

# ANNUAL REPORT 2016

Creative spirit, sustainable ideas



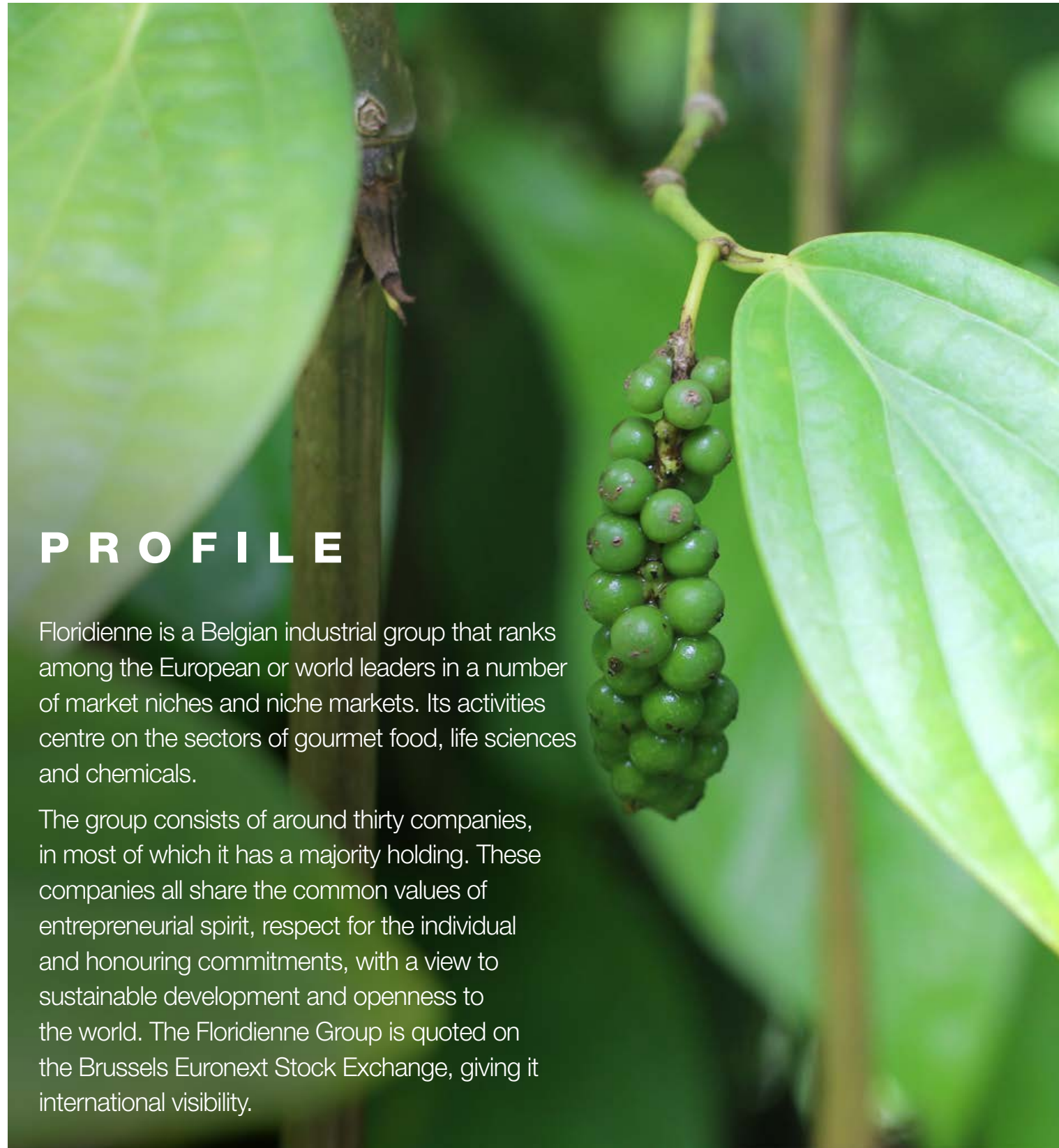
**FLORIDIENNE**  
GROUP

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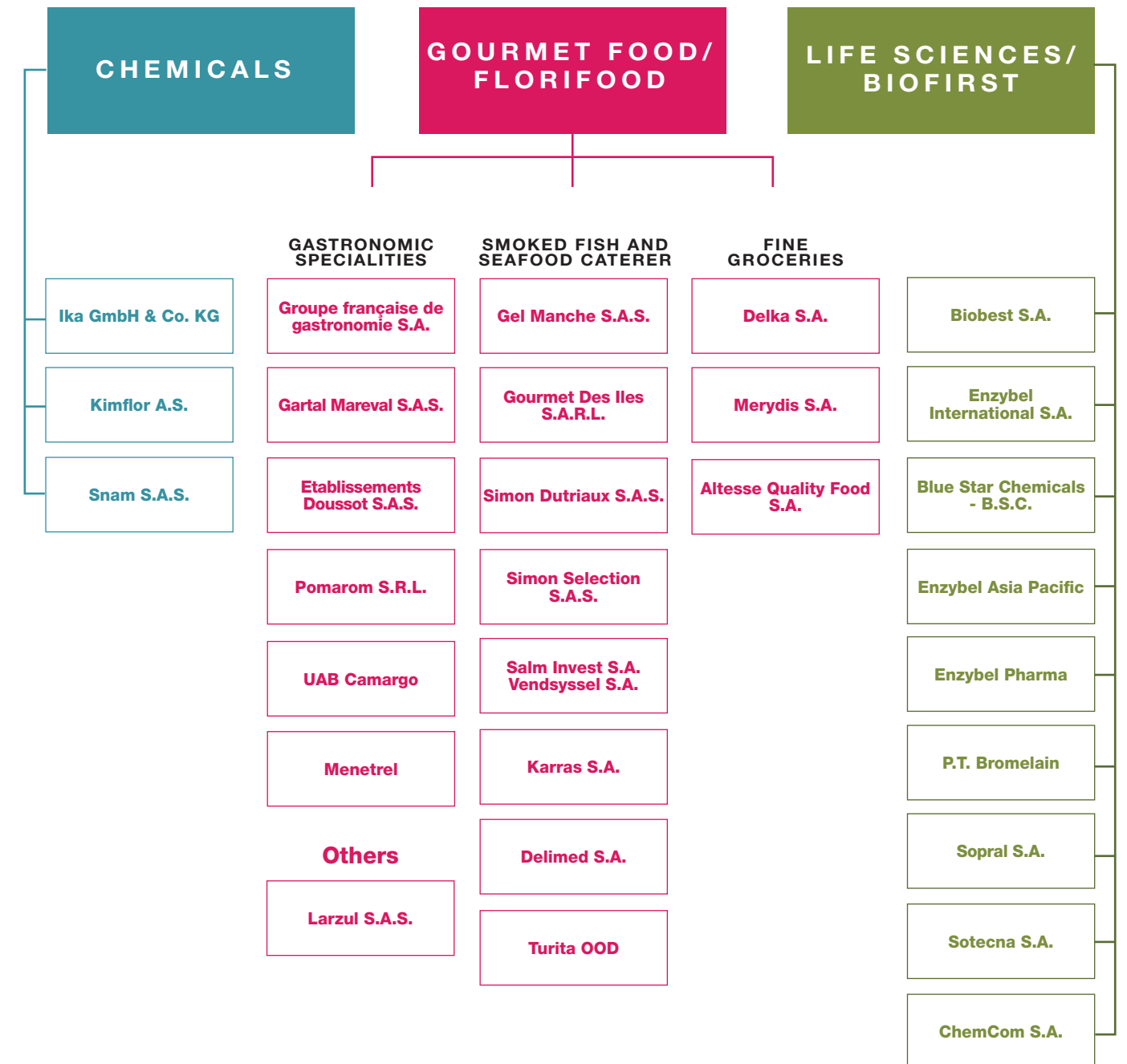
**CREATIVE SPIRIT,  
SUSTAINABLE IDEAS**



## PROFILE

Floridienne is a Belgian industrial group that ranks among the European or world leaders in a number of market niches and niche markets. Its activities centre on the sectors of gourmet food, life sciences and chemicals.

The group consists of around thirty companies, in most of which it has a majority holding. These companies all share the common values of entrepreneurial spirit, respect for the individual and honouring commitments, with a view to sustainable development and openness to the world. The Floridienne Group is quoted on the Brussels Euronext Stock Exchange, giving it international visibility.





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## GOURMET FOOD P10

The Gourmet Food Division comprises production and marketing companies specialising in party and gourmet foods products such as snails, scallops, stuffed shellfish, smoked salmon, seafood salads, aperitif snacks, ethnic dishes and cold and warm sauces. The division also operates in the field of special needs foods, in particular for people with deglutition problems or those suffering from Alzheimer's disease.



## LIFE SCIENCES P20

The Life Sciences Division produces and markets natural technologies and products for agriculture, parapharmaceuticals, agri-foodstuffs, cosmetics and health care. Some of these offer environmentally friendly and sustainable alternatives to existing chemical products.

This division is world leader in plant proteases and ranks second globally in integrated pest management. It also invests in innovative solutions, particularly in the field of chemical communication through receptors associated with taste and olfaction in humans and insects.



## CHEMICALS P28

The Chemicals Division consists of companies that operate in particular in the field of additives used to stabilise PVC. Through this division, the group is also involved in the recycling of industrial and (hybrid and electric) car batteries.

# THE METAMORPHOSIS OF A GROUP



GAËTAN WAUCQUEZ



PHILIPPE BODSON

**“FLORIDIENNE IS AN ATYPICAL COMPANY WITH A TURNOVER OF OVER € 300 MILLION RUN BY A SMALL TEAM.”**

GAËTAN WAUCQUEZ

**GAËTAN WAUCQUEZ:**

The company is developing positively in an environment that remains difficult. The general trend is good in the long term. We are seizing opportunities to consolidate, in particular as regards insects, in the Life Sciences Division. Our aim is to add growth through acquisitions to the organic growth of 15%.

**HOW WOULD YOU DESCRIBE THE OVERALL RESULTS OF THE PAST YEAR IN AN INTERNATIONAL CONTEXT THAT REMAINS LACKLUSTRE?**

**PHILIPPE BODSON:** From a macro-economic point of view, 2016 was similar to 2015. Geopolitical tensions, particularly in Turkey and Russia, are hampering the development of transactions. And metals prices, which remain very low, continue to weigh on our margins. Nevertheless, despite this unfavourable context, we are satisfied with Floridienne's performances overall. Our net result is up 10% compared with 2015. Our turnover for the last financial year reached € 308 million, compared with € 296 million in the previous year. This represents an increase of around 4%. We have started acquiring companies again, notably in the Gourmet Food and Life Sciences Divisions. So for Floridienne, 2016 was clearly a year of consolidation.

**THE GROUP HAD ALREADY STRENGTHENED ITS EQUITY CAPITAL IN 2015 AND CAN RELY ON A SOUND FINANCIAL SITUATION TO UNDERPIN ITS AMBITIONS...**

**G.W.:** We made the most of favourable market conditions to review our long-term financing. Floridienne's strategy has always been to finance itself at fixed rates. Insurance companies are now the new financial partners of businesses. We have established a long-term relationship with them, alongside the traditional banks. Insurers are interested in companies that they are confident will have a long-term future and they are prepared to accept long durations.

**THE ORGANISATIONAL STRUCTURE OF THE GROUP HAS BEEN FURTHER SIMPLIFIED...**

**PH. B.:** The Board wanted to simplify the structures, the organisation chart of the companies. Several of the intermediate holding companies no longer served any purpose. Pointless levels cost dearly in legal and operating terms.

**G.W.:** Floridienne is an atypical company with a turnover of over € 300 million run by a small team. Few companies of our size operate with such a limited workforce. This gives us both flexibility and strength.

**“OUR NET RESULT IS UP BY 10% COMPARED WITH 2015, DESPITE AN UNFAVOURABLE ECONOMIC CONTEXT.”**

PHILIPPE BODSON



**THE THREE DIVISIONS IN THE GROUP RECORDED CONTRASTING RESULTS...**

**G.W.:** The Gourmet Food Division performed well this year. There is still considerable growth potential here. Above and beyond this organic growth, we plan to seize chances to consolidate our businesses. Grouping together small-scale producers offers great opportunities.

**PH. B.:** As for our Life Sciences Division, it has become an essential element in our development. We have seen exceptional growth in turnover. Most of the players in the agri-foodstuffs sector have realised the need to put forward environmentally friendly alternatives to fertilisers and pesticides. This is the future.

**G.W.:** Finally, in the Chemicals Division our Turkish subsidiary, Kimflor, had to cope with a worsening economic situation. Nevertheless, we managed to maintain a significant result thanks to the quality of the work done by our managers. As for our German subsidiary, IKA, which produces new-generation calcium/zinc-based and organic stabilisers, 2017 is expected to be more promising. As regards SNAM, we are preparing for the future in the context of the 'Second Life' project which aims to collect as many hybrid and electric car batteries as possible and recondition them for other uses linked to renewable energy, thus delaying their final recycling. In partnership with the CEA, we are making progress in this area. SNAM is on the lookout for financial and industrial partners to assist with this project.

**PH. B.:** We hold a unique position as a recycler. In four to five years' time, the quantity of electric car batteries to be recycled will be vast. Rather than

destroying them in a furnace, we want to offer drivers recycling solutions at virtually no cost.

**THE FLORIDIENNE GROUP HAS DEVELOPED CONSIDERABLY OVER THE PAST TEN YEARS...**

**PH. B.:** Floridienne is now very far removed from the essence of the group ten years ago. At that time, Floridienne was basically involved in chemicals. PVC, for instance, accounted for almost half our activities whereas today, the figure is 13%. The group has undergone far-reaching changes, focusing on Life Sciences and Gourmet Food which are now mature divisions that still hold out the promise of fine opportunities.

**"FLORIDIENNE TAKES CARE TO SEIZE THE OPPORTUNITIES OF THE FUTURE WHILE CONSOLIDATING ITS ACQUISITIONS."**

**GAËTAN WAUCQUEZ**



**"THE GROUP HAS UNDERGONE FAR-REACHING CHANGES, FOCUSING ON LIFE SCIENCES AND GOURMET FOOD WHICH ARE NOW MATURE DIVISIONS THAT STILL HOLD OUT THE PROMISE OF FINE OPPORTUNITIES."**

**PHILIPPE BODSON**



**G.W.:** This metamorphosis has enabled us to change direction so as to focus on less cyclical sectors with higher growth.

**PH. B.:** Our strategy is to hold leading positions in market niches. Our diversification is an asset. We are an industrial group which controls and manages its subsidiaries.

**FLORIDIENNE IS A COMPANY THAT IS CONSTANTLY CHANGING...**

**G.W.:** We continue to evolve day by day. We invest a great deal in research which occupies almost 40 members of staff. In ten years, the company has been transformed from the ground up, with average growth of 10% per year. That wasn't achieved in a day and without difficulties, but when you look back over the path we have covered, it does represent great progress. Floridienne takes care to seize the opportunities of the future while consolidating its acquisitions. We can rely on our subsidiary managers who are enthusiastic entrepreneurs with perfect command of their field. They maintain relationships of mutual trust with our division heads to work on the group strategy.

**Ph. B.:** Our staff give their best to achieve Floridienne's ambitions. We work with them in the same direction. We would like to thank them warmly for their support and their trust. Their motivation encourages us to exceed ourselves every day.

# KEY FIGURES 2016

Consolidated balance sheet - In EUR millions	2016	2015	2014	2013	2012'	2011	2010	2009	2008	2007
Assets, non-current	102.9	97.7	98.5	95.3	137.2	164.8	97.0	121.6	111.7	71.3
Assets, current	136.7	145.1	123.3	126.4	148.0	134.3	160.3	101.3	106.4	100.4
Liabilities, long term	163.1	167.1	142.7	141.2	189.9	205.1	169.4	147.2	145.1	97.3
Floridienne equity capital	97.6	95.6	88.0	84.5	107.6	118.2	84.0	71.5	65.3	58.4
Third-party interests	8.0	7.8	4.7	3.9	6.0	6.7	7.7	7.8	8.3	1.2
Liabilities, non-current	57.5	63.7	50.0	52.8	76.3	80.2	77.7	67.8	71.6	37.7
Liabilities, current	76.5	75.8	79.2	80.5	95.3	94.0	87.8	75.8	73.0	74.4
Balance sheet total	239,6	242,9	221,8	221,8	285,2	299,1	257,3	222,9	218,1	171,7

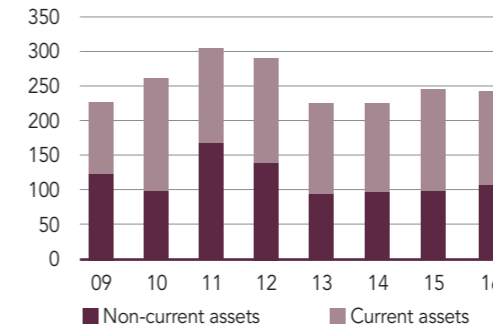
Consolidated results - In EUR millions	2016	2015	2014	2013	2012'	2011	2010	2009	2008	2007
Turnover	307.7	295.8	277.2	259.2	247.6	247.4	245.3	200.8	224.6	202.8
EBITDA	18.6	19.4	16.4	11.2	12.0	7.4	15.7	16.6	14.6	15.3
Operating result	10.8	11.5	8.7	3.4	4.2	0.0	8.7	9.9	9.0	11.0
Consolidated net result	7.4	7.1	5.3	-20.3	-16.4	37.3	14.4	8.0	6.9	9.7
Consolidated net result, Floridienne share	6.6	5.9	4.4	-21.3	-16.4	38.4	14.4	7.8	6.4	9.3
Net cash flow	13.9	15.3	11.2	7.2	2.6	42.3	19.7	13.6	14.6	15.5

Financial ratios in %	2016	2015	2014	2013	2012'	2011	2010	2009	2008	2007
Financial profitability (net result/equity capital as at 1 January)	6.9	6.7	5.2	-19.7	-13.9	45.7	20.2	11.9	10.9	19.5
Solvency ratio (equity capital/balance sheet total)	44.1	42.6	41.8	39.9	39.8	41.7	35.7	35.6	33.7	34.7
Payout ratio (gross dividend/group share of result)	31.9	33.8	0.0	0.0	0.0	7.6	20.1	32.6	39.9	26.0

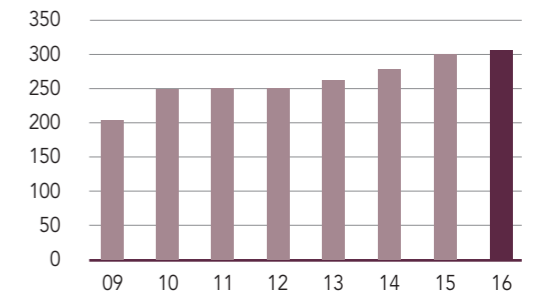
Details per share in EUR	2016	2015	2014	2013	2012'	2011	2010	2009	2008	2007
Number of shares	996,857	996,857	996,857	996,857	996,857	907,572	907,572	907,572	907,572	864,094
Share price										
Average	109.40	85.29	74.78	77.3	109.8	140.4	113.8	93.6	107.9	106.3
Highest	133.00	97.50	91.00	97.5	137.0	151.8	135.0	105.0	132.0	135.0
Lowest	90.56	72.07	65.00	66.6	92.0	130.0	96.0	64.8	72.0	78.1
As at 31/12	125.49	97.00	77.10	69.4	94.0	130.0	135.0	100.0	90.0	130.0
Net dividend per share	1.47	1.46	0.0	0.0	0.0	2.4	2.4	2.1	2.1	2.1
Stock market capitalisation (in EUR millions as at 31/12)	125.10	96.70	76.86	69.18	93.70	117.98	122.52	90.76	81.68	112.33

\* 2012 figures reprocessed, IFRS 5

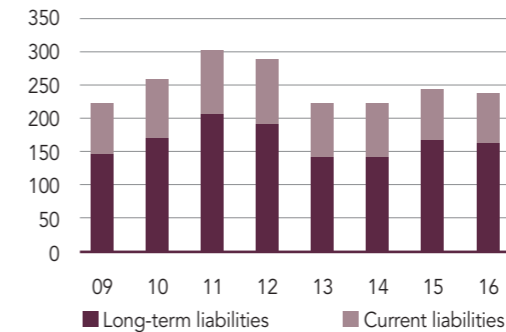
## ASSETS in EUR millions



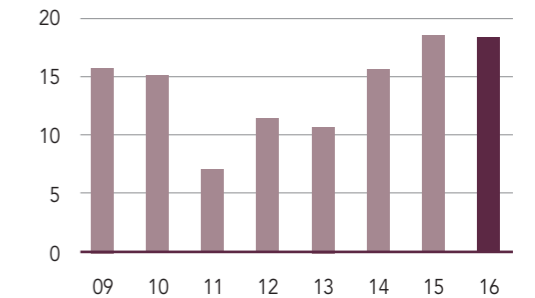
## TURNOVER in EUR millions



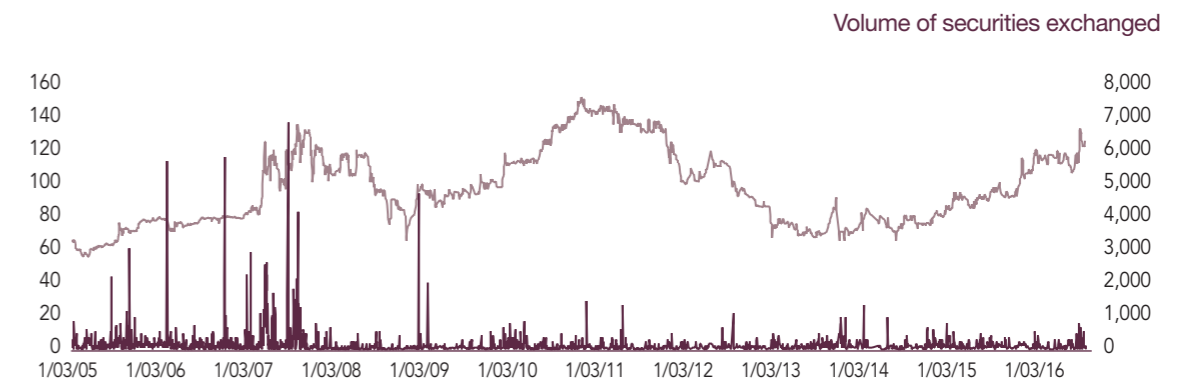
## LIABILITIES in EUR millions



## EBITDA in EUR millions



## SHARE PRICE (EUR)





# KEY EVENTS



## LIVE SCIENCES DIVISION/BIOFIRST

### AFRICAN EXPANSION

With the acquisition of Real IPM Ltd, Biobest is developing on the African continent and adopting a position as a producer in the field of microorganisms. Biobest has achieved the critical mass needed to build local growth from its subsidiaries by extending the scope of its products in integrated pest management.

### SNAILS AND COSMETICS

Sotecna, in synergy with the group's Gourmet Food Division, is active in health and cosmetics projects involving snail extracts. Cosmos certification was granted to a product based on snails which is used in the production of organic cosmetics.

### ENZYMES DERIVED FROM ANIMALS

Continuing its growth in natural enzymes, at the end of 2016 Enzybel created a new subsidiary, 'Enzybel Pharma', which works in the field of enzymes derived from animals.

**+ 8 %**  
INCREASE IN  
TURNOVER  
FOR THE  
LIFE  
SCIENCES  
DIVISION



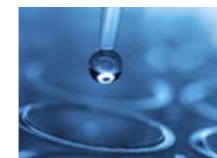
## CHEMICALS DIVISION

### SECOND LIFE

SNAM, European leader in the recycling of hybrid and electric car batteries, initiated the 'Second life' project that involves making new batteries using elements from recycled batteries. This is a very promising market in the long term: in 2016 some 100,000 electric cars came onto the roads throughout the world.

### KIMFLOR AND IKA REMAIN ON COURSE

Despite a difficult economic context, the results of IKA and KIMFLOR were in line with those of 2015. The action taken by the management ensured that profitability remained at a satisfactory level.



**+ 5 %**  
INCREASE IN  
TURNOVER FOR  
THE GOURMET  
FOOD DIVISION



## GOURMET FOOD DIVISION / FLORIFOOD

### MEDITERRANEAN

Delimed and Turita, which specialise in pickled products, joined the division, giving it a Mediterranean products supply plant in Bulgaria.

### PIONEERING PRODUCTS

During the course of 2016, the division developed new products enabling it to conquer new market shares in particular with spreads, stuffed mussels, smoked trout, centre-cut salmon and vegan sauces in which eggs are replaced by sunflower seed flour.





# GOURMET FOOD DIVISION/ FLORIFOOD



## OUTSTANDING FLAVOURS

“The Gourmet Food Division remains one of the driving forces behind the development of Floridienne, with a turnover of € 180 million, up over 5% compared with the previous financial period. The division is reaping the rewards of its policy of investing and developing synergies between its companies. While the high price of certain raw materials, such as scallops or salmon, continue to weigh on the results, 2016 saw a continuation of the good figures recorded in 2015. The division is continuing its efforts to diversify its range, in particular by means of new acquisitions, focusing on quality regional brands and premium products.”

**+ 5 %**

INCREASE IN TURNOVER

**€ 180 MILLION**

TURNOVER

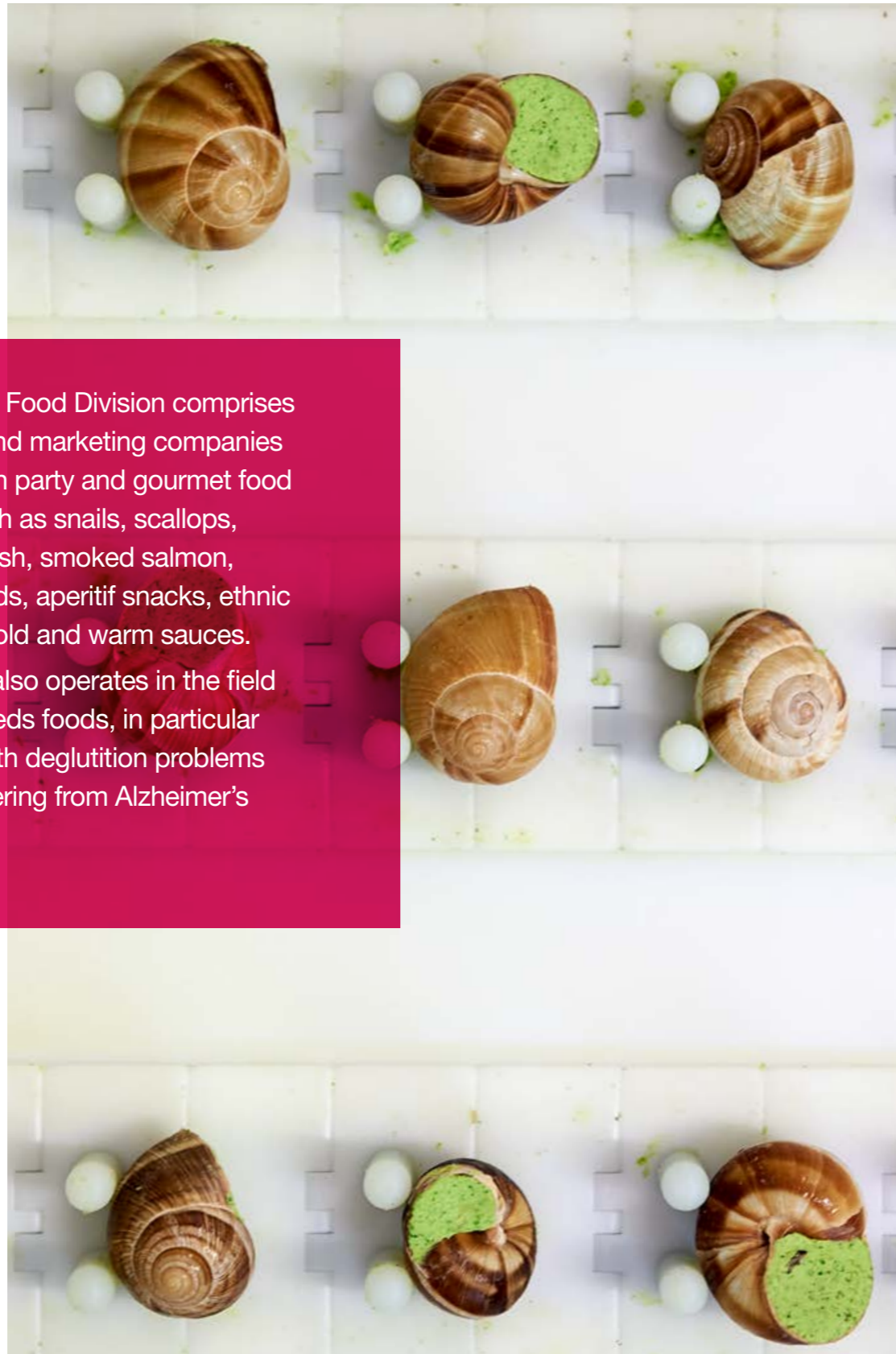


PHILIPPE BOONEN,  
MANAGING DIRECTOR OF  
THE GOURMET FOOD DIVISION



# GOURMET PASSIONS

The Gourmet Food Division comprises production and marketing companies specialising in party and gourmet food products such as snails, scallops, stuffed shellfish, smoked salmon, seafood salads, aperitif snacks, ethnic dishes and cold and warm sauces. The division also operates in the field of special needs foods, in particular for people with deglutition problems or those suffering from Alzheimer's disease.



In 2016, the division developed along the same lines as in 2015, recording a net result of € 3.7 million. Profitability improved thanks to the efforts made by the companies in the division and the group's innovation policy. The Gourmet Food Division now accounts for 60% of Floridienne's business and 46% of its EBITDA.

The general context remains difficult, with lacklustre consumption over the past five years and fierce competition between the players on the various markets. Moreover, soaring prices for scallops (+ 40%) and salmon (+ 100%) are curbing consumption. We are not anticipating any easing in the price of these products in 2017. Now more than ever, it is essential to offer excellent value for money and to innovate constantly.

The division was strengthened in 2016 with two new acquisitions, Delimed and Turita, which specialise in pickled products. This acquisition enables the division to add a Mediterranean product supply plant in Bulgaria.



PUFF PASTRY PRODUCTS



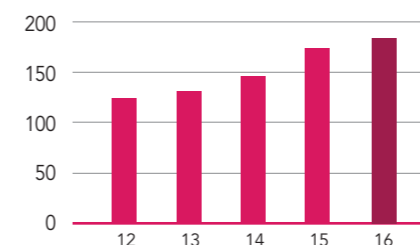
CASSOLETTES

## KEY FIGURES

### Consolidated data

	2016	2015
Turnover	180.7	171.6
Operating result	5.7	5.4
Net result	3.7	3.4
Net result, Floridienne share	3.7	3.3

### Turnover



## DEVELOPMENT AXES

- Gourmet starters.
- Ethnic cuisine and flavours of the world.
- Organic products.
- Nutrition.
- Local and traditional products.
- Garnishes.
- Fine groceries.



'PRESTO' SNAILS



**No 1**  
IS ROLLMOPS  
LEADER  
IN FRANCE.



**SNAILS HAVE**  
WON MARKET  
SHARES IN ASIA.



**FRANÇAISE DE**  
GASTRONOMIE  
HAS BUILT ITS  
DEVELOPMENT  
AROUND TWO  
MAIN PRODUCTS:  
**SNAILS AND**  
**MUSSELS.**



**NEW PRODUCT**  
**REFERENCES**

We have increased the number of our product references in France, where our seafood range has been expanded to include herring, salmon and trout. In addition, we are far more present in the Benelux and Germany.

The division has acquired the Saint Christophe goodwill and brand in northern France. We have integrated its production into Delka. This means that we are able to bring together two product ranges and two brands, in Belgium and in France: Saint Christophe and Altesse.

A third acquisition, made at the start of 2017, is the snail producer Courbeyre. The division has integrated their production site within the market segmentation between premium products, distributor brands and low-cost goods.

The contribution made by the three acquisitions to the division's turnover will amount to € 12 million in 2017. This reinforces our presence in these various markets and our position in the mass distribution sector.

During the past financial period, we continued with the certification of sites. Simon Dutriaux became IFS and obtained MSC certification for stuffed mussels in one of snail production sites.

**INNOVATIVE**  
**PRODUCTS**

Many products were developed and placed on the market in 2016: stuffed mussels, new spreads, vegan sauces (no eggs, replaced by sunflower seed flour), smoked trout and centre-cut salmon.

Organic products continued to progress with a range of over 30 product references.

The Fine Groceries business is developing. It is making its mark in the garnishes niche (condiments, sauces and confits).

In 2016, we transferred the production of condiments to our plant in Lithuania. Our eastern European plants are gaining importance in the snails market but are also increasingly making other products for the group.



**“NOW MORE  
THAN EVER,  
IT IS ESSENTIAL  
TO OFFER  
EXCELLENT VALUE  
FOR MONEY AND  
TO INNOVATE  
CONSTANTLY.”**

Human intervention takes on particular importance here, notably as regards the processing of basic ingredients such as sardines, anchovies, condiments or mussel shells.

The Seafood Catering activity continues to progress at a faster pace than the Gastronomic Specialities business.

Floridienne keeps a close eye on the development of market trends: sustainable fishing, vegan products, halal, premium and low-cost products. The division is present in all the distribution networks for these products.

**SUSTAINABLE**  
**CHOICES**

- All the plants are equipped with independent water treatment plants to recycle waste water.
- Active energy consumption management at the production sites limits the environmental impact of Floridienne's activities.
- Decentralised stock management makes it possible to reduce the environmental impact of transport.
- The division has put in place a waste reduction programme aimed at bringing down the volume of waste by 10% over a five-year period.



**> 30  
ORGANIC PRODUCT  
REFERENCES**



**THE DIVISION WAS STRENGTHENED IN 2016 WITH TWO NEW ACQUISITIONS, DELIMED AND TURITA, WHICH SPECIALISE IN PICKLED PRODUCTS.**



**SPECIAL NEEDS FOODS AND TEXTURE-MODIFIED DISHES FOR THE ELDERLY OR THOSE SUFFERING FROM DISEASES, PRODUCED BY GEL MANCHE NUTRITION, ARE PROVING HIGHLY SUCCESSFUL.**



**PREMIUM QUALITY**

We aim to give preference to affordable premium products of impeccable quality. Our strategy is bearing fruit. Our local anchorage with strong brands, well-known in the regions, is proving successful. This enables us to establish a national presence.

Above all, the division is a federation of largely autonomous SME offering complementary products.

New infrastructure investments were made in 2016 to improve quality and productivity. In addition, we adopt a policy of purchasing buildings to accommodate our activities (plants in Belgium, storage facility at Gel Manche), favouring integration into an existing site.



**OUTLOOK FOR 2017**

The division is focusing its efforts on integrating the latest acquisitions in order to put in place the synergies that are essential to gain market shares. Its priority is to offer an atypical and diversified product range of complementary regional brands in niche markets.

The projects for 2017 include developing a new 'catering' activity. Ready-cooked frogs' legs will be available and the range of prepared dishes will be expanded to include new recipes.



GROUPE FRANÇAISE DE GASTRONOMIE PRODUCTION  
SITE IN BASSOU, BURGUNDY



**CERTIFIED QUALITY**

- Plants with IFS (International Food Standard) and/or ISO 9001 certification (relating to quality management systems).
- Red Label certification for prepared snails in France (Burgundy), in Lithuania and in Romania,
- MSC (Marine Stewardship Council) certification for sustainable mackerel, wild salmon and herring fishing (Simon Dutriaux) and scallop fishing (Gartal/ La Paloudière).
- Ecocert organic certification for prepared salads.
- Halal certification for a range of cold sauces.
- 'Saveurs en Or' [Golden Flavours] regional collective brand label from the Nord Pas-de-Calais region for the Simon Dutriaux company.
- 'Produit en Bretagne' [Made in Brittany] regional collective brand label for the Gartal and La Paloudière companies.
- 'Buy Normandie' [Buy Normandy] regional collective brand label for the Gel Manche Gastronomie company.
- Ecocert certification (organic) for products made on the Delka and HB Products sites.



# THE COMPANIES IN THE DIVISION

## FRANCE GROUPE FRANÇAISE DE GASTRONOMIE S.A.S.

The holding company comprises the companies involved in the production and marketing of canned snails and frozen or fresh prepared snails, stuffed shellfish, snail hors d'oeuvres, fresh and frozen ready meals with snails and mussels, variegated scallops and butter rolls.

### ADMINISTRATIVE OFFICE:

2, ALLÉE D'HELSENKI,  
CS 80072 SCHILTIGHEIM  
F - 67013 STRASBOURG  
TEL.: +33.3.88.59.30.60  
FAX: +33.3.88.59.30.61  
WWW.FRANCAISE-DE-GASTRONOMIE.FR

### PRODUCTION SITE:

LE CLOS SAINT-ANNE  
F - 43100 VIEILLE BRIOUDE  
TEL.: +33.4.71.50.80.00  
FAX: +33.4.71.50.42.41  
GRAND RUE, 118 - F - 89400 BASSOU  
TEL.: +33.3.86.73.37.00  
FAX: +33.3.86.73.37.01

## LARZUL S.A.S.

Based in Brittany, Larzul specialises in canned products made of beef and poultry and in seafood dishes. It is France's leading producer of beef tongue and canned offal.

RUE HENRI LAUTREDOU  
F - 29720 PLONEOUR LANVERN  
TEL.: +33.2.98.82.68.68  
FAX: +33.2.98.87.71.27  
WWW.GROUPE-LARZUL.COM

## SURGEMER S.A.S.

The holding company specialises in fish salads and terrines, ethnic dishes and prepared meals based on scallops or shrimps.

Z.A. DE TROYALACH –  
F - 29170 ST. EVARZEC  
TEL.: +33.2.98.94.61.25  
FAX: +33.2.98.94.67.46

## GARTAL S.A.S. and ETABLISSEMENTS DOUSSOT S.A.S.

These two Brittany-based companies specialise in scallops and seafood puff pastries. Their main brands are Mareval and La Palourdière.

## GARTAL S.A.S.

Z.A. DE TROYALACH –  
F - 29170 ST. EVARZEC  
TEL.: +33.2.98.94.61.25  
FAX: +33.2.98.94.67.46

## ETABLISSEMENTS DOUSSOT S.A.S.

AVENUE DU COAT KAËR 7 –  
F - 29300 QUIMPERLÉ  
TEL.: +33.2.98.39.06.98  
FAX: +33.2.98.39.04.26

## GEL MANCHE S.A.S

Based at Carentan in Normandy, Gel Manche prepares and packs seafood terrines (fish and shellfish) and ready-to-eat salads. The plant also specialises in mixed and ground products for hospitals. The company markets two brands: Gel Manche Gastronomie and Gel Manche Nutrition. It also wholly owns Gourmet des Îles, which makes prepared West Indian meals.

ZI DU BLACTOT – F - 50500 CARENTAN  
TEL.: +33.2.33.71.72.72  
FAX: +33.2.33.71.72.73  
WWW.GMGCARENTAN.COM

## GOURMET DES ÎLES S.A.R.L.

ZI DU BLACTOT – F - 50500 CARENTAN  
TEL.: +33.2.33.71.72.72  
FAX: +33.2.33.71.72.73  
WWW.GMGCARENTAN.COM

## SIMON DUTRI AUX S.A.S.

Founded in 1886, Simon Dutriaux specialises in the manufacture of products based on smoked mackerel and smoked or pickled herring as well as the production of fresh prepared dishes.

The company ranks among the three main players in the smoked herring market and is market leader for rollmops in France. It benefits from a strong brand in the mass distribution sector in northern France.

The Simon Dutriaux production plant is the home of Simon Selection S.A.S., a company that belongs equally to Salm Invest and Simon Dutriaux. This firm specialises in the smoked salmon trade for the French market.

PARC D'ACTIVITÉ DU BOIS RIGAUULT -  
RUE GUSTAVE EIFFEL  
F - BP 34-62880 VENDIN-LE-VIEIL (LENS)  
TEL.: +33.3.21.14.24.80  
FAX: +33.3.21.14.24.81  
WWW.SIMON-DUTRI AUX.COM

## BELGIUM ALTESSE QUALITY FOOD S.A. & HB PRODUCTS

Altesse is a brand that distributes condiments (capers, onions, gherkins, garlic purée, chilli peppers, etc.) and trades in ethnic products. It also produces a range of culinary preparations including ready-made sauces.

RUE CÉSAR DE PAEPE 43  
B - 4683 VIVEGNIES  
TEL.: +32 4 240 92 40  
FAX: +32 4 384 72 64

## DELKA S.A.

Delka is a Belgian company that specialises in making and marketing cold sauces for the retail sector and for catering outside the home. It also supplies other companies in the group with sauces for their preparations.

RUE DE BATTICE 22B  
B - 4800 PETIT RECHAIN  
TEL.: +32 87 76 63 38  
FAX: +32 87 76 57 48  
WWW.DELKA.BE

## MERYDIS S.A.

Merydis S.A., a Belgian company established in the Liège region in 1989, specialises in the production of hot sauces, confits, jams and toppings. Its product range complements the cold sauces produced by Delka, with which it has shared a site since early 2013.

RUE DE BATTICE 22B  
B - 4800 PETIT RECHAIN  
TEL.: +32 87 76 63 38  
FAX: +32 87 76 57 48  
HTTP://WWW.MERYDIS.BE

## SALM INVEST S.A., KARRAS S.A., VENDSYSSEL S.A.

These companies are involved in the traditional smoking of salmon and other specialities (tuna, marlin, trout, etc.), as well as producing ethnic dishes based on Mediterranean recipes (tarama, hummus, etc.). All the products developed enable them to offer a complete range for the seafood department (dried, smoked, pickled and spreads).

AVENUE DE LAMBUSART 11  
B - 6220 FLEURUS  
TEL.: +32 71 816.180  
FAX: +32 71 810.376  
WWW.SALMINVESTGROUP.BE

## DELIMED S.A.

Delimed is a company that produces and distributes pickled tapas based on seafood products (anchovies, octopus, squid, etc.). It has a production plant in Mechelen, Belgium.

MOTSTRAAT 72 – HAL 5  
B-2800 MECHELEN  
TEL.: 0032 15 40 43 90  
FAX: 0032 15 40 43 99

## SUPPLY COMPANIES

To improve control over its supply of snail ingredients, the group has plants in the producer countries. These companies meet the most stringent European health standards. They collect and prepare snail meat and other products such as anchovies. Various investments in Eastern Europe are planned to complement the existing position and help guarantee the homogeneity and quality of the ingredients used in prepared dishes.

## POMAROM S.R.L. - ROMANIA

Pomarom is mainly involved in the collection and processing of 'Helix Pomatia' snail meat. It is also the snail collection centre for the whole of Romania and the neighbouring countries. In early 2008, Pomarom invested in the industrial breeding of 'petit gris' snails.

STR. LIVERZII 41 -  
510170 ALBA IULIA - ROMANIA  
TEL.: +40.25.88.11.200  
FAX: +40.25.88.19.370

## UAB CAMARGO U.A.B. - LITHUANIA

This company collects and processes 'Helix Pomatia' snails.

VILNIAUS R. SAV. - PAKALNES G. 7  
BEZDONYS, BEZDONIU SEN.,  
15201 LITUANIE  
TEL.: +370.52.69.64.46  
FAX: +370.52.69.64.93

## MENETREL - TURKEY

This company is involved in collecting 'Helix Lucorum' snail meat and refilling the shells to produce prepared snail dishes. MENETREL has also diversified into the production of pickled anchovies.

BILECIK - TURKEY  
TEL.: +90.22.82.16.02.09  
FAX: +90.22.82.16.02.08

## TURITA OOD

Supply and processing plant for Mediterranean pickled products.

21 HRISTO G. DANOV STREET  
4101 KUKLEN-PLOVDIN  
BULGARIA



# LIFE SCIENCES DIVISION/BIOFIRST



## GREEN FIBRE

“The Life Sciences Division, which was set up ten years ago, continues to develop strongly, with a turnover of € 75 million, up almost 10% on the previous year. Its action is in line with the group’s development strategy, around a natural, innovative and sustainable axis. The company now has a strong international base. It gives preference to niche products and remains faithful to the philosophy upon which it was created: to exploit nature intelligently with respect for the environment in order to offer its customers healthy and environmentally friendly solutions.”

**+ 27 %**

EBITDA 2016 BIOFIRST

**+ 8 %**

TURNOVER BIOFIRST BIOFIRST



CHRISTIAN VAN OSSELAER  
MANAGING DIRECTOR OF  
THE LIFE SCIENCES DIVISION



# SUSTAINABLE ALTERNATIVES



The Life Sciences Division produces and markets natural technologies and products for agriculture, parapharmaceuticals, agri-foodstuffs, cosmetics and health care. Some of these offer environmentally friendly and sustainable alternatives to existing chemical products.

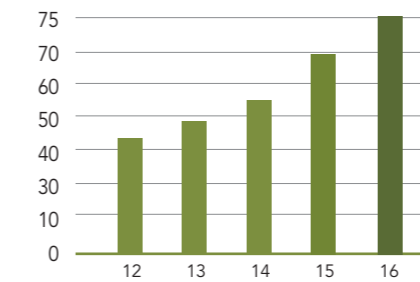
This division is world leader in plant proteases and ranks second globally in integrated pest management. It also invests in innovative solutions, particularly in the field of chemical communication through receptors associated with taste and olfaction in humans and insects.

## KEY FIGURES

### Consolidated data

	2016	2015
Turnover	75.3	69.7
Operating result	3.8	3.8
Net result	2.5	2.3
Net result, Floridienne share	2.3	1.8

### Turnover



The Life Sciences Division, one of Floridienne's three growth pillars, is confirming both its steady development since its creation and its excellent health. The growth in turnover and recurrent net results underline the relevance of the strategy implemented since the division was first created ten years ago.

With a view to developing its markets and new applications while at the same time securing volumes for its customers, Biofirst has invested heavily in access to the raw materials used to make its products. The group continues to invest in supply zones, firstly by opening up new sources but also by ensuring traceability, improving quality and increasing volumes with respect for local people and the environment.



## BIOBEST

Biobest recorded organic growth of 15%, developing strongly in North America and Western Europe. The company has confirmed its international position throughout the world. By acquiring Real IPM Ltd, Biobest is now present in Kenya, from where it can spread throughout the African continent and enter the field of microorganisms as a producer. Biobest is attaining sufficient critical mass to build local growth on its subsidiaries by expanding the scope of its products in integrated pest management. R&D results continue to underpin growth by bringing to the market effective innovations that are needed for the large-scale development of biological pest management.

The company's turnover is expected to grow by 30% for 2017. Some of this growth will come through acquisitions.

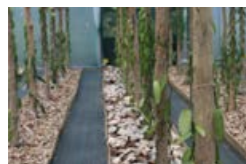
With plants in Argentina, Belgium, Canada, China, Israel, Mexico, Morocco, Turkey and the United States, the company markets over fifty different species and exports to around sixty countries via its distribution network.

## HIGH ADDED VALUE ENZYMES

Bromelain and papain are enzymes that are found in pineapple stems and papaya fruit. They possess numerous virtues and are used on high added value markets such as:

- **Pharmacy** (digestive aids, burns, treatment of arthritis, anti-inflammatory and tumour therapy).
- **Cosmetics** (skin creams, toothpaste).
- **Bakery** (gluten hydrolisation, biscuit making).
- **Human or animal food** (hydrolisation of soya proteins, modification in structure of pet food).





**SUSTAINABLE INNOVATION**

**AGRICULTURE**

Through Biobest, Floridienne promotes the productivity of certain crops thanks to pollination by bumblebees. The group also puts forward alternatives to pesticides by making beneficial insects, mites and microbes available to farmers. Through Chemcom, Floridienne is also developing natural solutions to protect crops by using chemical communication as a language for plants and insects.

**BIODIVERSITY**

Biobest and Chemcom play an active role in the preservation of biodiversity by offering product ranges that specifically target pests, thereby preserving natural beneficial species. Used in small doses, they help reduce residue quantities both on food products and in the environment. Moreover, they do not prompt the emergence of resistant strains.

**WELL-BEING AND HUMAN HEALTH**

Biofirst markets high-quality natural products used in the food, cosmetics and parapharmaceutical sectors: vanilla, green pepper (Sopral), essential oils (Sotecna) and plant-derived enzymes (Enzybel International). Chemcom is also developing new technologies that can help keep bad smells in check. These so-called 'blocking' molecules are intended for industries such as deodorants, washing detergents, cleaning products, ambiance products, etc.

**ENZYBEL**

Papain supplies are now being facilitated by our actions in the Virunga park in Congo. The action taken by our partners and teams of agronomists is helping to boost the channels and ensure their long-term future in order to secure the production of papaya latex. The group is expected to open up other new sources to support the growth of our activities.

We have also improved our visibility on the market by honing the marketing and commercial image of our products.

Our bromelain plant is now operating at full capacity and expansion plans are being analysed.

As part of the strategy aimed at becoming the reference in non-biotechnological enzymes, at the end of 2016 we created the subsidiary Enzybel Pharma, dedicated to animal enzymes. By integrating this activity, Enzybel has become the reference for enzymes taken from nature, with the most comprehensive portfolio to be offered by an industrial player.

Our Research & Development teams are continuing their work involving hundreds of enzyme applications and formulations in order to offer customers new products and provide technical support as they adopt these solutions.

**CHEMCOM**

Chemcom is the world leader in the molecular and cellular biology of human olfaction. Backed up by its chemical skills and sensory tests, Chemcom signed new partnership agreements in 2016. The energy deployed by the company is bearing fruit. It has filed the first patent for modules that modulate human olfaction on odourless molecules capable of blocking specifically intense unpleasant smells.

**SOTECNA**

Sotecna has invested in 'health' and 'cosmetics' projects based on snail extracts, implementing synergies with the group's Food Division. Cosmos certification has been awarded to a product based on snails that is used in the production of organic cosmetics. Thanks to its major sources, Sotecna sets aside substantial volumes for its customers, enabling them to keep pace with their own commercial development. It has also developed products based on enzymes for the treatment of waste water and cleaning, thereby diversifying its activities. Moreover, our products based on essential oils continue to develop well, in particular 100% natural horseradish essential oil used in the composition of a flavour formulation for snacks, pizzas and other dishes. This product is also known as the European wasabi.

**SOPRAL**

Last year was a difficult time for Sopral. The bitter taste of speculation combined with the premature vanilla harvest impacted on the world market for this sweet flavouring. However, the company's long-term policy and the criteria it has put in place enabled it to supply its customers with products of better quality than the national average.



Like other Biofirst companies, Sopral has decided to invest in securing its supplies by means of extensive and intensive plantation. The company will continue its efforts in 2017 and this is expected to bear fruit in a few years' time. This will enable control of total traceability as well as the quality and quantity of production, while creating real opportunities for work for local people with respect for business ethics.

**OUTLOOK**

The division has been transformed from a promising wager for the future into a sound and recurrent business. Biofirst has multiplied its turnover by twenty-five in ten years. The outlook remains encouraging. We continue to develop new niche products to meet the expectations of the market in advanced sectors such as papain, where we have become world leaders.

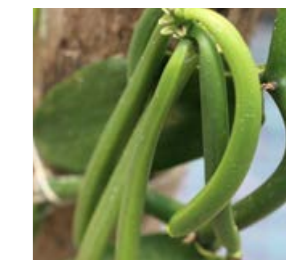
We are anticipating sustained organic growth of around 15% for Biofirst. Thanks to our size, we also aim to consolidate our portfolio and expand it by means of new acquisitions (also + 15%).

We are now present on all markets with a wide variety of products based on an international anchorage.

THROUGH BIOBEST, FLORIDIENNE PROMOTES THE PRODUCTIVITY OF CERTAIN CROPS THANKS TO POLLINATION BY BUMBLEBEES.



THE VANILLA PRODUCED BY SOPRAL IN MADAGASCAR RANKS AMONG THE BEST IN THE WORLD.





# COMPANIES IN THE DIVISION

## **BIOBEST S.A.**

Biobest is the world No. 2 in integrated pest management.

This Belgian company specialises in biological pollination by bumblebees and in pest control using beneficial insects and mites. It exports its six species of bumblebees and its 40 or so species of beneficial insects to more than 60 countries.

Biobest has its own laboratory for testing the side effects of chemical products on biological solutions (such as insects and mites). These chemical products may be either already on the market or under development at chemical companies. This testing also enables better profiling and positioning of agricultural products.

**ILSE VELDEN 18 – B 2260 WESTERLO**  
**TEL.: +32.14.25.79.80**  
**FAX: +32.14.25.79.82**  
**WWW.BIOBEST.BE**

## **ENZYBEL INTERNATIONAL S.A.**

Enzybel International is the world leader in the extraction and refining of plant-derived proteases. These natural enzymes are used to break down proteins, reducing them to small components more easily used or absorbable or giving them new properties.

In addition to papain, which is obtained from papaya latex, the most commonly marketed plant protease enzyme, Enzybel produces two other important enzymes: bromelain and ficain, obtained respectively from pineapple and figs.

Plant proteases are used in several human or cattle food applications (to tenderise meat, to produce protein hydrolysates, as taste modifiers), in cosmetics (skin treatment and care) and in medicine (symptomatic treatment of cancer, digestive aids, anti-inflammatory products).

**RUE DE WAREMME 116**  
**4530 VILLERS-LE-BOUILLET**  
**BELGIUM**  
**TEL.: +32 4 259 93 30**  
**FAX: +32 4 259 93 39**  
**WWW.ENZYBEL.COM**

## **SOPRAL - MADAGASCAR**

Sopral, a company located in Madagascar, operates in the fields of green pepper (one of the best in the world), wild pepper, a number of essential oils (cinnamon, pepper, clove, niaouli, ravintsara), fair-trade processed fruits (lychee, mango, pineapple, physalis, granadilla) and vanilla.

With regard to vanilla, a physical industrial process has been developed to produce vanilla with a much higher vanillin content, intended for the production of natural aromas.

Strategic alliances have helped Sopral to become a major player in the processing and marketing of the island's various natural resources, especially guano, an organic fertiliser.

**PK4, ROUTE DE FÉNÉRIVE**  
**501 TAMATAVE (ANALAMALOTRA)**  
**MADAGASCAR**  
**TEL.: + 261.2053.316.30**  
**FAX: +261.2053.316.50**  
**WWW.SOPRAL-MADAGASCAR.COM**

## **SOTECNA S.A.**

Sotecna is a company specialised in the production of 100% pure and natural essential oils for the food and perfume industries. It is a pioneer in allium-based essential oils (leek, garlic, onion), horseradish, mustard, angelica, lovage and carrot, supplying leading aroma and perfume companies.

**ZONING OUEST 1 - B 7860 LESSINES**  
**TEL.: +32.68.33.35.45**  
**FAX: +32.68.33.13.52**  
**WWW.SOTECNA.COM**

## **CHEMCOM S.A.**

Established in the year 2000, Chemcom is an international reference in chemical communication. It helps the food, cosmetics agriculture and pharmacy sectors to discover, select and refine certain products in the fields of taste, olfaction and pheromones.

Chemcom has developed an artificial human nose, cloning and expressing all olfactory receptors. The deophanisation of all olfactory receptors not only enables us to gain an understanding of odour perception, recognition and discrimination, but also provides a powerful, robust industrial tool for the discovery of new products. This new biomolecular approach for the aroma and perfume industries makes it possible to discover new products and to optimise, perfect or replace certain existing products, making them more effective, better adapted and protected.

In agriculture, ChemCom studies the chemical communication of plants and insects. Manipulating such communication would make it possible to influence the behaviour of insects, for example by using repellent signals to keep them away from protected areas and attract them to places where they can be eliminated or by blocking their chemical receptors using specific antagonists. 'Green' products that are not toxic for humans and that have a very specific action and can be used in very low concentrations could thus be created.

**ROUTE DE LENNIK 802**  
**B 1070 BRUSSELS**  
**TEL.: +32.2.353.00.28**  
**FAX: +32.2.353.05.81**  
**WWW.CHEMCOM.BE**





## GREEN CHEMICALS

“The Chemicals Division continues to transform in an unfavourable international environment, adversely affected by the low price of nickel and an unstable political context. Nevertheless, KIMFLOR and IKA managed to maintain their results, which remain in line with 2015. As for SNAM, with the ‘Second life’ project it continues to invest in the high-potential recycling of electric car batteries, an environmental niche for the future, in particular by developing new collection circuits with car manufacturers.”



GAËTAN WAUCQUEZ,  
MANAGING DIRECTOR OF  
THE CHEMICALS DIVISION



# FUTURE TECHNOLOGIES



The Chemicals Division consists of companies that operate in particular in the field of additives used to stabilise PVC. Through this division, the group is also involved in the recycling of industrial and (hybrid and electric) car batteries.

The Floridienne businesses in the chemical sector have evolved enormously over the past few years. The division's activities focus on sustainability, where Floridienne is investing in new niches that hold out the promise of fine potential in the long term. The division is particularly interested in recycling electric car batteries. SNAM, leader in the process of recycling rechargeable batteries, has established partnerships with many car manufacturers to collect and process these batteries.

## NICHE BUSINESSES

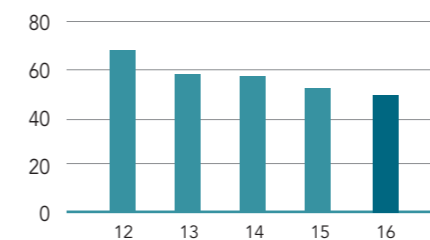
- **PVC stabilisers** – with lead, zinc, aluminium and magnesium salts and organic stabilisers - (GreenStab®).
- **Small and large battery recycling** – with zinc, nickel, cadmium and cobalt salts.

## KEY FIGURES

### Consolidated data

	2016	2015
Turnover	51.7	54.5
Operating result	2.5	2.8
Net result	3.2	2.8
Net result, Floridienne share	2.5	2.2

### Turnover



**SMALL AND LARGE BATTERIES ARE ONE OF THE DIVISION'S NICHE BUSINESSES.**



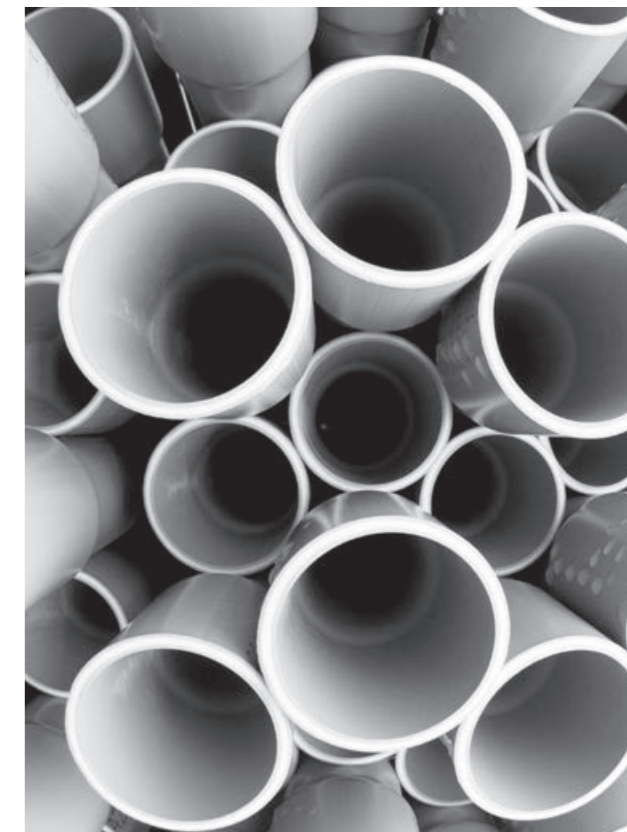
**100,000** IN 2016, AROUND 100,000 ELECTRIC CARS WERE SOLD WORLDWIDE.



## SECOND LIFE

SNAM is currently the European leader in recycling hybrid and electric car batteries, in a market where the volumes will grow exponentially over the coming years, following the sales curve of new-generation vehicles. In 2016, around 100,000 electric cars were sold throughout the world.

SNAM has set up the 'Second Life' project around the recycling of this type of batteries. This is a promising project for the environment involving the creation of new batteries using elements from recycled batteries. The aim is to operate at zero cost.





## NEW GENERATION

The automobile market's target of reducing CO2 emissions by 50% between 2015 and 2020 in both the use and manufacture of vehicles and as regards their recycling opens up numerous opportunities for SNAM to consolidate its head start in the new-generation battery recycling sector.

Floridienne wants to join forces with a financial or industrial partner to establish a position as the main player in this sector.

Despite the unfavourable nickel price in 2016, SNAM recorded almost balanced results.

The figures recorded by IKA and KIMFLOR are in line with 2015. The companies continue to be profitable despite a difficult environment. KIMFLOR is struggling with a particular economic situation, with an unfavourable economic context in Turkey. However, the efforts made by the management have enabled the company to maintain a reasonable level of profitability.

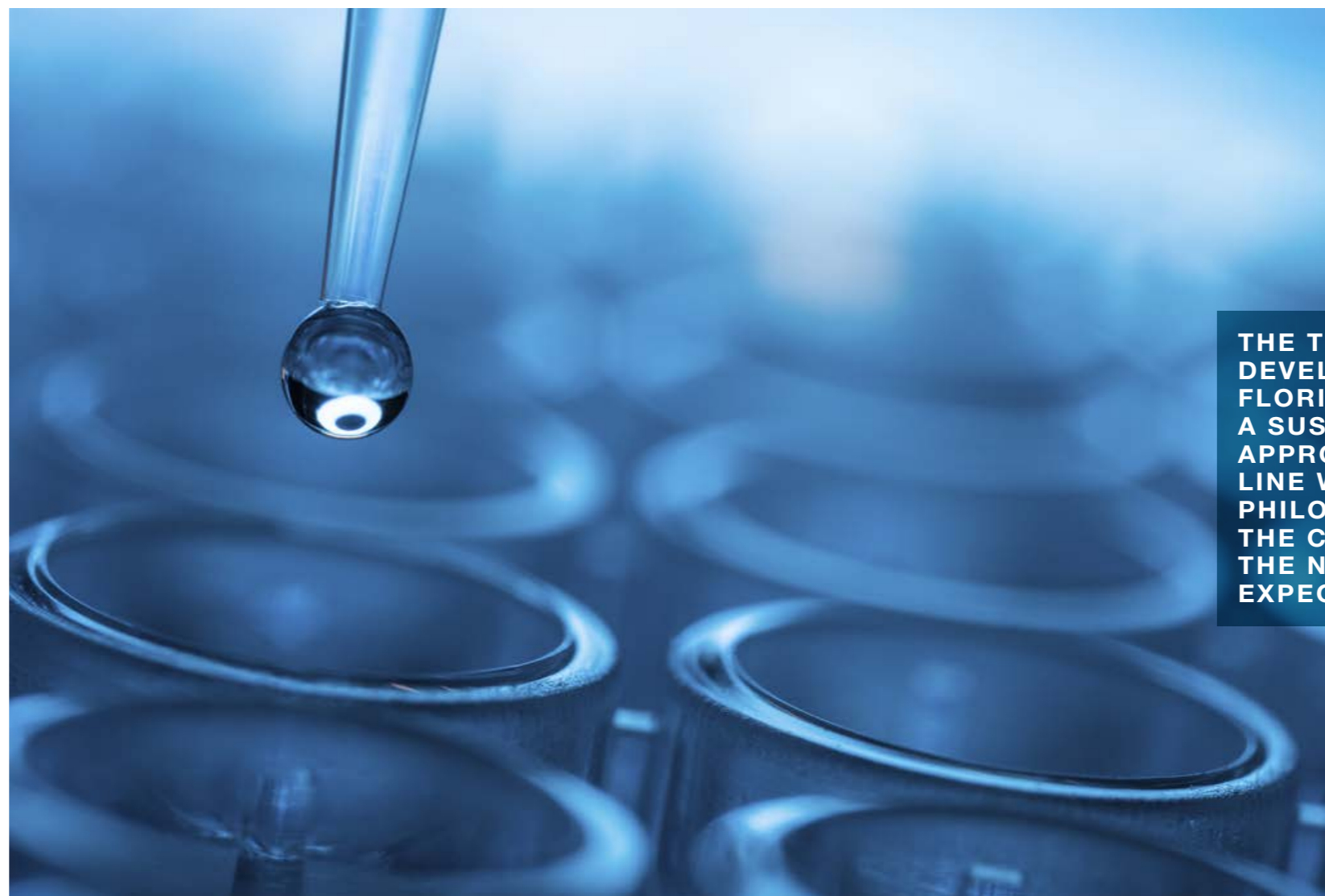
## OUTLOOK 2017

We are confident in the outlook for IKA and KIMFLOR in 2017.

On the other hand, SNAM has huge potential in the medium term. Electric batteries are everywhere, not only in cars: HST, aeroplanes, bicycles, etc.

The technology developed by Floridienne adopts a sustainable approach, in line with the philosophy of the company and the new market expectations.

Moreover, the low nickel price in 2016 is expected to be more favourable in 2017.



THE TECHNOLOGY DEVELOPED BY FLORIDIENNE ADOPTS A SUSTAINABLE APPROACH, IN LINE WITH THE PHILOSOPHY OF THE COMPANY AND THE NEW MARKET EXPECTATIONS.



SNAM IS CONSOLIDATING ITS HEAD START IN THE FIELD OF RECYCLING NEW-GENERATION BATTERIES.



THE COMPANY HAS SIGNED NUMEROUS CONTRACTS WITH CAR MANUFACTURERS.



## GREEN STABILISERS

The companies in the Chemicals Division which are involved in PVC stabilisers, IKA and Kimflor, participated in the voluntary undertaking by the European PVC industry to replace lead-based stabilisers with new-generation stabilisers by 2015.

The division offers two alternatives to lead: calcium-zinc stabilisation, which can be used for all applications, and organic stabilisation, without heavy metals, for which IKA has a patent. Currently reserved for tubes and connectors in PVC and flexible PVC, developments are underway to expand the GreenStab® range to include other applications.

The know-how in this division will be a medium-term asset when other regions, which today use stabilisers that have come in for criticism, move into line with the formulations developed in Europe.





# COMPANIES IN THE DIVISION

## **IKA GMBH & CO. KG**

Specialising in the formulation and production of lead-based stabilisers and new-generation calcium/zinc-based and organic stabilisers (free of heavy metals), IKA sells its products mainly in Eastern Europe and Russia.

IKA has been wholly owned by Floridienne since 2016.

CHEMIEPARK BITTERFELD WOLFEN,  
AREAL A,  
FILMSTRASSE 4, D 06766 WOLFEN  
TEL.: +49.34.94.69.61.0  
FAX: +49.34.94.69.61.10  
WWW.IKA-WOLFEN.DE

## **KIMFLOR A.S.**

KIMFLOR, which is held by Floridienne (majority stake) and a Turkish partner (Mr Demirel, 25%), aims to open up and develop new markets in central Europe and Asia, mainly in the field of PVC stabilisers. KIMFLOR has invested in the construction of a production facility for the new generation of calcium/zinc-based stabilisers.

IZMIR AYDIN KARAYOLU 35 KM.29  
EKIM MAH. NO: 23 35875 TORBALI  
IZMIR - TURKEY  
TEL.: +90.232.853.90.66  
FAX: +90.232.853.90.65  
WWW.KIMFLOR.COM

## **SNAM S.A.S.**

As the leading player in the process of recycling Ni/Cd (nickel/cadmium), NiMH (nickel metal hydride) and Li-ion (lithium-ion) rechargeable batteries, SNAM is supplied with batteries by rechargeable battery manufacturers, national collection associations and independent collectors in Europe, the USA and Asia Pacific. After separating the components, it resells the nickel and cadmium they contain.

SNAM also owns the company VERA CHIMIE DEVELOPPEMENTS S.A.S.

AVENUE JEAN JAURÈS 4, F 12110 VIVIEZ  
TEL.: +33.5.65.43.77.30  
FAX: +33.5.65.43.03.95  
WWW.SNAM.COM

## **VERA CHIMIE DEVELOPPEMENTS S.A.S.**

This SNAM subsidiary based near Lyon in France formulates and markets additives for the galvanisation sector.

ZONE INDUSTRIELLE DU BROTEAU  
RUE DU BROTEAU, F 69540 IRIGNY  
TEL.: +33.4.78.90.52.52  
FAX: +33.4.78.90.33.20  
WWW.VERACHIMIE.FR



# MANAGEMENT REPORT

## MANAGEMENT REPORT FROM THE BOARD OF DIRECTORS TO THE ORDINARY GENERAL MEETING ON 6 JUNE 2017

Ladies and gentlemen,

We have the honour of presenting to you the report on the operations of our group and of submitting for your approval the annual and consolidated accounts as at 31 December 2016.

Floridienne invests in niche markets, paying particular attention to three sectors: gourmet food, life sciences and chemicals. Alongside these three operating divisions, we also provide information on all the services and consultancy activities provided by Floridienne S.A. to its subsidiaries in the 'Corporate Division' section.

The company spreads its investment risks among profitable companies, companies with emerging profitability and companies with potential profitability.

## CONSOLIDATED RESULTS FOR THE 2016 FINANCIAL YEAR

The Floridienne Group turnover in 2016 amounted to € 308 million, up 40% compared with € 296 million in 2015. This increase may be attributed chiefly to organic growth and the entry into the scope of Delimed and Turita, which were consolidated as of 30 June 2016.

The EBITDA amounted to € 18.6 million as at 31 December 2016, compared with € 19.4 million in 2015. This fall can be attributed to non-recurrent income recorded in 2015 amounting to € 0.85 million involving the sale of non-current assets (real estate in Ath, Belgium) by the holding company. Adjusted to take account of these elements, the REBITDA (Recurring EBITDA) is stable compared with 2015.

The profit recorded by the companies consolidated using the equity method rose sharply in 2016 to € 0.9 million, compared with a loss of € -0.3 million in 2015. This can be explained by a better performance of these holdings overall and a non-recurrent charge of € -0.5 million (group share) recorded by one of our holdings in 2015.

Finally, the Floridienne Group benefited from favourable change rates in 2016, amounting to € 1.5 million, compared with € 0.9 million in 2015.

Floridienne closed its financial period on 31 December 2016 with a consolidated net result of € 7.4 million, compared with € 7.1 million as at 31 December 2015. The group's share of the net results rose 11% to € 6.6 million, compared with € 5.9 million as at 31 December 2015.

The financial structure of Floridienne was sound as at 31 December 2016, with consolidated equity of € 105.6 million (compared with € 103.4 million at the end of 2015) and net financial indebtedness up to € 58.9 million (compared with € 48.2 million at the end of 2015).

## GOURMET FOOD DIVISION - FLORIFOOD

**CHANGE OF SCOPE**  
In 2016, the Gourmet Food Division took over the companies Delimed S.A. (Belgium) and Turita OOD (Bulgaria), which specialise in the production of tapas based on pickled fish (anchovies, octopus, etc.). These acquisitions supplement the division's range of smoked and pickled fish products. These companies were consolidated using the global method as of 30 June 2016.

## ACTIVITY IN 2016

The division's turnover amounted to € 180.7 million as at 31 December 2016, compared with € 171.6 million as at 31 December 2015. This 5% increase may be attributed to organic growth in the Seafood Catering unit and the scope effect linked to the acquisition of Delimed and Turita.

The EBITDA rose to € 8.5 million as at 31 December 2016, compared with € 8.2 million as at 31 December 2015. This improvement comes in a context marked by a further substantial increase in the price of some of the division's strategic raw materials, in particular smoked salmon, which had a negative impact on the margins recorded. The acquisition of Delimed and Turita made a limited contribution to the growth in the division's EBITDA as they were only consolidated for six months.

The net result of the Gourmet Food Division rose to € 3.7 million as at 31 December 2016, compared with € 3.4 million as at 31 December 2015.

## RISKS AND UNCERTAINTIES

Larzul (company in which the Floridienne Group owns 50%):

It should be remembered that the Court of Appeal in Paris ruled on a commercial dispute between Larzul and our subsidiary, Camargo (subsidiary of the Groupe Française de Gastronomie – FDG) on 16 April 2015. This judgement rejected Larzul's claims for damages against us and backed the payability of our claim on this company, plus interest on arrears (€ 1.5 million). Larzul lodged an appeal with the Court of Cassation. The Court of Cassation rejected this appeal, definitively closing the proceedings against Camargo.

Française de Gastronomie, whose rights as a 50% shareholder in Larzul had been ignored since 2012, initiated several lawsuits against Larzul and its chairman, including the cancellation of the Safeguard Procedure, in which Mr Michel Larzul had placed the company unilaterally. These proceedings are on-going.

In the meantime, and in the absence of any negative indicators concerning the profitability of Larzul, the Board has decided to maintain the value of this holding and our claim in the consolidated accounts unchanged compared with their values as at 31 December 2015, i.e. respectively € 2.6 million and € 1.5 million. In accounting terms, this holding is booked under Other non-current financial assets in the consolidated balance sheet (see Note 15 of the Annual Report for more information on this subject) as we do not have control over the company.

## LIFE SCIENCES DIVISION - BIOFIRST

### CHANGE OF SCOPE

The scope of this division did not change during the 2016 financial year.

### ACTIVITY IN 2016

The turnover of the Life Sciences Division amounted to € 75.3 million as at 31 December 2016, compared with € 69.7 million as at 31 December 2015. This rise can be attributed to Biobest – group specialising in pollination by bumblebees and in biological pest management, whose activity continued to progress strongly on its various markets in 2016.

The division's EBITDA remained stable at € 6.4 million as at 31 December 2016, compared with € 6.5 million as at 31 December 2015.

The EBITDA in this division varied in 2016, with a positive trend for Biobest thanks to its sustained growth and a fall in Natural Plant Extracts owing to supply difficulties affecting several strategic raw materials. Major structural efforts were made in this activity in 2016 to reduce the volatility of our supplies in the future.

The net result recorded by the Life Sciences Division rose to € 2.5 million as at 31 December 2016 compared with € 2.3 millions as at 31 December 2015 following better performances by our subsidiaries consolidated using the equity method in Morocco and Indonesia.

## RISKS AND UNCERTAINTIES

The proceedings between Chemcom and Givaudan concerning the distribution of the assets of their joint subsidiary in liquidation, Tecnoscent, are continuing, although no significant progress has been made so far. The expert has asked the Court to appoint a college of specialised experts to assist him, at the expense of Givaudan. As there is no 'cash outflow' risk, the Board of Directors does not deem it necessary to establish a provision for this dispute.

## CHEMICALS DIVISION

### CHANGE OF SCOPE

The scope of this division did not change during the 2016 financial year.

### ACTIVITY IN 2016

The turnover of the Chemicals Division fell by € -2.8 million to € 51.7 million as at 31 December 2016, compared with € 54.5 million as at 31 December 2015. This decrease can be seen in particular at Kimflor, our Turkish subsidiary active in PVC stabilisers, whose activity suffered from the unstable geopolitical context in Turkey at the moment, which is weighing on the country's economy. Attention should be drawn to the opening up of new markets in Asia by IKA, our German subsidiary active in PVC stabilisers, which will ultimately enable it to diversify its sources of revenue.

The EBITDA of the division remained fairly stable at € 5.1 million in 2016, compared with € 5.2 million as at 31 December 2015. This is due to a fall in the EBITDA at Kimflor due to the decline in its sales, offset by a recovery of the EBITDA of our subsidiary active in battery recycling, SNAM, which succeeded in improving its performance despite an environment that remains highly unfavourable, linked to the price of nickel. IKA also saw an increase in its EBITDA during the course of 2016.

The net result of the Chemical Division amounted to € 3.2 million as at 31 December 2016, compared with a € 2.8 million as at 31 December 2015. This better result is due to the improvement in the results of SNAM already mentioned and positive currency movements at our Turkish subsidiary.

## RISKS AND UNCERTAINTIES

A substantial share of the turnover from the PVC Stabilisers activity is recorded in zones exposed to geopolitical uncertainty, Russia and Turkey. In 2016, the result of this activity withstood the situation well, despite the difficult context and we remain confident that our management has the capacity to respond in this tough environment.

## CORPORATE

The Corporate Division comprises a series of service and consultancy activities provided by Floridienne for its subsidiaries.

This activity generated a loss of € 2.0 million in 2016, compared with a loss of € 1.4 million in 2015. It is worth noting the capital gains on the disposal of real estate in this division amounting to € 0.8 million in 2015.



# STATUTORY ACCOUNTS AND APPROPRIATION OF THE RESULTS

No modification occurred in the activity at Floridienne S.A. in 2016 compared with the past. This company's activity consists of investing in niche markets in three sectors: chemicals, gourmet food and life sciences. The company spreads its risks among profitable companies, companies with emerging profitability and companies with potential profitability.

For Floridienne S.A., the financial year closed with a loss of € 6.4 million, compared with a profit of € 4.3 million in 2015.

The result recorded by Floridienne S.A. is structurally negative owing the structure costs born by the company and the financial charges linked to its financing.

Taking account of an amount carried forward of € 44.8 million, the profit available for appropriation stands at € 38.4 million.

We propose to distribute the profit available for appropriation as follows:

- € 2.1 million for capital remuneration;
- € 36.3 million to be carried over again.

The Board is to propose payment of a gross dividend of € 2.1 per share for the 2016 financial period to the General Meeting of Shareholders.

## EQUITY PURCHASES (BUYBACK)

During the course of 2016, and in accordance with the decision taken by the General Meeting held on 16 June 2015, the Floridienne Group has resumed its equity purchasing programme. In this context, 5,361 own shares were purchased by our subsidiary Florinvest S.A. out of a total issue of 996,857.

The total number of own shares held by Florinvest as at 31 December 2016 was 17,363, which represents a value of € 2,178,883 on the basis of a share price of € 125.49 as at 31 December 2016.

The average acquisition value of these own shares in 2016 was € 96.98 per share.

## OTHER RISKS AND UNCERTAINTIES

As part of our financial risk management, some of our subsidiaries take out forward exchange contracts (foreign currencies, interest or raw materials) in order to cover their commercial margin against fluctuations. The group's policy in terms of financial instruments is limited to hedging operations and excludes any speculative positions. Additional information on the management of our credit, interest rates, market prices and liquidity risk can be found in the notes in Annex 27 of the annual report.

Otherwise, we do not have any further risks and uncertainties to report apart from those mentioned in the annual report.

## ENVIRONMENT

Our subsidiaries in the Chemicals Division face risks inherent in their activity. The environmental issue is an area in which the prevention regulations and constraints are becoming increasingly stringent when permits are renewed. The group takes the necessary measures to comply with all the regulatory requirements in terms of environment, notably through appropriate investments and structured monitoring. These constraints are sometimes difficult to quantify exactly, in particular when estimating the current value of very long term restoration costs. Where this proves necessary, provisions are booked in the accounts in order to comply with legal undertakings in line with the accounting standards.

## RESEARCH AND DEVELOPMENT

Our efforts focus on improving the quality of our products, safety, anticipating ever stricter environmental standards and perfecting new products with a view to the diversification of activities.

It should be noted that most of the group's R&D activities are focused on the Life Sciences Division and the Chemicals Division.

## OUTLOOK

The outlook for the Floridienne Group is encouraging. Not only are the three divisions well positioned on markets with good potential, but they have now reached a phase of maturity, with high-class management teams, so that they are better able to cope with fluctuations on the markets and integrate new companies into their respective businesses. In this respect, the acquisition in early 2017 of REAL IPM in Kenya and L'ESCARGOT COURBEYRE in France promise well, with the prospect of real added value for these activities, even though they weigh on the group's indebtedness in the short term.

The Gourmet Food Division is in line with its growth strategy in its various businesses. Thanks to its diversification in terms of various raw materials, it is able to absorb the volatility in the purchase prices of many of its products.

In 2017 it will concentrate on integrating its new subsidiaries while increasing its market shares.

In the Life Sciences Division, the group is expecting significant growth in its results across all its activities.

Biobest is well placed to continue its growth on its various markets. Its innovative solutions meet a substantial demand among farmers and consumers all over the world and the integration of new production sites, in particular in Kenya, will enable it to serve new customers with an ever broader portfolio of solutions.

The Natural Plant Extracts unit is expected to continue to grow in 2017 thanks to the efforts made to improve the stability of supply for certain strategic raw materials.

Finally, in the Chemicals Division, making forecasts remains a complicated matter given the complex geopolitical environments in which some of our subsidiaries operate and the instability of nickel prices which has been affecting the world for a number of years now.

However, we have confidence in the ability of our subsidiaries active in PVC stabilisers, IKA and Kimflor, to cope with difficult economic contexts and find new, promising markets on which to sell their products.

As regards SNAM, the start of 2017 is a little more favourable. The price of nickel has improved and having invested heavily over the past few years, the company has cutting-edge equipment in both technical and environmental terms in order to capture new battery volumes. Its long-term relations with many leading European and world players bears witness to the quality of its processes and the relationship of trust that it has built up with its partners.

## PUBLIC TAKEOVER BID DIRECTIVE

In the context of the information required pursuant to Article 34 of the Royal Decree of 14 November 2007, we have only recorded the information below as the other information is not relevant for Floridienne.

### 1. CAPITAL STRUCTURE

According to the most recent transparency declarations and the information provided, the company's shareholding body is as follows:

Beluflo S.A.	<b>392,035</b>	39.33%
Philippe de Spoelberch	<b>216,428</b>	21.71%
Marnor S.A.	<b>90,800</b>	9.11%
S.R.I.W.	<b>84,176</b>	8.44%
Private individuals	<b>53,166</b>	5.33%
Finatco S.A.	<b>25,013</b>	2.51%
Gaëtan Waucquez	<b>18,657</b>	1.87%
Florinvest S.A.	<b>17,363</b>	1.74%
Free Float	<b>99,219</b>	9.96%
Number of shares	<b>996,857</b>	100%

### 2. BEARER SHARES

There are no longer any bearer shares in Floridienne S.A. As of 30 November 2015, the auditor issued an independent report noting the abolition of bearer shares in Floridienne S.A. in line with the provisions referred to in Article 11 of the act of 14 December 2005.

### 3. SHAREHOLDERS' AGREEMENT

A new shareholders' agreement was signed in 2013 by Beluflo (39.33%), Gaëtan Waucquez (1.87%) and Philippe de Spoelberch (21.71%). In this context, the various signatories exchanged pre-emptive and resale rights.

### 4. LEGAL OR STATUTORY RESTRICTIONS ON THE TRANSFER OF SHARES

There are no legal or statutory restrictions on the transfer of Floridienne S.A. shares.

### 5. LEGAL OR STATUTORY RESTRICTIONS ON EXERCISING VOTING RIGHTS

Each share entitles the holder to one vote. There are no legal or statutory restrictions on the exercising of the right to vote and no securities comprising special rights of control.

### 6. POWERS OF THE BOARD OF DIRECTORS

At the extraordinary General Meeting of 16 June 2015, the following powers were granted to the Board of Directors:

- Renewal of authorised capital of €4,415,000 for a period of five years.

- In the context of the authorised capital, authorisation for the Board of Directors to carry out capital increases by incorporating reserves, issue convertible bonds or bonds with subscription rights as well as subscription rights or warrants which may or may not be attached to other transferable securities and to limit or abolish preferential shareholder rights, including in favour of one or several specific people, even when they may not be members of the staff of the company or one of its subsidiaries.

- In the context of the authorised capital, extension of the authorisation granted to the Board of Directors for a period of three years, to make use of authorised capital (with the option of limiting or abolishing the preferential right for shareholders) in the event of a public takeover bid relating to the shares issued by the company.

- Authorisation for the Board of Directors to acquire or dispose of own shares in the company with a view to avoiding serious and imminent damage. This authorisation also concerns the acquisition of shares in Floridienne S.A. by one of its subsidiaries.

- Authorisation for the Board of Directors to acquire, on the stock market or elsewhere, a maximum of 180,000 shares in the company at a unit price which may not be more than 20% lower than the lowest closing share price in the 20 stock market days prior to the transaction, or more than 20% higher than the highest closing share price in the 20 stock market days prior to the transaction.

### 7. ARTICLE 74 OF THE LAW ON PUBLIC TAKEOVER BIDS

On 23 September 2007, Floridienne was informed by Beluflo that the latter held 296,997 Floridienne shares, i.e. 34.37% of the company capital.

On 19 August 2016, Beluflo confirmed that it held 392,035 shares with voting rights issued by Floridienne S.A., i.e. 39.33% of the capital.

## INFORMATION REQUIRED PURSUANT TO ARTICLE 523 OF THE BELGIAN COMPANIES CODE

We did not have any conflicts of interest to report during the various Board of Directors' meetings in 2016.



# CORPORATE GOVERNANCE STATEMENT

## 1. APPLICATION OF THE BELGIAN CODE OF CORPORATE GOVERNANCE

In terms of corporate governance, the management report contains the information required by the Companies Code as well as the Belgian code of corporate governance of 12 March 2009, which the company has adopted as a reference code. This is available on the website of the Corporate Governance Commission.

Floridienne's corporate governance charter is available on our website: [www.floridienne.be](http://www.floridienne.be).

## 2. NON-COMPLIANCE WITH THE PROVISIONS OF THE CODE ('COMPLY OR EXPLAIN' PRINCIPLE)

### SEPARATION OF POWERS (PROVISION 1.5.)

Philippe Bodson currently holds the roles of Chairman of the Board of Directors and member of the Management Committee.

### NON-EXECUTIVE DIRECTORS AND MANAGEMENT (PROVISION 4.12.)

In the course of 2016, the non-executive board members did not meet formally without the presence of the Management Committee.

### INDEPENDENT DIRECTOR ON THE AUDIT COMMITTEE (PROVISION 5.2.4)

The majority of the members of the audit committee must meet the independence criteria. The audit committee comprises four non-executive directors, including two directors who meet the independence criteria.

### APPOINTMENTS AND REMUNERATION COMMITTEES (PROVISION 5.3)

Given our small size, the Board of Directors has not set up an Appointments Committee because it considers itself to be able to fulfil this role. However, there is a formal Remuneration Committee.

### EXECUTIVE MANAGEMENT RULES (PROVISION 6.1.)

We do not publish rules of procedure for the executive management. Up until now, the Management Committee has set and monitors the guidelines for those in charge of the various divisions.

## 3. INTERNAL AUDITING AND RISK MANAGEMENT IN THE CONTEXT OF THE PROCESS OF COMPILING THE FINANCIAL INFORMATION

The company has set up an internal auditing and risk management structure for the process of compiling financial information tailored to its size.

### MONITORING ENVIRONMENT

The Board of Directors represents the company's management body and provides entrepreneurial leadership in a context of prudent monitoring and the identification, assessment and management of risks. Within the Board of Directors, the company has a Management Committee made up of the Executive Chairman and the Managing Director. This committee is backed up by the Financial Management of the group and, within each division, by a Division Committee.

The Management Committee is responsible for putting in place and maintaining the appropriate internal checks tailored to the size of the group to ensure that the objectives are reached in an efficient manner in terms of the reliability of financial information and in accordance with the laws and regulations.

The Audit Committee, set up in application of Article 526ter of the Companies Code, is made up of non-executive directors and assists the Board of Directors with the supervision of the management of the company and the group as a whole, with the monitoring of the effectiveness of all the company's internal and external auditing processes and with the supervision of the global follow-up process. This committee has its own operating charter.

The company traditionally publishes its financial information in annual and half-yearly financial reports.

In addition, for each financial year it prepares an annual budget that is discussed and approved by the Board of Directors. The differences compared with the plan and compared with previous forecasts are regularly updated and analysed by the Management Committee before being presented, explained and approved by the Board of Directors.

The responsibilities of each body can be described as follows:

	Board of Directors	Audit Committee	Management Committee	Division Committees
Financial information and budget	Validation of accounts twice per year and approval of the budget. Definition of the group's valuation rules.	Discussion of valuation issues	Centralisation of financial information at group level and budget follow-up	Collection of financial information and drafting of budgets
Strategy	Definition of the group's strategic axes		Determination of policies and follow-up	Implementation of defined policies and reporting
Investments	Validation of major developments, whether organic or through external growth		Identification of opportunities	Identification of opportunities
Disinvestment	Decisions to dispose of activities		Identification of opportunities	Identification of opportunities
Financing	Consolidated financial structure and objectives		Structuring of the group's financing	Structuring of the working capital requirements
Risk management, internal monitoring, internal audit	Validation of proposed action plans	Proposals to the Board of Directors in the event of failures observed		
Human resources	The Remuneration Committee is responsible for the remuneration of members of the Management Committee		Responsible for the remuneration and assessment of Division Committees	Responsible for assessment and remuneration within their respective divisions

### Risk management process

The overall risk management policy of Floridienne and its subsidiaries in the world sets out its commitment to ensure an effective risk management system throughout the group in order to minimise its exposure to risks that may compromise the achievement of its objectives. Among others, the Audit Committee assists the Board of Directors in its role of assessing and managing financial risks. It regularly examines the areas in which the risks are likely to have a considerable impact on the reputation and financial situation of the group and monitors the company's entire risk management process.

The Floridienne risk management process adopts two main approaches: the management of risks linked to financial reporting and the management of the operating risks to which the group's subsidiaries are exposed.

In terms of management of risks related to financial reporting, an inventory of the main risks is kept in terms of legal time limits, the reliability

of the financial information and the independence of the various parties involved in this process. This statement therefore serves as a guide for relaying information following a strict procedure. The financial reports are compiled by the accounts department, reviewed by the financial management and presented to the Board of Directors by the Management Committee after analysis and on the recommendation of the Audit Committee. The accounts department is supported by an external consultant who has sufficient knowledge of the IAS/IFRS standards and by a consultant who is specialised in the process of consolidation. The different checks carried out at various stages in the process of producing the financial information cover issues as varied as the application of IFRS, significant transactions during the period, consolidation procedures, etc. Closure instructions are given to the financial managers of the various subsidiaries and periodic meetings are held. All the transactions and verification processes are the subject of a closing checklist and ad hoc documentation.

The group also adopts a cautious approach to its financial commitments. It only uses hedging transactions (currencies, interest or raw materials) to a limited extent and never for the purpose of speculation. The main risks and uncertainties facing the company relate to exchange rate movements, (variable) interest rates on its short-term credit facilities and the trend in raw materials prices in the Gourmet Food and Chemicals Divisions.

In addition, and as part of the operational risk management process, the Floridienne Audit Committee has put in place and follows up a process to identify and manage risks at all levels of the group, from the operating subsidiaries to the consolidated group and including the supervisory holding companies. This process was carried out in several stages: one stage to identify risks for each subsidiary (risk matrix), whether they are strategic, financial or operational, one stage to classify them in order of importance; consolidation of these risks by division as well as at the level of the consolidated group; an assessment of



the risks identified from a risk-return perspective; and proposals for a plan of action at each level for risks assessed as in need of reduction or elimination. This risk analysis approach was carried out in full collaboration with local teams, with a view to ensuring awareness of risk management in their respective entities, demonstrating the philosophy that exists within the group in this respect.

Each stage of this risk management process has been validated by the Audit Committee to ensure compliance with the rules of good governance linked to this study. The various observations and conclusions have been analysed to take the necessary (financial/operational) measures. The measures and systems to be taken or put in place differ from one division to another and from one company to another depending on their specificities and require action plans at different levels: overall actions, actions at the division level and individual actions. While the formalisation is virtually complete in terms of the relaying of financial information, further development is under way in other risk areas. The division managers updated the operating risks in 2014 (risk evaluation) and the results were presented to the Audit Committee at the end of the year. During this review, the Audit Committee did not observe any significant new risks for the group and was able to note that the main risks identified were being followed up dynamically by the division managers.

An formal update of the (internal) monitoring measures to mitigate the risks identified (risk mapping) is planned in 2017 and the formal validation of the actual functioning of the internal monitoring mechanisms ('use tests' and 'test of operational effectiveness') is planned for 2018.

#### Monitoring activities

The monitoring activities implemented are based on two aspects: closer supervision of financial transactions by the management and a group culture based on strong ethical values adopted by all members of staff and in particular by those in positions of responsibility within the group.

As described above, the half-yearly and annual financial reports are drafted according to a precise schedule and using a clearly defined format, going through various phases of verification by specialised internal and external bodies. For instance, accounting problems are identified by the central accounts department in charge of consolidation, assisted by an external consultant specialised in IFRS for the technical aspects and by the Management Committee for issues relating to overall assessment.

In terms of the general risks related to the business of each company, in addition to raising awareness of risk management among local teams, the group applies an internal monitoring process. However, given the group's limited size and its human resources, this process is being put in place in order to gradually cover all the operational aspects.

#### Information and communication

The group is attentive to the financial information and communications sent to the markets. Special attention is paid to ensuring that this information is complete so that market players are fully informed of all the developments that take place within the group. The time taken to communicate with the markets is also closely monitored. The group considers that financial information is an essential communication instrument and has drawn up rules and checks for this purpose to ensure that the key financial information is in line with the law and available.

These procedures are coordinated by the group's financial management ahead of the publication of half-yearly and annual accounts. The results of these procedures are closely examined by the Management Committee and then with the Audit Committee. Appropriate follow-up is given to each potential problem identified and possible adjustments to the financial information sent out are assessed.

As regards communication within the group, this largely uses direct channels, although it is less formal given the limited size of the Floridienne Group. This more informal communication is regarded as positive by Floridienne to the extent that, by creating contact between people, it promotes exchange and a strong corporate culture. Informal communication also markedly speeds up decision-making processes, which is one of Floridienne's strengths today.

#### Steering

The Audit Committee is tasked with following up the effectiveness of internal monitoring and risk management systems.

The Management Committee and the Division Committees are responsible for surveillance and the implementation of internal control and risk management.

Following the risk analysis carried out by the Audit Committee, these bodies have been able to assess the internal control structures set up within the group, at different levels and in various forms. Along the same lines, potential improvements in terms of efficiency have been identified and improvement measures are being examined.

A best practices analysis and training for the group's entities are points that still have to be standardised within the group to facilitate monitoring of the application of the procedures introduced.

## 4. BOARD OF DIRECTORS

As at 1 January 2017, the Board of Directors comprised the following members:

#### BARON PHILIPPE BODSON

Appointed until 2018

Chairman

#### W. INVEST S.A. (MR GAËTAN WAUCQUEZ)

Appointed until 2018

Managing Director

#### BELUFLO S.A. (MR LOÏC WAUCQUEZ)

Appointed until 2018

Non-executive and shareholder representative

#### CHEVALIER MARC-YVES BLANPAIN

Appointed until 2018

Non-executive

#### COMTE PAUL CORNET DE WAYS RUART

Appointed until 2018

Non-executive and independent

#### VICOMTE OLIVIER DAVIGNON

Appointed until 2017

Non-executive and independent

#### BARON BERNARD DE GERLACHE DE GOMERY

Appointed until 2018

Non-executive

#### VICOMTE PHILIPPE DE SPOELBERCH

Appointed until 2018

Non-executive and shareholder representative

#### SPARAXIS S.A. (MR YVES MEURICE)

Appointed until 2017

Non-executive and independent

#### MAZARS RÉVISEURS D'ENTREPRISES S.C.R.L.

Represented by Peter Lenoir

Appointed until 2018

Auditor

As Philippe Bodson and W Invest S.A. (represented by Gaëtan Waucquez) have an executive role through their participation in the Management Committee, they are not considered

independent in accordance with the provisions laid down in Article 526ter of the Companies Code.

Beluflo S.A. (represented by Loïc Waucquez) and Philippe de Spoelberch represent the shareholders > 10% and are therefore not considered independent in accordance with the provisions laid down in Article 526ter of the Companies Code.

Bernard de Gerlache sits in a non-executive capacity, having lost his independent status on the renewal of his mandate at the General Meeting of 28 May 2010.

Sparaxis S.A. (represented by Yves Meurice), independent until the General Meeting of 6 June 2017, will lose its independent status at the end of this meeting, having completed three consecutive mandates.

Paul Cornet de Ways Ruart and Olivier Davignon meet all the criteria defined by the law concerning the independence criteria. They are therefore considered independent members of the Board of Directors.

The mandates of Sparaxis S.A. (represented by Yves Meurice) and of Viscount Olivier Davignon expire at the General Meeting of 6 June 2017.

The Board of Directors will propose to the General Meeting of 6 June 2017 that the mandate of Sparaxis (represented by Yves Meurice) should be renewed for a period of four years, expiring at the General Meeting in 2021.

Olivier Davignon wishes to reduce his director's mandates and is not therefore seeking a new mandate as a director of Floridienne. The Board notes his decision and thanks him for his valuable contribution during his years as a director of the company.

The Board of Directors will put forward a proposal to the General Meeting of 6 June 2017 to appoint Viscountess Caroline de Spoelberch as a director of Floridienne, for a period of four years, expiring at the end of the General Meeting of 2021.

Given that she is related to Philippe de Spoelberch, she is not considered to be an independent director on the Floridienne Board of Directors.

The Board of Directors will put forward a proposal to the General Meeting of 6 June 2017 to appoint the company H&H Capital Management SPRL, represented by Mr Herman Wielfaert, as a director of Floridienne, for a period of four years, expiring at the end of the General Meeting of 2021.

Herman Wielfaert meets all the criteria defined by the law concerning the independence criteria. He will therefore sit as an independent member of the Board of Directors.

Moreover, the Board of Directors is continuing its efforts to integrate the stipulated quota of women among its members, as required by Article 518bis of the Companies Code (Act of 28 July 2011).

The Board of Directors met three times in 2016, as can be seen in the attendance table below:

	23 March	27 September	16 December
Philippe Bodson	P	P	P
W Invest (Gaëtan Waucquez)	P	P	P
Beluflo (Loïc Waucquez)	P	P	P
Marc-Yves Blanpain	P	A	P
Paul Cornet de Ways Ruart	P	A	P
Olivier Davignon	P	A	P
Bernard de Gerlache	P	P	P
Philippe de Spoelberch	P	P	P
Sparaxis (Yves Meurice)	P	P	P

P=Present R=Represented A=Absent



Discussions concerned:

- corporate and consolidated results;
- budget for the coming year;
- investment and disinvestment projects;
- the disposal of non-strategic holdings;
- corporate governance policy and practices;
- questions relating to group financing and company organisation;
- the simplification of our structure;
- the remuneration of members of the Board of Directors and senior executives;
- the shareholding situation;
- legal proceedings against Floridienne;
- the risk situation and update within the group;
- SNAM capital increase;
- miscellaneous items.

## 5. AUDIT COMMITTEE

In accordance with the act of 17 December 2008, which came into force on 9 January 2009, the Board of Directors set up an Audit Committee at its meeting on 27 March 2009. This Committee comprises the following members:

- Bernard de Gerlache de Gomery, Chairman (non-executive director);
- Beluflò S.A., with Loïc Waucquez as its permanent representative (non-executive director);
- Sparaxis S.A. with Yves Meurice as its permanent representative (non-executive director);
- Olivier Davignon (non-executive and independent director).

Bernard de Gerlache sits in a non-executive capacity, having lost his independent status on the renewal of his mandate at the General Meeting of 28 May 2010.

Beluflò S.A., with its permanent representative, Loïc Waucquez, is a member in a non-executive capacity and shareholder representative.

Sparaxis S.A., with its permanent representative, Yves Meurice, is also a member in a non-executive capacity

and fulfils the independence criteria stipulated by Article 526bis of the Companies Code.

Having completed three director's mandates, Yves Meurice will lose his status as an independent director at the end of the General Meeting of 6 June 2017.

Olivier Davignon also possesses significant accounting and corporate governance skills and also sits as an independent and non-executive member.

As he is leaving the Floridienne Board of Directors at the end of the General Meeting 2016, Olivier Davignon will also leave his seat on the Audit Committee. He will be replaced by Count Paul Cornet de Ways Ruart, whose abilities in the field of accounting and auditing are well established.

The Audit Committee fulfils the following duties:

1. monitoring the process of compiling the financial information;
2. monitoring the effectiveness of the company internal auditing systems and risk management systems;
3. monitoring the internal audit and its effectiveness;
4. monitoring the statutory audit of the annual accounts and the consolidated accounts;
5. checking and monitoring the independence of the statutory auditor, in particular with regard to the provision of additional services to the company;
6. making a recommendation to the Board of Directors concerning the appointment of the auditor in accordance with Article 16 § 2 of Regulation No 537/2014.

In the course of 2016, the Audit Committee met twice, discussing the following issues:

- analysis of the situation regarding the internal and external audits within Floridienne and its subsidiaries;
- analysis of Floridienne's consolidated debt;
- examination of the procedures for drawing up the consolidated accounts;

- examination of the accounts consolidated as at 31 December 2015;

- examination of the accounts consolidated as at 30 June 2016.

## 6. REMUNERATION COMMITTEE

Pursuant to the law of 6 April 2010, which came into force on 23 April 2010, the Board of Directors set up a Remuneration Committee at its meeting on 10 December 2010. This Committee comprises the following members:

- Bernard de Gerlache de Gomery, Chairman;
- Olivier Davignon;
- Sparaxis S.A. with Yves Meurice as its permanent representative.

Bernard de Gerlache sits as a non-executive member, having lost his independent status on the renewal of his mandate at the general meeting of 28 May 2010.

Sparaxis S.A., with Yves Meurice as its permanent representative, is also a member in a non-executive capacity and fulfils the independence criteria as laid down in Article 526bis of the Companies Code.

Having completed three director's mandates, Yves Meurice will lose his status as an independent director at the end of the General Meeting of 6 June 2017. He will be replaced by on the Remuneration Committee by Count Paul Cornet de Ways Ruart, whose abilities in the field of human resources and remuneration policy are well established.

Olivier Davignon also sits as an independent and non-executive member.

As he is leaving the Floridienne Board of Directors at the end of the General Meeting 2016, Olivier Davignon will also leave his seat on the Remuneration Committee. He will be replaced by H&H Capital Management SPRL (represented by Mr Herman Wielfaert), whose abilities in the field of human resources and remuneration policy are well established.

The Remuneration Committee met once during the course of 2016.

## 7. MANAGEMENT COMMITTEE

The Management Committee is made up of Philippe Bodson and Gaëtan Waucquez.

This committee met 26 times during 2016. It is responsible for the day-to-day management of the company, possibly assisted by the various members of the management committee of each individual division when a decision requires information specific to that division.

The Management Committee bears sole responsibility for deciding on the composition of the committees of each division and for the implementation of decisions taken by the Board of Directors at group level and in each division. The committees of the each division are responsible for the implementation of decisions taken by the Management Committee in their respective division alone.

The Management Committee implements the group's strategy as defined by the Board of Directors. Within this framework, it manages the group's financial resources, allocating them to investments and developments of divisions or the group.

The Management Committee ensures that the Board of Directors is able to fulfil its responsibilities by maintaining permanent interaction and dialogue in a climate of respect, trust and openness. It submits proposals to the Board of Directors on subjects which can only be decided upon by the Board of Directors.

The Management Committee is also the main communication channel between Floridienne and the outside world.

## 8. REMUNERATION REPORT

The Remuneration Committee has compiled this remuneration report. It contains detailed information on Floridienne's remuneration policy and the remuneration of directors and senior management. The latter are represented by the Management Committee (consisting of Philippe Bodson and Gaëtan Waucquez), given that it alone is targeted by the regulation of 6 April 2010.

### GENERAL POLICY AND INTERNAL PROCEDURES

To achieve our company's goals in a highly competitive business environment, we need to be able to rely on highly qualified and talented leaders with a strong performance culture. To fully maintain their commitment, it is of vital importance to have an overall policy of competitive remuneration. The objectives of Floridienne's overall remuneration policy are as follows:

- to be fair and equitable, in accordance with market practices;
- to recognise and reward top performances;
- to link the level of leaders' remuneration both to the achievement of their targets and to the overall success of the company, measured in terms of return on equity;
- to act as a motivation for enhancing our commercial strategy and ensuring the achievement of our company targets; and
- to enable us to attract and retain the best talents worldwide.

Our overall remuneration policy reflects this commitment and this vision.

#### a. For non-executive directors

The non-executive directors of Floridienne receive a fixed annual remuneration depending on the tasks they undertake within the decision-making bodies of the group. They do not receive fees or variable remuneration linked to the results of the group.

The Remuneration Committee takes care to maintain a level of remuneration for non-executive directors that is both motivating and sufficiently attractive to be of interest to worthwhile candidates. The remuneration policy is not expected to alter radically in the next few years.

#### b. For the Management Committee

The remuneration of members of the Management Committee is set by the Board of Directors following a proposal from the Remuneration Committee, which may in turn, if so requested, rely on the recommendations of a specialist consultant.

The remuneration of the members of the Management Committee comprises two parts: a fixed sum and a variable sum.

The fixed sum is determined by the number of days worked, given that Philippe Bodson only works for the Floridienne Group for a set number of days per year.

The variable sum depends on performance, based on the development of the group's share in the consolidated net profit in relation to equity. This variable sum has a ceiling of € 300,000 for Philippe Bodson and one year's remuneration for Gaëtan Waucquez.

Article 15 of the Floridienne articles of association states that the variable remuneration may be based entirely on performance criteria covering a period of one year. No right to claim variable remuneration awarded on the basis of erroneous financial information is provided for as this remuneration is paid after approval of the accounts by the General Meeting.

There is no policy for the allocation of shares, options or any other rights to acquire shares available to the members of the Management Committee.

Moreover, no pension plans exist for the members of the Management Committee.

Both members of Floridienne's Management Committee carry out their functions through management companies.

The remuneration policy is not expected to alter radically over the next two years.

### 2. REMUNERATION OF NON-EXECUTIVE DIRECTORS

The amounts indicated in the table below represent gross remuneration before deduction of taxes or fees invoiced when the mandate is exercised by a legal entity.

They are allocated for the calendar year prior to the general meeting and payable after the meeting has approved the accounts. The remuneration of the Board of Directors is in proportion to the duration of the mandate exercised.

No expenses or any other benefits are added, in particular in the event of the withdrawal of a mandate or function.



# FLORIDIENNE GROUP STRUCTURE

In euros	Board of Directors	Audit Committee and Remuneration Committee
Philippe Bodson	15,000	
W Invest SA (Gaëtan Waucquez)	15,000	
Beluflo S.A. (Loïc Waucquez)	15,000	3,000
Marc-Yves Blanpain	15,000	
Paul Cornet de Ways Ruart	15,000	
Olivier Davignon	15,000	3,000
Bernard de Gerlache de Gomery	15,000	7,000
Philippe de Spoelberch	15,000	
Sparaxis S.A (Yves Meurice)	15,000	3,000

### 3. REMUNERATION OF MANAGEMENT COMMITTEE MEMBERS

The remuneration of the members of the Management Committee for services rendered in the 2016 financial year consists of the amounts invoiced given that they exercise their functions through management companies:

In euros	Fixed remuneration	Variable remuneration
Philippe Bodson	61,696	-
Gaëtan Waucquez	323,431	-

The amounts indicated above do not include remuneration received in their capacity as company directors. No other remuneration or fringe benefits are provided.

### 4. SEVERANCE PAY

No severance pay, whether based on conventional, statutory, regulatory, legal or other provisions, is provided for on the expiry of the mandates of the non-executive directors, whether their departure is voluntary, forced, anticipated or at the normal end of their mandate. As regards severance pay for Gaëtan Waucquez, an amount corresponding to one year's fixed remuneration is provided for, should his contract be terminated by Floridienne.

### 5. REMUNERATION POLICY FOR THE 2017 FINANCIAL YEAR

Philippe Bodson has requested that the ceiling of his variable remuneration be revised downwards as of 2017 in order to bring it into line with the reduction in his operational involvement in the Floridienne Group. His variable remuneration will therefore be limited to a maximum of € 150,000 for the

year 2017, while the formula for the calculation of the variable remuneration remains unchanged.

## REMUNERATION OF THE STATUTORY AUDITOR

During the 2016 financial year, in accordance with Article 134 of the Companies Code, the auditor (Mazars S.C.R.L.) received auditing fees amounting to € 162,420 for the group as a whole (of which € 41,205 was attributable to Floridienne S.A.). The fees paid for other certification services amounted to € 24,921.

## FLORIDIENNE SHARE DEALINGS

No Floridienne shares were purchased or sold by natural persons linked to the Floridienne Group other than the purchase of own shares by the subsidiary, Florinvest, during the course of 2016.

## EVENTS OCCURRING AFTER THE CLOSE OF THE FINANCIAL YEAR

The Floridienne Group made two strategic acquisitions in early 2017.

In January 2017, the company BIOBEST took a majority holding in the company REAL IMP KENYA,

leader in integrated biological pest management in East Africa, producing beneficial insects and biopesticides. This transaction is fully in line with the Biobest strategy, aimed at continuing its geographic expansion, increasing its presence in Africa and enriching its portfolio of biological solutions to fight pests in agriculture. These solutions contribute towards eliminating or limiting the use of chemical products in responsible farming.

In the Gourmet Food Division, in early February 2017 we took a majority holding in the French company L'ESCARGOT COURBEYRE, which specialises in the production of snails, stuffed mussels, aperitif products and specialities from the Auvergne. This transaction is fully in line with the growth strategy adopted by FRANCAISE DE GASTRONOMIE and will enable it to focus its production sites on various ranges of gourmet products.

These two companies will be consolidated in the Floridienne accounts as of 1 January 2017.

For the 2016 financial year, the Board of Directors will put forward a proposal for approval by the General Meeting of Shareholders on 6 June 2017 to pay a gross dividend of € 2.1 per share.

## MANAGEMENT COMMITTEE

Philippe Bodson  
Gaëtan Waucquez

### CORPORATE

**Chief Executive Officer:** Gaëtan Waucquez

**Chief Financial Officer / Corporate Secretary:** Lionel de Hemptinne

**Accounting:** Joseph De Waele

### CHEMICALS DIVISION

**Managing Director:**  
Gaëtan Waucquez

#### Members of the Management Committee:

Eric Nottez  
Dr Reinhard Beck  
Veysi Demirel

### GOURMET FOOD DIVISION - FLORIFOOD

**Managing Director:**  
Philippe Boonen

#### Members of the Management Committee:

Patrick Jagut  
Didier Hanin  
Bernard Schwanen  
Clotilde Briere  
Nicolas Dambrine  
Julien Blavoet

### LIFE SCIENCES DIVISION - BIOFIRST

**Managing Director:**  
Christian Van Osselaer

#### Members of the Management Committee:

Lionel de Hemptinne  
Georges Geeraerts  
Jean-Marc Vandoorne



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