activities undertaken by the companies SOPRAL (Madagascar) and KAMAPIM (Papua-New-Guinea). These two companies were sold on 26 May 2021 without any significant impact on the Group's results, given the limited scale of these activities.

The development of the debt burden is under control and in line with the financing obtained in the context of recent acquisitions.

The financial result is positive at EUR 1 million, a variation of EUR 1.4 million compared with the first half of 2020 owing to exchange rate fluctuations.

The pre-tax result stood at EUR 17 million, up EUR 10.6 million thanks mainly to the strong operating performance of our three Divisions and the integration of our recent acquisitions.

The consolidated net result amounted to EUR 12.2 million, of which EUR 9 million can be allocated to Floridienne shareholders (up EUR 6.9 million).

The consolidated equity capital stood at EUR 160.8 million as at 30 June 2021, an increase of EUR 17.9 million compared with 31 December 2020, mainly further to a capital increase in BIOBEST carried out in June 2021 and the net result for the period. In application of the shareholders' agreement signed with Mérieux Participations 3 (MP3) when the latter took a stake in BIOBEST in May 2018, Mérieux (MP3) subscribed to a second capital increase of EUR 10 million in BIOBEST on a preferential basis in June 2021.

The group's net financial debt (excluding lease commitment debts) as at 30 June 2021 amounted to EUR 95 million, compared with EUR 98.7 million as at 31 December 2020.

The Group had substantial liquid assets of EUR 51.4 million as at 30 June 2021, enabling it to continue its growth strategy in its future business lines.

Consolidated financial data of Floridienne Group

In EUR millions	30/06/21	30/06/20
Turnover	164.5	174.1
EBITDA	23.5	16.5
EBIT	16.7	8.3
Share of the net result of equity-accounted companies	0.1	0.1
Gain/(loss) on the disposal of non-current assets	1.5	0.0
Financial result	1.0	-0.3
Result before tax	17.0	6.4
Consolidated net result	12.2	4.0
Consolidated net result Floridienne share	9.0	2.1

In EUR millions	30/06/21	30/06/20
Equity capital and non-current liabilities	297.6	242.8
- Floridienne equity	127.3	120.4
- Non-controlling interests	33.5	23.6
- Non-current liabilities	136.8	98.9
Current liabilities	91.5	93.2
Non-current assets	205.2	160.2
Current assets	183.8	175.8
Stock market capitalisation end of period	623.0	224.3

In EUR millions	30/06/21	30/06/20
Details per share		
Number of shares	996,857	996,857
Operating result	16.7	8.3
Consolidated net result Floridienne share	9.0	2.1
Share price end of period (in EUR)	625.0	225.0

In EUR millions	Turnover		Net result after tax	
	30/06/21	30/06/20	30/06/21	30/06/20
Gourmet Food Division	45.0	67.1	0.4	-3.0
Life Sciences Division	100.2	77.8	10.8	8.7
Chemicals Division	19.4	29.2	2.6	-0.5
Corporate Division	-	-	-1.5	-1.3
Total	164.5	174.1	12.2	4.0

2. Gourmet Food Division

The turnover of the Gourmet Food Division fell by 33% during the first half period to EUR 45 million, compared with EUR 67.1 million a year earlier. This fall may be attributed to the divestment of the companies SALM INVEST and GEL MANCHE in January 2021. At constant scope, the organic growth of the Division amounted to 11%, underpinned by mass retail sales and the success of certain export markets which offset the downturn in activity seen in the hospitality sector owing to the continuation of the lockdown measures in the first half of the year.

The EBITDA of this Division increased by EUR 1.9 million to stand at EUR 1.5 million as at 30 June 2021 compared with EUR -0.3 million as at 30 June 2020. The activity of the Gourmet Food Division is highly seasonal and its sales are closely linked to the end-of-year festivities. This Division therefore records weak results in the first half of every year in structural terms.

The increase in the profitability of the Division may be explained primarily by its efforts to refocus on its specialities markets and the positive effects of its strategic plan for simplification and specialisation in the production sites and organisational structures.

The net result after tax improved significantly to EUR 0.4 million as at 30 June 2021, compared with a loss of EUR 3 million as at 30 June 2020. A gain of EUR 1.5 million was recorded on the divestment of the companies SALM INVEST and GEL MANCHE in January 2021.

The Gourmet Food Division will continue to evolve positively during the second half of the year and will benefit from the easing of the restrictions imposed on the hospitality sector as part of the fight against the Covid-19 pandemic. The Division is expected to continue to record clearly improved operating results for the current financial year compared with last year.

Significant events

During the first half of 2021, Floridienne concluded the sale of its subsidiary Gel Manche S.A.S. ('GEL MANCHE') and the divestment of its majority holding in the company Salm Invest S.A. ('SALM INVEST').

GEL MANCHE, which is located in Carentan, Normandy, specialises in mixed and ground products for hospitals. It also prepares and packs seafood terrines (fish and shellfish) and ready-to-eat salads. In 2020, GEL MANCHE integrated the activities of its historic subsidiary Gourmet des îles, which makes ready-cooked West Indian dishes. The Floridienne Group acquired GEL MANCHE in 1998 and sold it on 22 January 2021 to the French industrial group Nutrisens, which specialises in the food sector.

In addition, on 22 January 2021 Floridienne disposed of its 80% majority holding in SALM INVEST to its historic co-shareholder, the company Les Artisans du Terroir. Based in Fleurus (Belgium), SALM INVEST and its subsidiary Maison Vendsyssel S.A. specialise in smoked salmon trading and production.

These two transactions confirm the Group's wish to concentrate its Gourmet Food Division on its specialities markets.

Note on LARZUL

Various legal proceedings are still ongoing concerning this company. The main one relates to control. Positive progress was made as regards these proceedings during the first half of 2021, with two court decisions pronounced in favour of our Group. These decisions did not, however, yet allow us to exercise our rights here or deploy our industrial strategy.

In the absence of any negative indicators concerning the profitability of Larzul, the Board has decided to maintain the values of this holding and of our claim in the consolidated accounts unchanged compared with the historic accounting values at EUR 2.6 million and EUR 1.5 million respectively. In accounting terms, this holding is booked under '*Other non-current financial assets*' in the consolidated balance sheet as we do not have control over the company. The situation is being closely monitored and will be reassessed during the second half of the year.

3. Life Sciences Division

The turnover of the Life Sciences Division amounted to EUR 100.2 million as at 30 June 2021, up 29% compared with EUR 77.8 million as at 30 June 2020. This rise may be attributed to substantial organic growth of around 13% and the integration of recent acquisitions made by BIOBEST which is under way.

BIOBEST is benefiting from the success of its pest management solutions and from the inclusion of the companies BENEFICIAL INSECTARY, the main producer on the North American integrated pest management market, acquired in November 2020, and BIOLOGICAL SERVICES, active in Australia, in which a majority holding was taken in April 2021. ENZYBEL is having to respond to growing demand among its main customers for its plant and animal enzymes.

The EBITDA stood at EUR 19.6 million, up 26% compared with EUR 15.6 million recorded as at 30 June 2020. The Division is still having to cope with certain extraordinary costs linked to the current pandemic, in particular substantial logistics costs owing to the disruption in air travel at the moment.

The net result after tax of the Life Sciences Division amounted to EUR 10.8 million, compared with EUR 8.7 million as at 30 June 2020, up 24%.

The markets on which the Life Sciences Division is evolving remain favourable and the integration of recent acquisitions is continuing. The Division is expected to record strong growth in its result for the year as a whole.

Significant events

Capital increase

In application of the shareholders' agreement signed with Mérieux Participations 3 (MP3) when the latter took a stake in BIOBEST in May 2018, Mérieux (MP3) subscribed to a second capital increase of EUR 10 million in BIOBEST on a preferential basis in June 2021.

This transaction values the BIOBEST Group at EUR 466.4 million ('post-money valuation'). Further to this capital increase, Floridienne's holding in BIOBEST will stand at 90.10%.

Acquisition of a majority holding in BIOLOGICAL SERVICES

On 15 April 2021, BIOBEST finalised an agreement allowing the acquisition of a 51% holding in Manchil Altmann Pty.Ltd., a company that operates under the name BIOLOGICAL SERVICES.

BIOLOGICAL SERVICES is located in Loxton (South Australia) and in Muchea (Western Australia) and holds a leading position in Australia in integrated pest management for greenhouse crops. In 2020, this company generated a turnover of AUD 7.2 million and recorded an operating result of AUD 2.3 million.

In 2019, BIOBEST had already acquired the company BUGS FOR BUGS in Australia, which specialises in integrated pest management for outdoor crops, known as open-field crops.

The combination of the know-how and complementary geographic locations of these two companies now gives BIOBEST GROUP a unique position in Australia, able to offer growers varied solutions to promote more sustainable cultivation and meet the wishes of Australian consumers in search of healthier products.

Acquisition of a holding in ARUGGA

In April 2021, BIOBEST concluded an investment to acquire a 12% holding in the company Arugga AI Farming.

This start-up, based in Israel, was founded in 2017 and develops robotic solutions for greenhouse crops. The company focused its initial product developments on the robotic pollination of tomatoes as an alternative to bumblebees and manual methods.

Divestment of 'vanilla' activities

The vanilla production and distribution activities of the companies SOPRAL (Madagascar) and KAMAPIM (Papua-New-Guinea) were sold on 26 May 2021 without any significant impact on the Group's results given the limited size of these activities.

4. Chemicals Division

The turnover of the Chemicals Division fell by 34% to EUR 19.4 million as at 30 June 2021 compared with EUR 29.2 million as at 30 June 2020. This fall is due to the divestment of IKA on 6 October 2020. At constant scope, the organic growth of the Division stood at 44%.

SNAM's recycling activities are upheld by the rise in the volumes of batteries collected, particularly in the segment of hybrid and electric vehicle batteries. The profitability of this subsidiary is also benefiting from the rise in the price of purified metals resold on the market.

Kimflor, our subsidiary active in PVC stabilisers in Turkey, made progress at constant exchange rates and continues to evolve positively, despite the steady fall in the value of the Turkish lira during the first half of the year.

The EBITDA and the net result after tax of this Division are up and amounted respectively to EUR 3.4 million and EUR 2.6 million as at 30 June 2021 (compared with EUR 2.2 million and EUR -0.5 million respectively as at 30 June 2020). In the first half of 2021, the profitability of SNAM was negatively affected by certain extraordinary costs linked to the Covid-19 pandemic.

The outlook for this Division is positive with a sustained rise in the volume of batteries collected by our recycling activities. The Division is expected to record strong growth in its result for the year as a whole.

5. Holding & Corporate Division

The result of the Holding and Corporate Division stood at EUR -1.5 million as at 30 June 2021, stable compared with the situation on 30 June 2020.

6. Outlook

The outlook for the second half of 2021 is generally positive, with continued growth and improved profitability observed in our three Divisions. The Gourmet Food Division will continue to evolve positively during the second half of the year and will benefit from the easing of the restrictions imposed on the hospitality sector as part of the fight against the Covid-19 pandemic. The markets on which the Life Sciences Division is evolving remain favourable and the integration of recent acquisitions is continuing. Finally, the sustained increase in the volumes of batteries collected by our recycling activities and the good performance of our stabiliser activities will continue to benefit our Chemicals Division.

Overall, the Board of Directors is confident and expects growth in the results for the 2021 financial year as a whole.

7. Own shares purchased

Floridienne did not purchase any of its own shares during the past six-month period. As at 30 June 2021, the number of own shares held by the Group stood at 17,363.

8. Composition of the shareholding body

According to the most recent transparency statements and information sent to Floridienne, the shareholding body is as follows:

Beluflo S.A.	391,996	39.32%
Philippe de Spoelberch	216,428	21.71%
SRIW	84,176	8.44%
Natural persons	61,821	6.20%
Indivision Waucquez	21,000	2.11%
Finatco S.A.	18,000	1.81%
Floridienne S.A.	17,363	1.74%
Marinvest S.A.	90,800	9.11%
Sigeco S.A.	14,150	1.42%
Free Float	81,123	8.14%
Number of shares	996,857	100.00%

9. Management statement

We the undersigned, Marc Blanpain and Gaëtan Waucquez, directors and members of the management committee, certify in the name and on behalf of Floridienne that to our knowledge:

- The condensed financial statements as at 30 June 2021, drawn up in accordance with the applicable accounting standards, provide a faithful image of the assets, the financial situation and the results of Floridienne and the companies included in the consolidation scope.
- The half-yearly report contains a faithful account of the development of business, the results and the situation of the group and the companies included in the consolidation scope.
- The half-yearly report contains a faithful account of the important events and main transactions between affiliated parties which occurred within the first six months of the financial year and their impact on the condensed financial statements as well as a description of the main risks and uncertainties for the remaining months of the financial year, which are in line with the assessment presented in the section entitled 'Risk management and internal auditing' of the 2020 annual report.

10. External audit

In accordance with Article 13 §7 of the Royal Decree of 14 November 2007 on the obligations of issuers of financial instruments admitted for trading on a Belgian regulated market, we point out that the interim consolidated financial statements given in this document have not undergone an audit or a limited review by the Auditor.