



Annual results 2020

April 1, 2021



OFFERING
HEALTHIER &
RESPONSIBLE FOOD
FOR ALL

Disclaimer

This document may contain forward-looking statements. Such trend and/or target information should in no way be regarded as earnings forecast data or performance indicators of any kind. This information is by nature subject to risks and uncertainties that may be beyond the Company's control. A detailed description of these risks and uncertainties is provided in the Company's Universal Registration Document, available at the www.groupe-bel.com). More comprehensive information about the Bel Group can be found in the "Regulatory Information" section of the www.groupe-bel.com website.

In accordance with French law, the draft documentation relating to the Tender Offer on Bel, if filed, will include the terms and conditions of the Offer and will be subject to review by the AMF. The offer will only be opened after the AMF has granted its clearance (décision de conformité). The information related to Bel and provided in this presentation is based on public sources.

A photograph of four diverse children (two girls and two boys) smiling and posing together outdoors. The child on the far right is a girl with a large afro hairstyle. The child in the center is a boy wearing a striped shirt with the number '94' on it. A large white number '1' is overlaid on the left side of the image.

1

2020 at a glance

April 6th, 2021 | Annual Results 2020





Please click the image to watch the video

2020 Key Highlights



Sustainability efforts strengthened in 2020 from farm to fork towards regenerative agriculture, better eating and fight against food waste

Responsibility at the heart of our mission with **CSR and finance united under same direction** and an **ambitious roadmap** of which 2020 targets almost fully met despite COVID-19 context

Organic sales growth (+2,8%) buoyed by **positive momentum across core brands**, resumed **growth for Bel in France and in the U.S.**, and **MOM's continued positive trajectory**

Product-offering diversification accelerated in the **plant-based food sector**, notably with the acquisition of All in Foods

Cost-cutting plan successfully completed

Strong positive innovations pipeline on tap for the future

Record Free Cash Flow generation

1st quarter 2021: signing with Lactalis of a unilateral promise to purchase assets comprising the Leerdammer brand

Responsibility at the heart of our decisions to improve our performance over the long term and fulfill our mission...

RESPONSIBLE

&

PROFITABLE

A **POSITIVE IMPACT** on people and the planet, supported by an **ENGAGING COMPANY MISSION**



A successful company with the ability to invest in **SUSTAINABLE GROWTH**



CSR AND FINANCE UNITED
under the same
General Management



“ Our objective is to drive performance in a global way, both on financial and non-financial axes in a long-term perspective ”

To offer healthier and responsible food for all

...Thanks to our strong commitment to respond to the challenges of a sustainable food across our value chain

5 KEY CSR PRIORITIES



Building trust and cooperation with our ecosystem



Deploying our sustainable growth strategy based on four pillars to deliver our mission



**BUILDING
POSITIVE
BRANDS**



**ACCELERATING
POSITIVE
INNOVATION**



**DEVELOPING IN
KEY
GEOGRAPHIES**



**ADAPTING TO
TOMORROW'S
DISTRIBUTION
CHANNELS**

Investing in three complementary areas to reinforce our healthy snacking major player position





2

Strategic achievements in 2020

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Stepping up our CSR roadmap in 2020

1

Regenerative Agriculture

- Bel and WWF Biodiversity policy
- Joined the « We Act for Good » WWF initiative
- Hedges planting: APBO farmers training and sponsorship program with WWF
- Renewal of APBO agreements with our milk producers for 2021



2

Innovations for better eating

- 87 products renovated in 2020
- Kiri new recipe with only 4 ingredients and no additive for more naturalness



3

Responsible packaging

- National recycling programs (Terracycle MBY and Compostable cellophane)
- Bulk pilot project: partnership between Day by Day and Minibabybel and Minibabybel organic



4






Fighting Food Waste

- Steering Committee of the Date Labels, initiated by Too Good To Go in France
- “Look, Smell, Taste, Don’t Waste” educational campaign about Best Before Date on The Laughing Cow



Close monitoring of our CSR commitments

2020 targets are mostly fully met despite the COVID-19

| | | | 2019 | 2020 | >> | 2025 |
|---|--|---|--------|--------|----|--------|
|  | HEALTHIER FOODS |● Bel Nutri+ % of children & family portfolio compliant | 69% | 72% | 😊 | 80% |
| | |● Educanut Nb countries with Educanut program | 5 | 6 | 😊 | 100% |
|  | SUSTAINABLE AGRICULTURE |● Non GMO animal feeding | 30% | 51% | 😊 | 100% |
| | |● Certified vegetable fat | 32% | 94,5% | 😊 | 100% |
|  | RESPONSIBLE PACKAGING |● Recyclable ready pack | 84% | 82% | 😐 | 100% |
| | |● Zero deforestation paper & cardboard | 90% | 96% | 😊 | 100% |
|  | THE FIGHT AGAINST CLIMATE CHANGE |● Operations carbon neutrality ⁽¹⁾ kgCO2/t product | 282 | 274 | 😊 | 0 |
| | |● Water consumption vs. 2008 m3/t product | - 49 % | - 48% | 😐 | - 80% |
| | |● Bel Global GHG vs. 2017 ⁽²⁾ kgCO2/t product | | - 14 % | 😊 | |
|  | ACCESSIBILITY & AFFORDABILITY |● Inclusive Business program Nb participants Sharing Cities + Inaya | 10120 | 7450 | 😐 | 80 000 |

Change of product mix due to Covid >> Strong innovation pipeline for recyclable packaging

Reinforcement of sanitary cleaning protocols >> Factories -3% continuous improvement plan and specific roadmap

Street vendors and retailers forced to stop during lockdown >> Solidarity actions to support partners and pursue India exploration

⁽¹⁾ Scopes 1 and 2

⁽²⁾ Mix of data 2020 for scopes 1 and 2 and data 2019 for scope 3 due to consolidation of data a year later for scope 3

Bel Group selected among 19 major suppliers to partner with Carrefour on the Food transition pact

→ Co-build action plan organized around 5 pillars & 10 sustainable initiatives adapted to Carrefour priorities



The resilience and agility of our business model allowed us to overcome the Covid-19 crisis while relying on our values

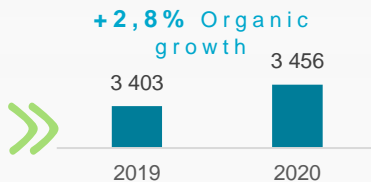
RESILIENT AND AGILE BUSINESS MODEL



A **balanced portfolio**
of brands and distribution
channels



A **well-adapted new
organization**



Growth maintained



Agility in decision making
(continuity plans, production
means, marketing plans)

FAITHFUL TO OUR VALUES



**Care for our
employees**

Strict protection measures,
strong solidarity



**Care for our milk
producers**

Milk collection and annual
agreements maintained



**Care for our
suppliers**

Faster payments with no
counterparts



Care for others

Charitable actions undertaken in
record time
20 million portions distributed during
The Laughing Cow Solidarity Day



Solidarity of shareholders

No recourse to public aids
Reduction of dividends

The Covid-19 crisis has accentuated consumption trends that are already fully addressed in our strategy

1

KEY ROLE

OF FOOD INDUSTRY

Which reappeared as central

> **Purpose driven brands**

> Acceleration of **affordability** topic

> **Functional** food on the back

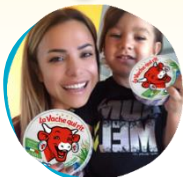
> **Local and natural** as a priority

> Development of **plant-based food**

> **Cooking at home** growth

> Acceleration of **China & North America**

> **E-commerce** boost



BUILDING
POSITIVE
BRANDS



ACCELERATING
POSITIVE
INNOVATION



DEVELOPING IN
KEY
GEOGRAPHIES



ADAPTING TO
TOMORROW'S
DISTRIBUTION
CHANNELS

2

CONFIRMED

STRATEGY

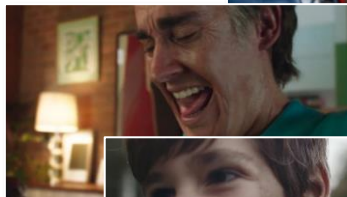
To face the key shifts in consumption trends

Purpose-driven brands



BUILDING
POSITIVE
BRANDS

The Laughing Cow
Solidarity Day
on 16th April



The Laughing Cow media campaign
"It's better to laugh"



Back to growth
notably driven by
turnaround in the USA
and France



The Minibabybel media campaign
"Join the goodness"



Back to
Growth in S2



ACCELERATING
POSITIVE
INNOVATION

Acceleration of affordability topic

The Laughing Cow Simply



Finding the right nutritional quality while meeting the affordable price point for populations with lower purchase power

Dairy and plant-based
raw materials

Designed to consider
consumer's needs
and enriched with
calcium, vitamin A
and vitamin D



**Launched in
2020
and deployment
to many countries
to come**



Algeria



Morocco



Egypt



Vietnam



Lebanon





ACCELERATING
POSITIVE
INNOVATION

Functional food on the back

Protein fortified

➔ To address population specific expectations



Europe

Minibabybel « 5G Proteins »

Nutrients fortified

➔ To answer main local deficiencies
(iron, zinc, iodine, vit A or vit D)



Algeria



Morocco



Egypt

Vache Qui Rit « Big 4 »

Launch in 2021 in GCC, Vietnam,
West and Central Africa





ACCELERATING
POSITIVE
INNOVATION

Local and natural as a priority

Clean recipes

➔ Objective zero additives
for all our core brands



France



Kiri with
only 4
ingredients
in 2020



A simpler recipe with milk and
cream 100% French

Bio ranges

➔ The generalization of
organic for all our brands





ACCELERATING

POSITIVE
INNOVATION

Development of plant-based food

BOURSIN Dairy-free



Launch US in 2020



Deployment in Europe and
Canada in 2021



NURISHH Brie Style



Launch UK in 2020



A new brand to be deployed in
Europe and in the US in 2021





ACCELERATING

POSITIVE
INNOVATION

Cooking at home growth

LEERDAMMER hot meals



Answer to customers' convenience needs



Launched in Europe
in 2020 and other
countries to come

BOURSIN “tartinables”



Boost of the in-home social gathering moments



Launched in France
in 2020 (10 flavors)





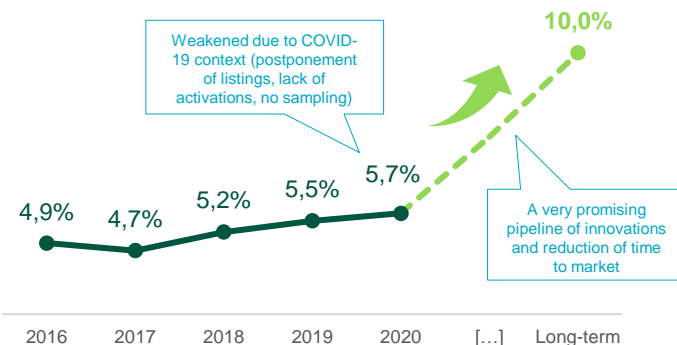
ACCELERATING

POSITIVE
INNOVATION



Ready to accelerate innovations ... with an important pipeline and a reduction of time to market

Innovation rate ⁽¹⁾



⁽¹⁾ Innovation rate = Innovations' net sales/ Branded products net sales (w/o MOM)

Time to market

More than
80% of
projects launches
in less than 12
months



DEVELOPING IN KEY GEOGRAPHIES

Acceleration of China & North America

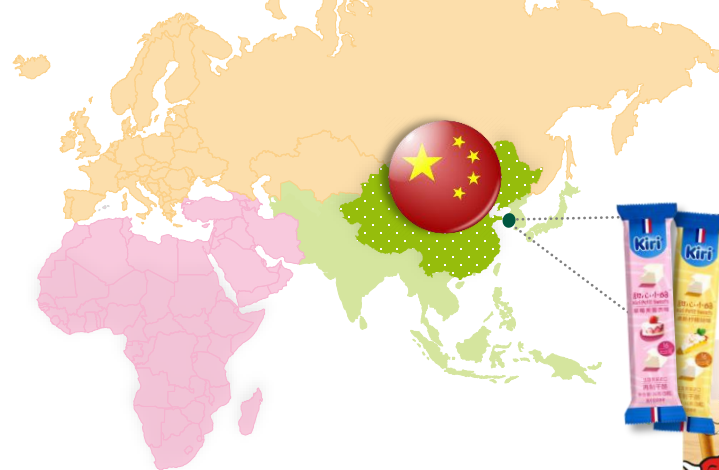
DOUBLE-DIGIT GROWTH IN CHINA IN 2020

- Launch of sweet cubes offer
- New activation models (virtual flagship store and livestreams)



BOOMING IN THE US AND CANADA IN 2020

- Double-digit growth for MOM in the US
- Triple-digit growth in e-commerce
- Success of The Laughing Cow activation campaign
- Launch of direct distribution and new plant in Canada





Focus on Chinese double-digit growth

DEVELOPING IN

**KEY
GEOGRAPHIES**

**A SPECIFIC
sweet product offer**

**A STRONG
digital activation**



*Kiri « Cream
Cheese » to bake*

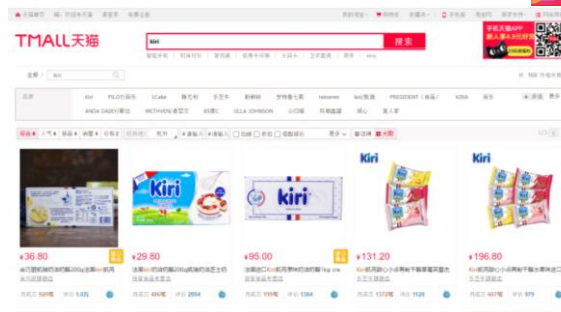


*The Laughing Cow
sweet dips*



Kiri « Petits Sweets »

*New flagship store
in the virtual mall « Tmall »*



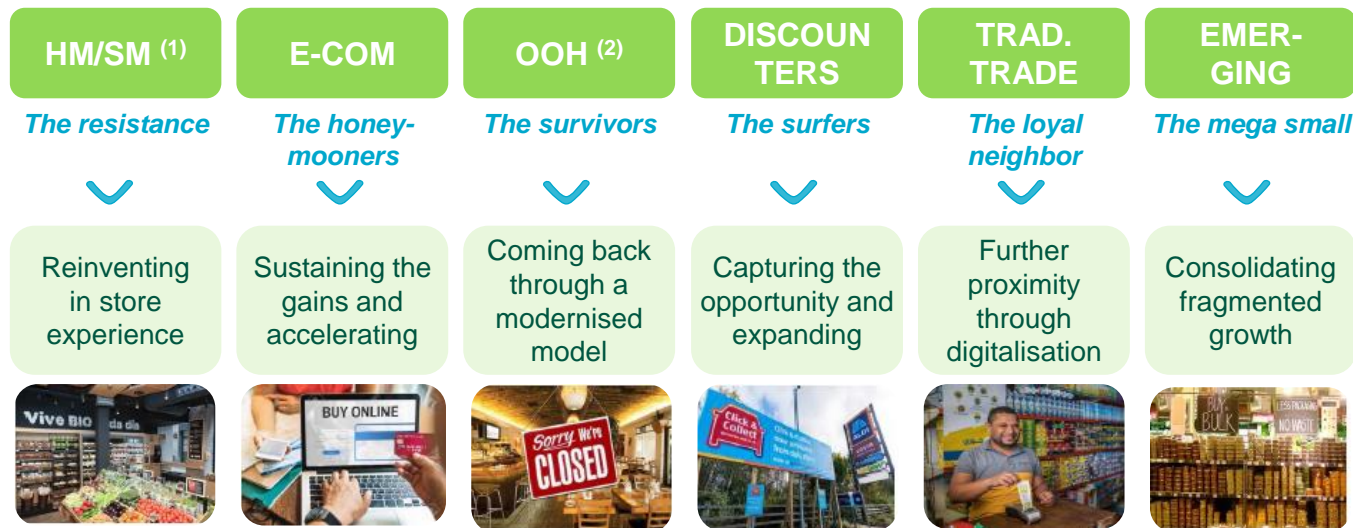
*Livestreams with famous nutritionists
(40+ million followers)*





ADAPTING TO TOMORROW'S DISTRIBUTION CHANNELS

A balanced channels' portfolio



- ➔ What we lost in out-of-home, we compensated in E-Commerce
- ➔ Moving to an omni-channel capability and deploying the right capability model



⁽¹⁾ Hypermakets / Supermarkets

⁽²⁾ Out-of-home



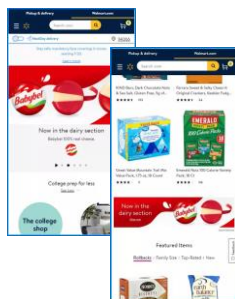


ADAPTING TO
TOMORROW'S
DISTRIBUTION
CHANNELS



+102% net sales in China
(vs. +33% for the market)

+203% net sales in USA
(vs. +44% for the market)



Tapping E-commerce explosion and starting out-of-home recovery

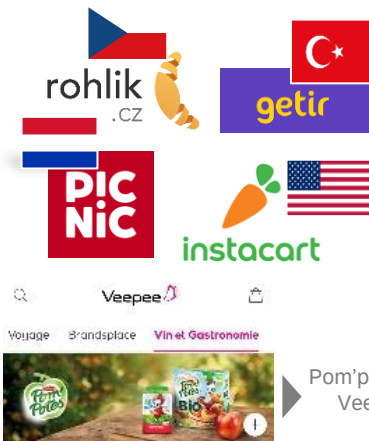
→ **E-COMMERCE
explosion**

100 M€ Net Sales in 2020
+100% vs. 2019

→ **OUT-OF-HOME
recovery journey**

Mini BabyBel Bio in McDonald's
Happy Meals in France

Partnerships with new players



Pom'potes on
Veepee



5 Million units in 6 months
Strong PR Campaign generated 40+ Million
Contacts

A slightly slower growth for Bel than for the market, due to snacking decline and low exposure to commodities and the US

KEY MARKET DRIVERS



PORTIONS & SNACKING WEIGHT DECLINE

Less snacking occasions leading to slower growth of portions +5% and decrease of snacking -2%



COOKING

Market growth driven by home-cooking trend: meal +15%, processed slices +15% and blocs +14%



US MARKET

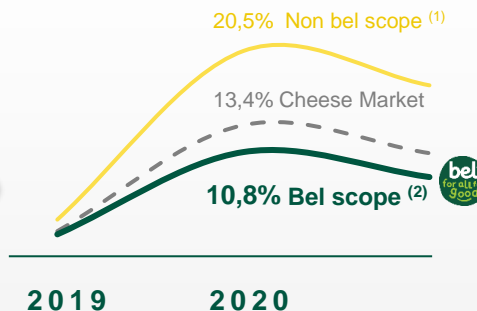
45% of total cheese market growth – due to long lockdown and out of home consumption weight



BEL'S EXPOSURE

- Decline caused by lockdowns measures and closures of schools
- Bel highly exposed notably on Minibabybel brand
- Growth highly driven by US market and cheese cooking ingredients (grated, mozzarella, feta)
- Bel less exposed: has less benefited from these growth drivers
- But fully in line with our strategy**

MARKET GROWTH



Slightly slower growth for Bel's activities than for the rest of the market

⁽¹⁾ Grated cheese, mozzarella and feta

⁽²⁾ Sell-out consolidation on Bel Scope on 27 countries (Lebanon is excluded) | IRI, Nielsen, Intage | YTD DEC 2020

The perspectives in our key markets are very positive for the years to come



+4,6%

CAGR 2020-2025

Global Dairy products



+6,0%

CAGR 2020-2025

Global Free from dairy

+4,0%

CAGR 2020-2025

Global Fruit snack category

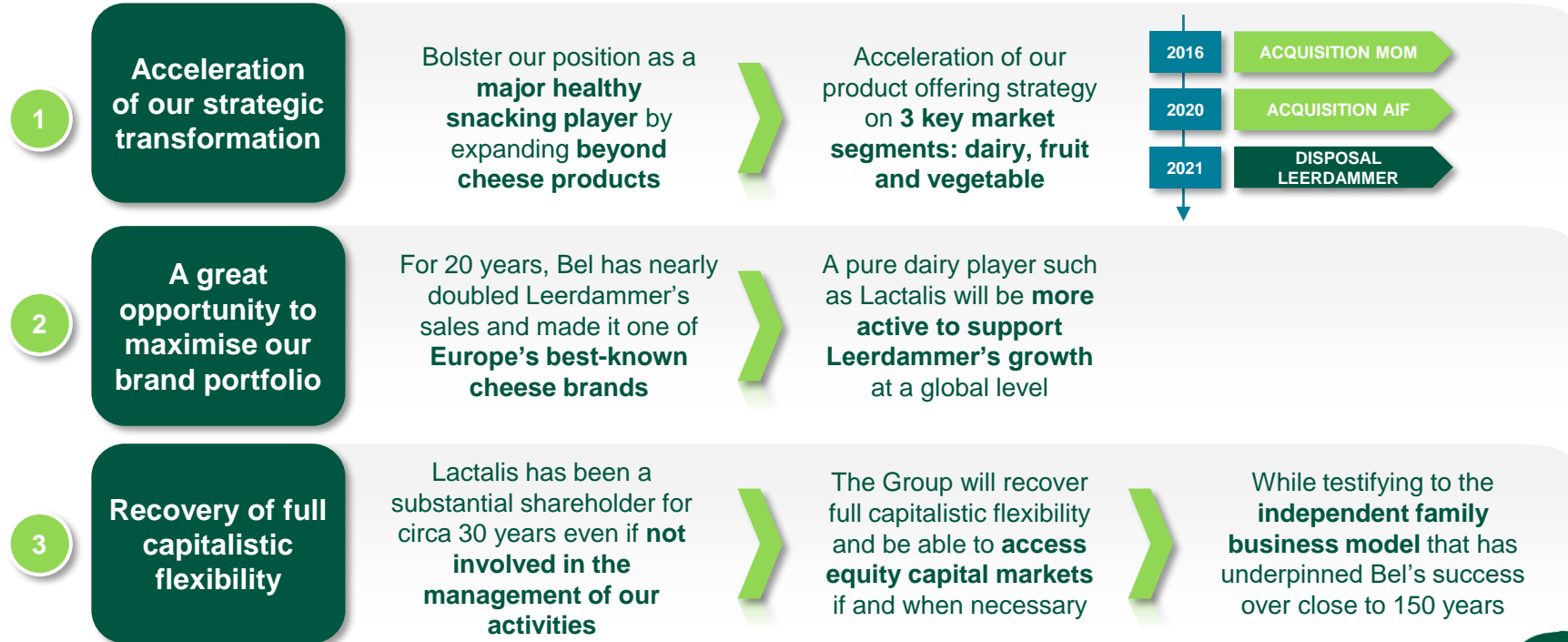
Source: Euromonitor



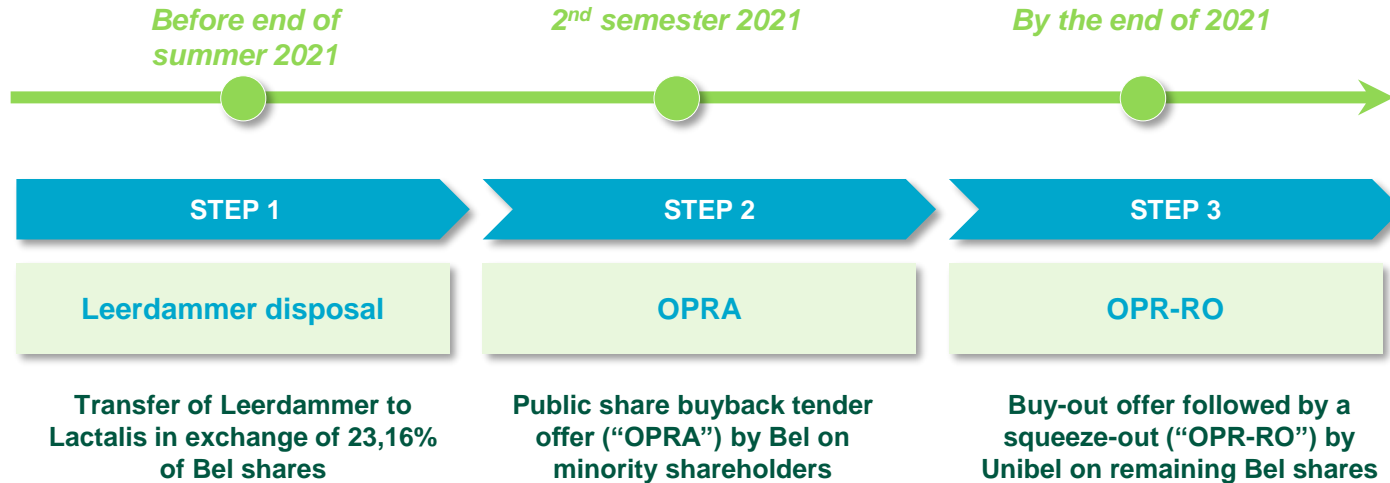
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The Lactalis planned transaction is a great opportunity to accelerate our transformation while recovering full capitalistic flexibility



Transaction Overview ⁽¹⁾

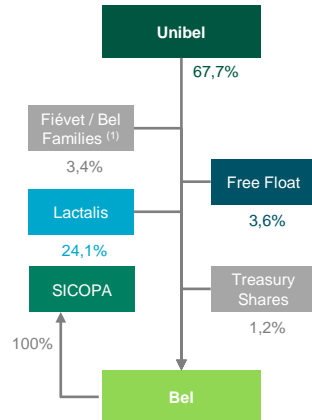


⁽¹⁾ Subject to completion of the consultation process of the relevant employee representative bodies and obtaining of necessary merger control clearances

Phases of the Transaction and evolution of Bel shareholding

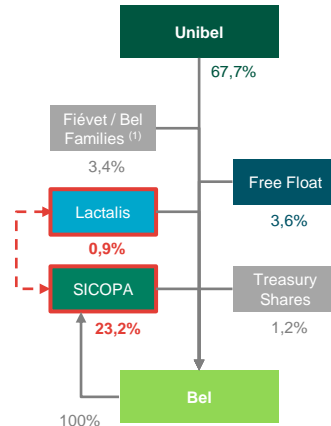
CURRENT SITUATION

Lactalis holding 24,1% of Bel shares



STEP 1

Transfer of Leerdammer to Lactalis in exchange of 23,16% of Bel shares



Transaction – Step 1

- Unilateral purchase promise between Lactalis and Bel through Sicopa, 100% wholly-owned subsidiary of Bel
- At closing, Sicopa to transfer Leerdammer brand and its operations, in return for Lactalis's 1,591,472 Bel shareholding (23,16% Bel equity stake)

Details of assets sold to Lactalis

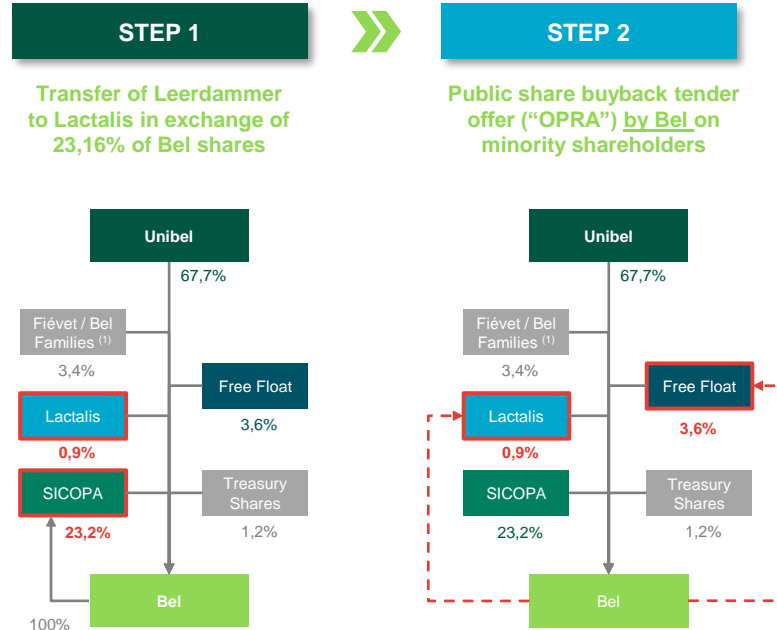
- Royal Bel Leerdammer NL including Leerdammer brand and all related rights
- Bel Italia, Bel Deutschland
- Bel Shostka Ukraine

Situation after step 1

- Sicopa (100% owned by Bel) owns 23,16% of Bel
- Other shareholders (Unibel, Fiévet and Bel families) keep their initial stakes
- Free float still represents 3,6% of Bel shares
- Lactalis still owns 0,9% of Bel shares

⁽¹⁾ This item includes the signatories of the Unibel shareholders' agreement which came into force on September 23, 2013 and controlled companies.

Phases of the Transaction and evolution of Bel shareholding



Transaction – Step 2

- Bel files a public share buyback tender offer ("OPRA") at €440 per share (cum dividend)
- The objective is to give the minority shareholders⁽¹⁾ an option to sell their Bel shares at similar conditions than Lactalis
- Minority shareholders' stake amounts to 4,5% (free float and Lactalis)
- Transaction is subject to compliance decision from French financial markets regulator ("AMF")

Situation after step 2

- Depending on the issue of the OPRA, remaining minority shareholders represent between 0% and 4,5% of Bel shares

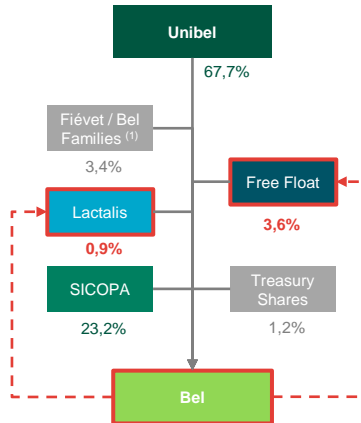
⁽¹⁾ excluding families, who will not bring their shares to the Transaction

⁽¹⁾ This item includes the signatories of the Unibel shareholders' agreement which came into force on September 23, 2013 and controlled companies.

Phases of the Transaction and evolution of Bel shareholding

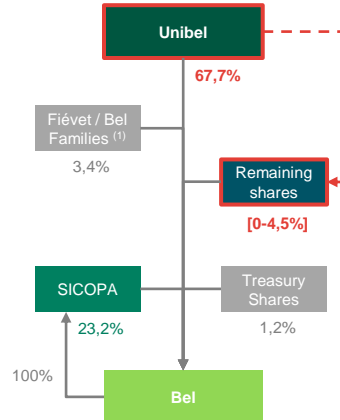
STEP 2

Public share buyback tender offer (“OPRA”) by Bel on minority shareholders



STEP 3

Buy-out offer followed by a squeeze-out (“OPR-RO”) by Unibel on remaining Bel shares



Transaction – Step 3

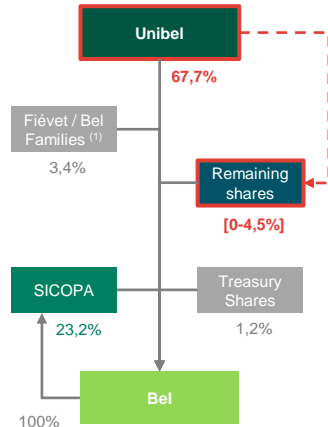
- Buy-out offer followed by a squeeze-out (“OPR-RO”) by Unibel on remaining Bel shares (between 0% and 4,5% of Bel shares)
- Timing: As soon as possible following the OPRA settlement - delivery date
- Price: At the same price per share as for the OPRA, that is to say €440 (cum dividend) per share
- **The buy-out offer and subsequent squeeze-out are subject to a compliance decision from the French financial markets regulator (“AMF”)**

⁽¹⁾ This item includes the signatories of the Unibel shareholders' agreement which came into force on September 23, 2013 and controlled companies.

Phases of the Transaction and evolution of Bel shareholding

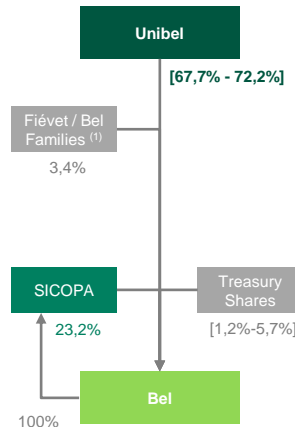
STEP 3

Public share squeeze-out offer ("OPR-RO") by Unibel on remaining Bel shares



FINAL SITUATION

No more minority shareholders in Bel capital



Final Situation

- After the squeeze-out, they will remain no more minority shareholders in Bel capital
- Unibel and the families will own directly and indirectly 100% of Bel's capital
- Upon completion of the public offers, Bel's shares would be delisted

⁽¹⁾ This item includes the signatories of the Unibel shareholders' agreement which came into force on September 23, 2013 and controlled companies.



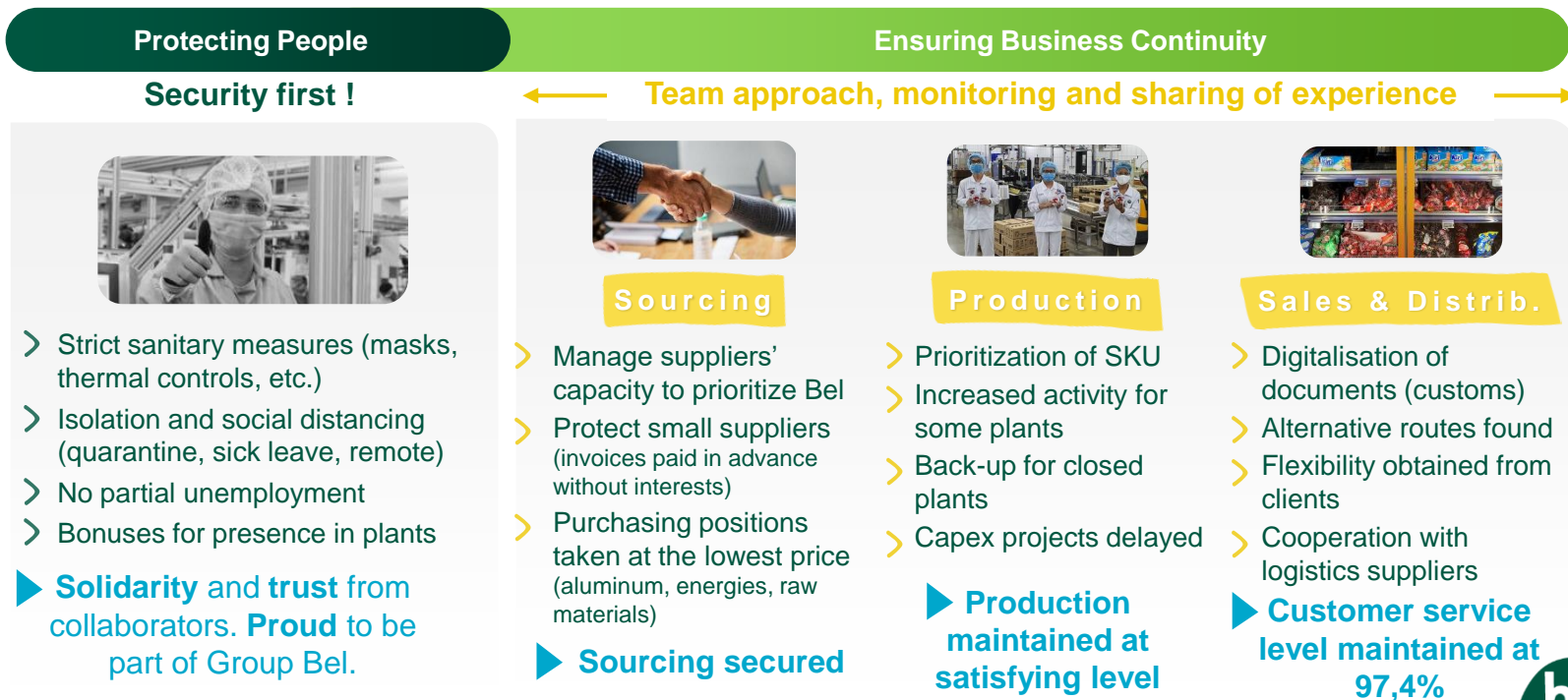
3

2020 Results

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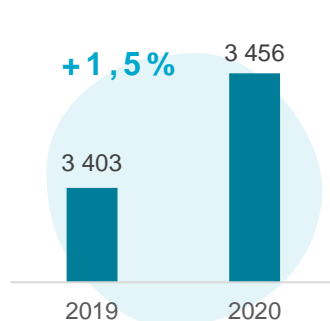
An agile adaptation all along our value chain, which allowed business continuity and limited impact of Covid



A strong operational performance in 2020 driven by productivity

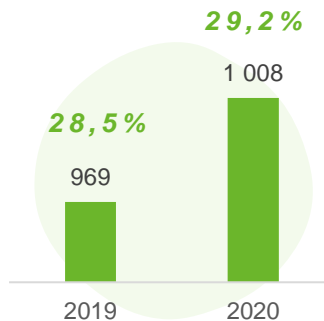
In million euro

As % of net sales



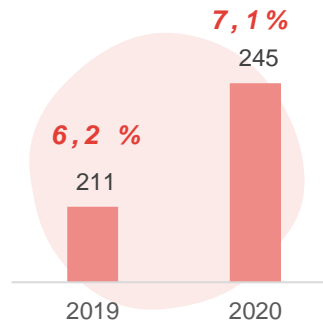
NET SALES

+3,2% Organic growth
+2,8% excl. Iran
hyperinflation



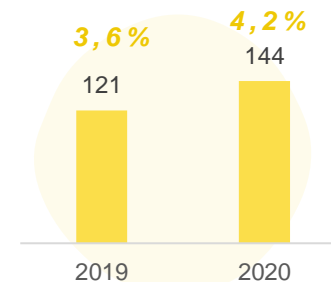
SALES
MARGIN

+70bps



OPERATING
INCOME

+90bps

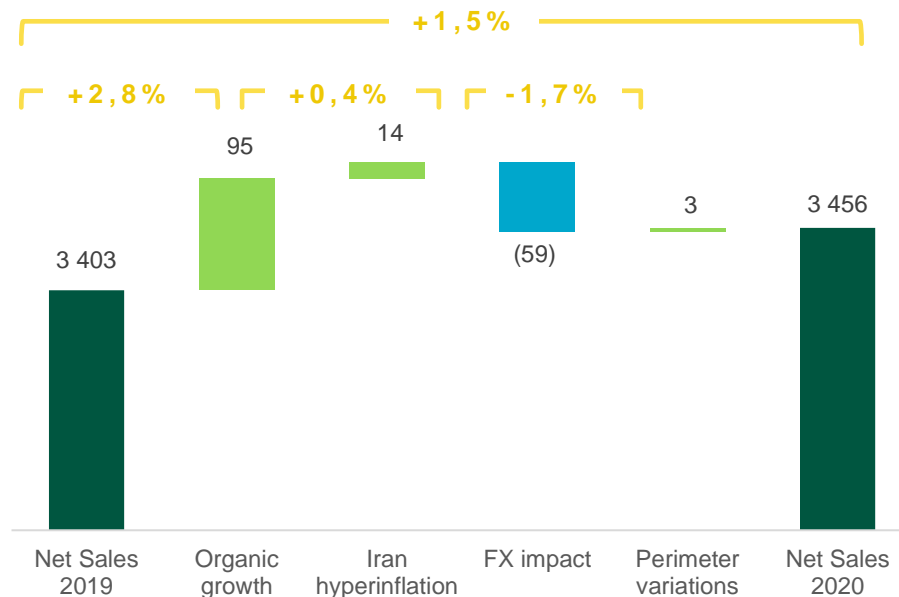


NET PROFIT

+18,4 %

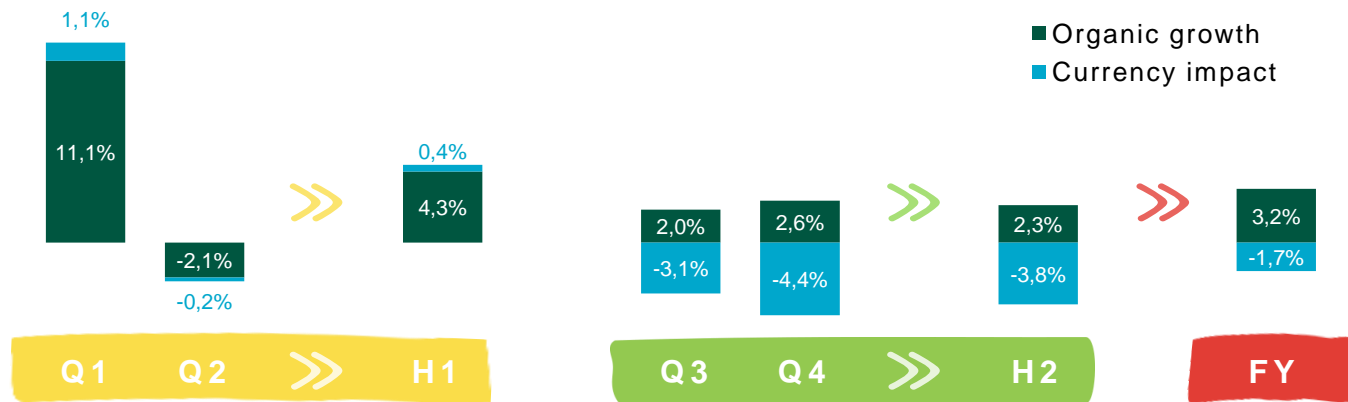
A solid organic growth of 2,8% (excl. Iran hyperinflation⁽¹⁾) despite the COVID-19 context and geopolitical disorders

- **+2,8% organic growth** despite COVID-19 and geopolitical context (Middle East, Africa)
- **Return to growth** of France and US, continued growth for MOM and **limited impact of Covid-19**
- **FX impact** mainly due to the appreciation of Euro against Dollar
- **Perimeter variations** relate to AIF acquisition



⁽¹⁾ +3,2% organic growth including Iran hyperinflation

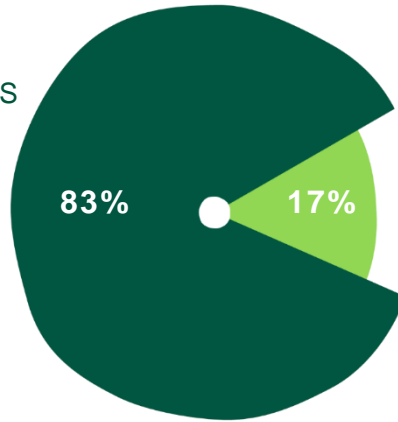
Net sales growth by quarter: a neutral impact of COVID-19 on total topline



| | | | | | | | |
|----------------|---------------------------------------|-------------------|-----------------|-------------------|----------------------------------|-----------------|-----------------|
| COVID IMPACT | + | - | = | - | + | = | = |
| | 1 st wave « panic » buying | De-loading impact | Neutral impact | Mixed situations | 2 nd wave / lockdowns | Neutral impact | Neutral impact |
| ORGANIC GROWTH | ++ | + | + | + | - | + | + |
| | Easter & Ramadan | Stabilisation | Positive impact | Brands activation | Middle East / Africa | Positive impact | Positive impact |

Net sales by operating segments: organic growth driven by New Territories, resilience in Global Markets

GLOBAL MARKETS
2,865 M€
+1,1% organic growth



NEW TERRITORIES
591 M€
+11,8% organic growth

- MOM activities
- Sub-Saharan Africa
- China

Focus Organic growth

1,1%



Global Markets

11,8%



New Territories

- > **Resilience** of **Global Markets** thanks to our core brands
- > **Strong growth** in **New Territories** driven by MOM and China (double-digit growth)

A growth of our core brands in 2020 and the return to growth in France and the US, notably for The Laughing Cow

More impacted by Covid-19 due to closure of schools and lack of activations in-store but very solid fundamentals, which allowed a back to growth in 2nd semester



Legend for sales growth:

Greater than 10%

+++

Between 5% and 10%

++

Between 0% and 5%

+

Between -1% and 0%

-

Source market share: sell-out consolidation on Bel Scope on 27 countries | IRI, Nielsen, Intage | YTD DEC 2020
Lebanon is excluded

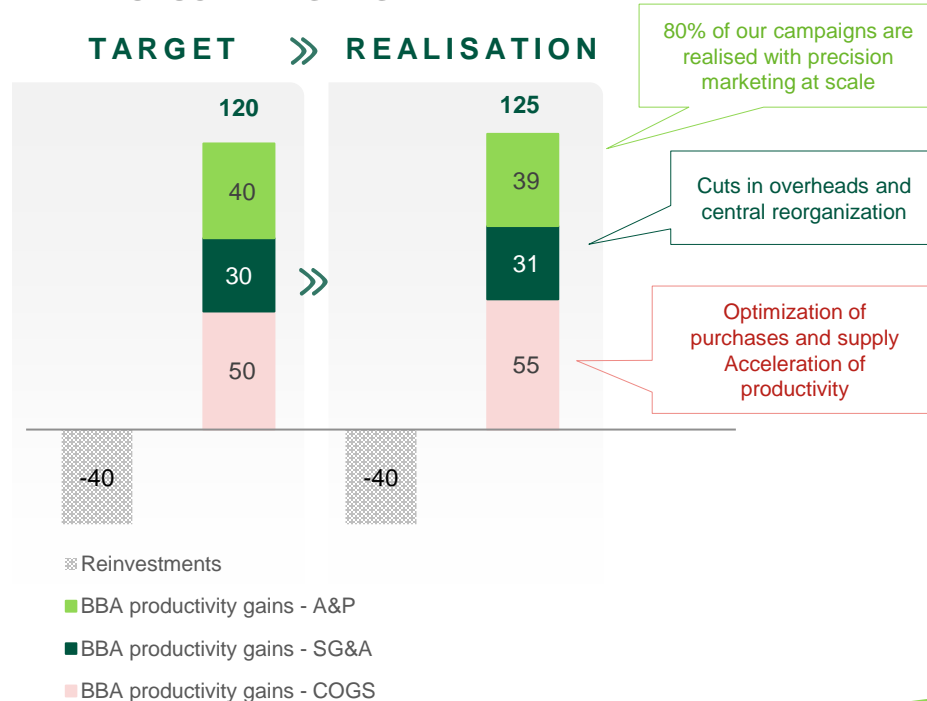
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A successful closing on schedule of our BBA productivity plan started in 2018

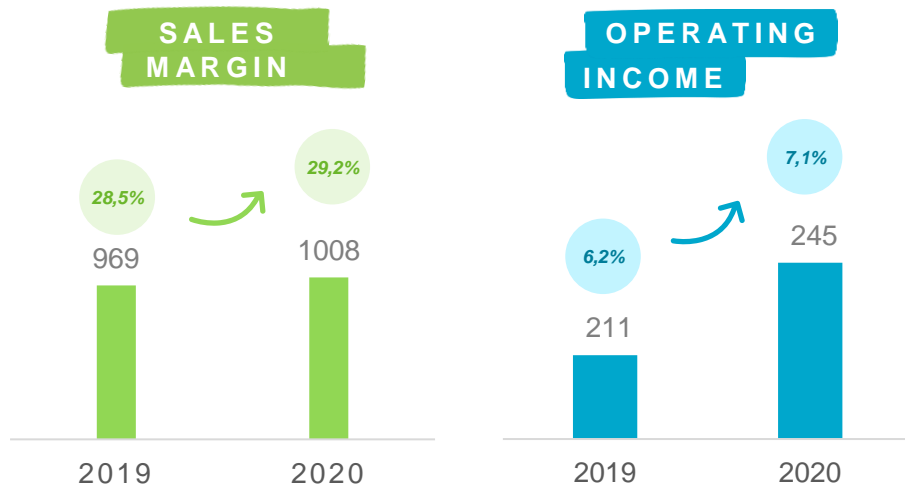
In millions euros

BBA PRODUCTIVITY GAINS



- > **2020 is a record productivity year**
- > Our reduction plan is **closed in advance** with 125 M€ cumulated gains (A&P, SG&A and COGS)
- > All **planned reinvestments** have been made to support transformation

An increase in profitability allowed by Operations productivity in the context of a neutral Covid-19 impact



- > **Sales margin growth** mainly driven by **Operations productivity** thanks to BBA savings
- > **Overall neutral impact of COVID-19 on operating income** with savings on travel & expenses, which compensated Covid-19 extra costs (sanitary measures, bonuses and donations)

A slight decrease of our net financial expenses

| | 2019 | 2020 | Var. |
|--|------------|------------|--------------|
| Sales | 3 403 | 3 456 | 1,5% |
| Sales margin | 969 | 1 008 | 3,9% |
| Recurring operating income | 239 | 263 | 10,1% |
| Operating income | 211 | 245 | 16,1% |
| Financial income and expense | (28) | (27) | -3,0% |
| Income tax expense | (58) | (64) | 10,4% |
| Net profit from consolidated entities | 124 | 153 | 23,1% |
| Minority interests | (3) | (9) | 224,5% |
| Consolidated net profit - Group share | 121 | 144 | 18,4% |

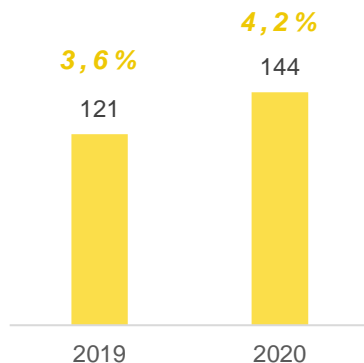
- > **Decrease in net financial expenses** allowed by a decrease in the cost of net financial debt
- > **Increase in income taxes**

A 18,4% increase in earnings per share in 2020

NET PROFIT

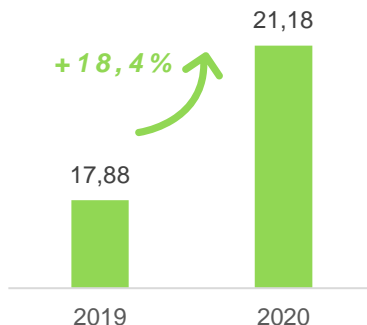
In million euro

As % of net sales



EARNINGS PER SHARE

In euro



- > **Net income Group** share amounts to 144 M€, +18,4% vs. 2019
- > **Net Earnings per share** stands at 21,18€, up from 17,88€ vs. 2019



4

2020 Balance Sheet & Cash Flow

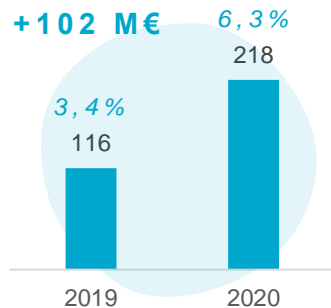
April 6th, 2021 | Annual Results 2020



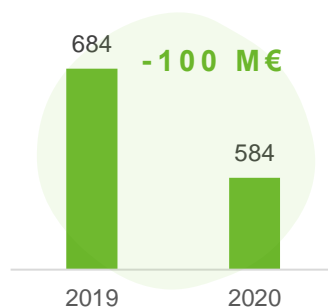
A record free cash flow generation in 2020, allowing a further strong reduction in net debt

In million euro

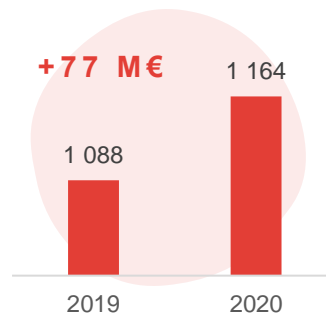
As % of net sales



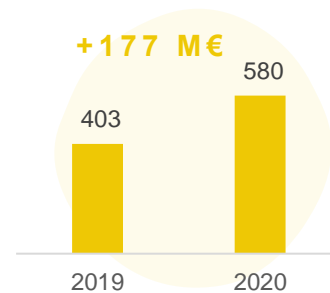
FREE CASH FLOW⁽¹⁾



NET DEBT⁽²⁾



GROSS DEBT



GROSS CASH⁽³⁾

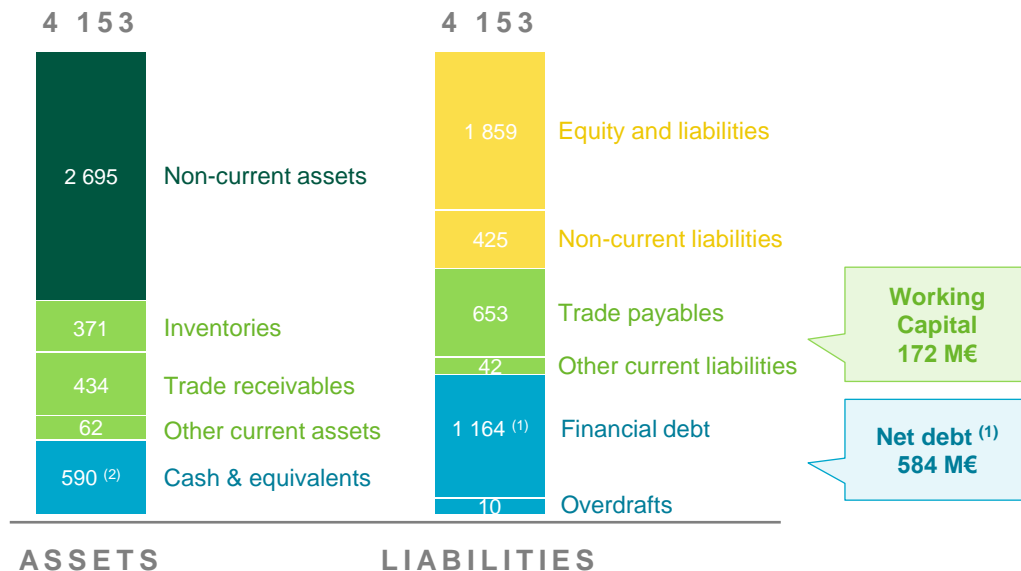
⁽¹⁾ Free cash flow after financial charges and before dividends – refer to appendix page 65

⁽²⁾ Including right-of-use lease liabilities related to the adoption of IFRS 16

⁽³⁾ Gross cash is presented net of overdrafts

A strong balance sheet structure, further improving in 2020 with reduction in net debt and working capital

In million euro



- > **Non-current assets are stable** vs. 2019 as decrease in PPE ⁽³⁾ (slowing-down of capex) is offset by increase in goodwill (AIF)
- > **Shareholders' equity is high**, reinforced since more than 4 years
- > **Working capital is low** (172 M€) and **improving in 2020**
- > **Net debt** stands at 584 M€, in **decrease in 2020** due to strong free cash flow generation

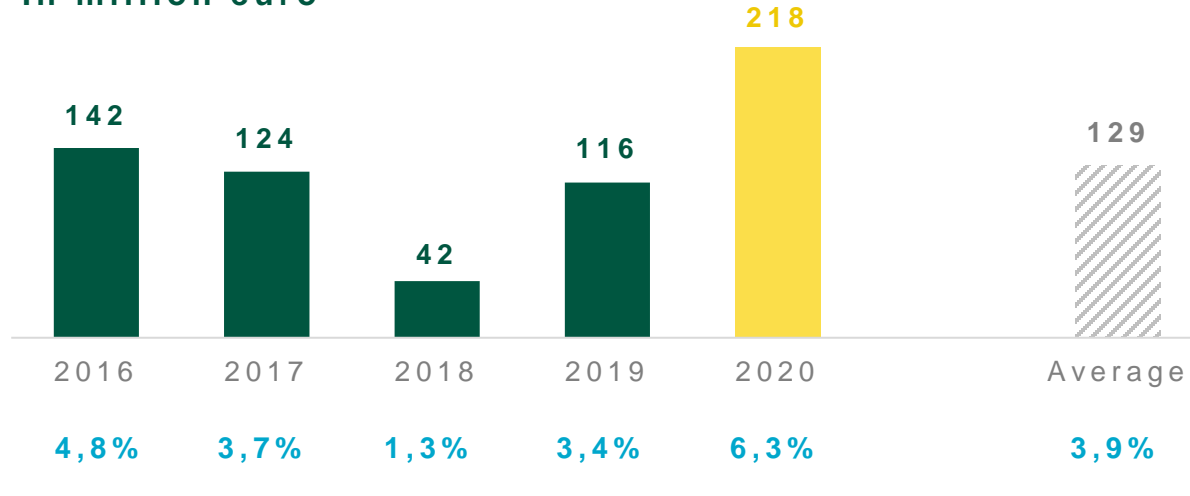
⁽¹⁾ Including right-of-use lease liabilities related to the adoption of IFRS 16

⁽²⁾ Reported gross cash (580 M€) includes overdrafts for -10 M€

⁽³⁾ Property Plant and Equipment

The highest free cash flow generation since 2016

In million euro



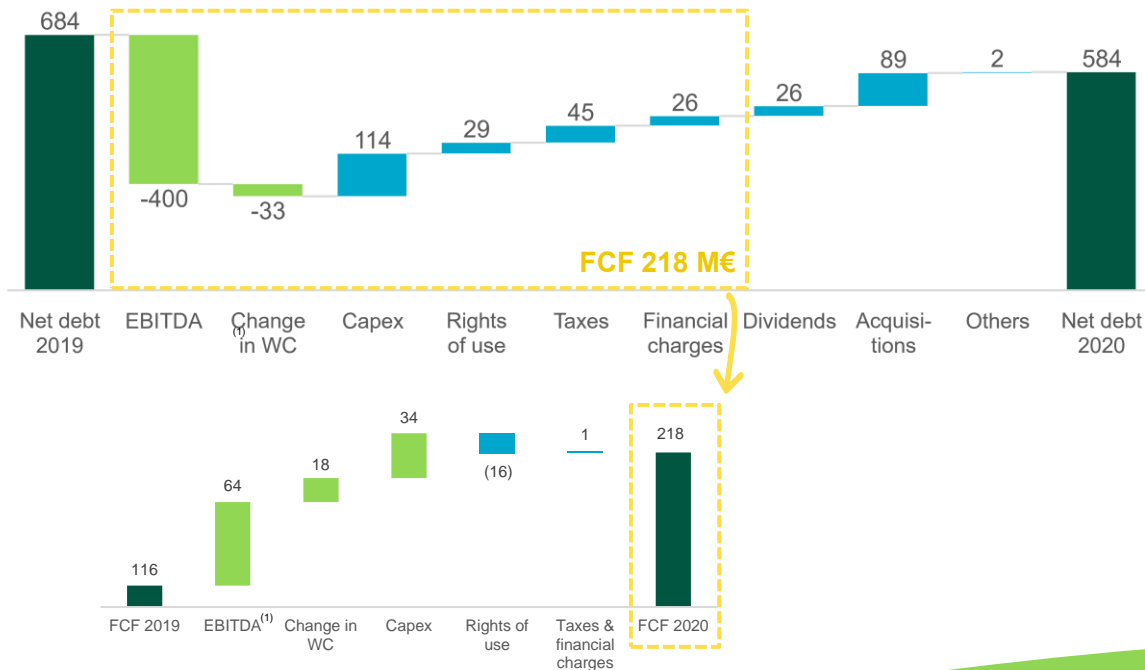
Refer to appendix page 65 for a detailed definition of free cash flow

**FREE CASH
FLOW /
NET SALES (%)**

A 100 M€ decrease in our net debt allowed by operational productivity, low capex and further improvement of working capital

In millions euros

NET FINANCIAL DEBT



A reduction of net debt by **100 M€** thanks to a **strong free cash flow generation** allowed by:

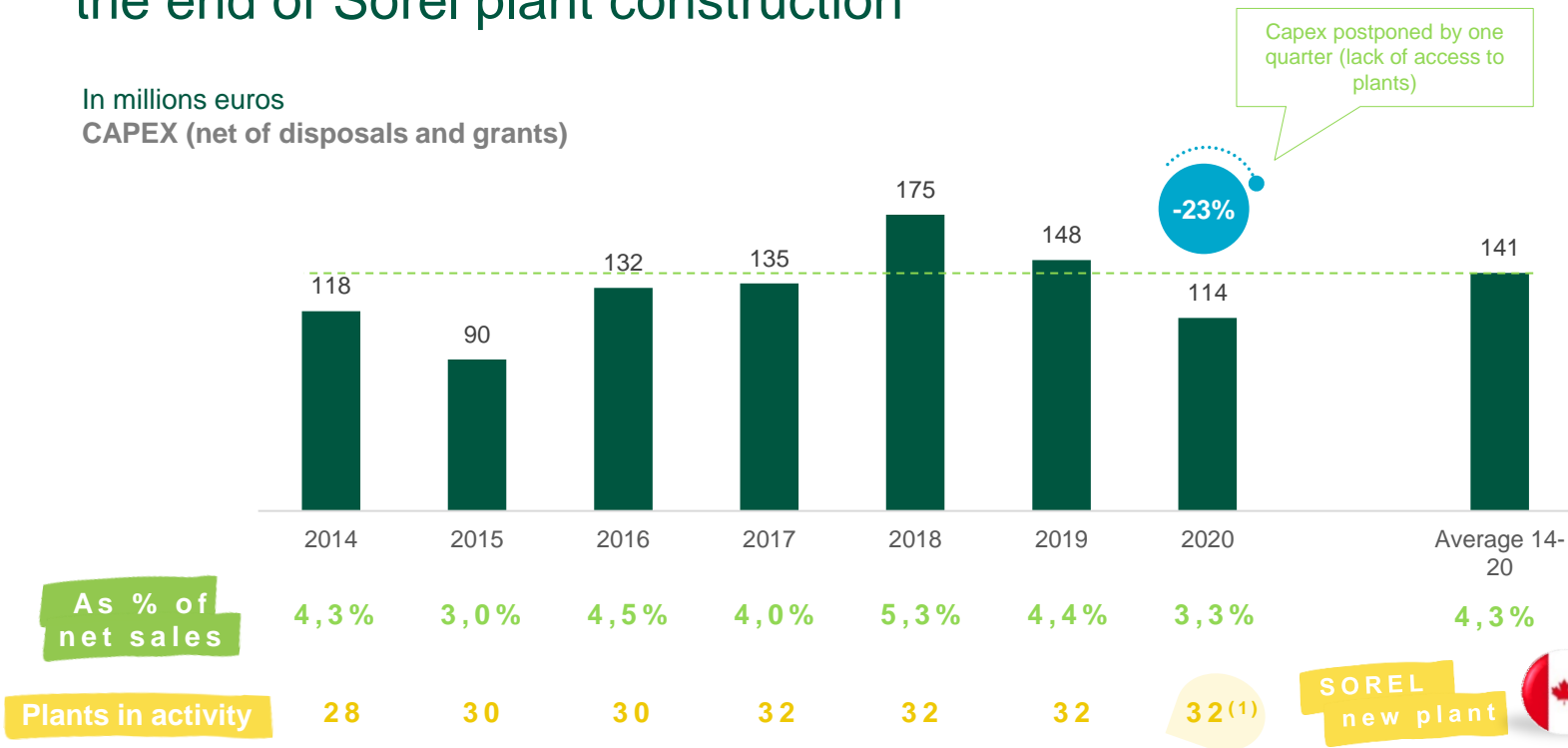
- > **Higher EBITDA** than last year (+64 M€)
- > **Further improvement in working capital** due to tight management in countries (DSO improvement and overdues reduction)
- > **Reduction in capex** by 34 M€ vs. 2019 due to Covid-19

(1) EBITDA based on operating income and not on recurring operating income

A reduction of Capex by 23% due to the sanitary context and the end of Sorel plant construction

In millions euros

CAPEX (net of disposals and grants)

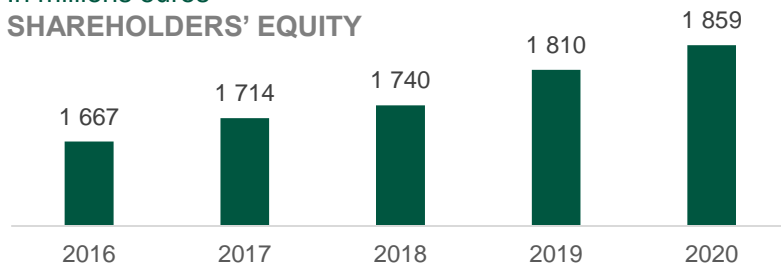


⁽¹⁾ Including the start of the new Canadian plant in Sorel and the closure of Loko plant in Ivory Coast

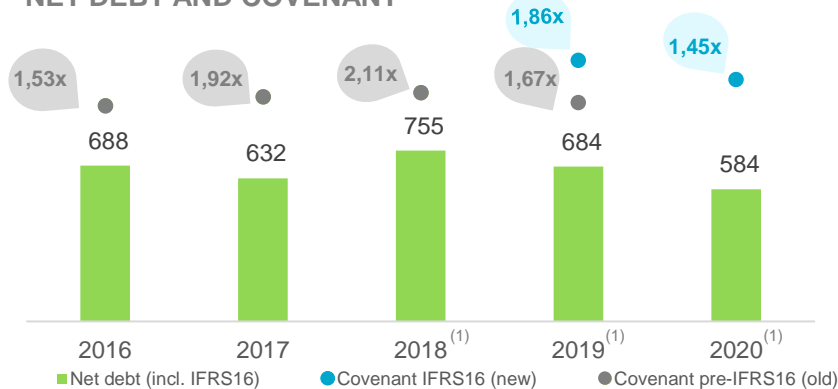
A reinforcement of our balance sheet with a continuous increase in shareholders' equity and a deleveraging for the 2nd year in a row

In millions euros

SHAREHOLDERS' EQUITY



NET DEBT AND COVENANT



- > A continuous reinforcement of shareholders' equity over the 2016-2020 period
- > A strong reduction in 2020 of our net debt
- > Allowing an improvement of our financial ratio, which stands at 1,46x in December 2020
- > Financial covenant definition has been amended⁽²⁾ in 2020 to include IFRS16 impact

⁽¹⁾ Including right-of-use lease liabilities related to the adoption of IFRS 16

⁽²⁾ New Covenant definition = Net debt / EBITDA based on net debt including IFRS16 and EBITDA based on Recurring Operating Income

A very robust liquidity profile as of December 31st, 2020

Average
maturity of
gross debt:
≈ 4,9 years⁽¹⁾

Diversified
financing:
USPP, bond,
Neu MTN...⁽¹⁾

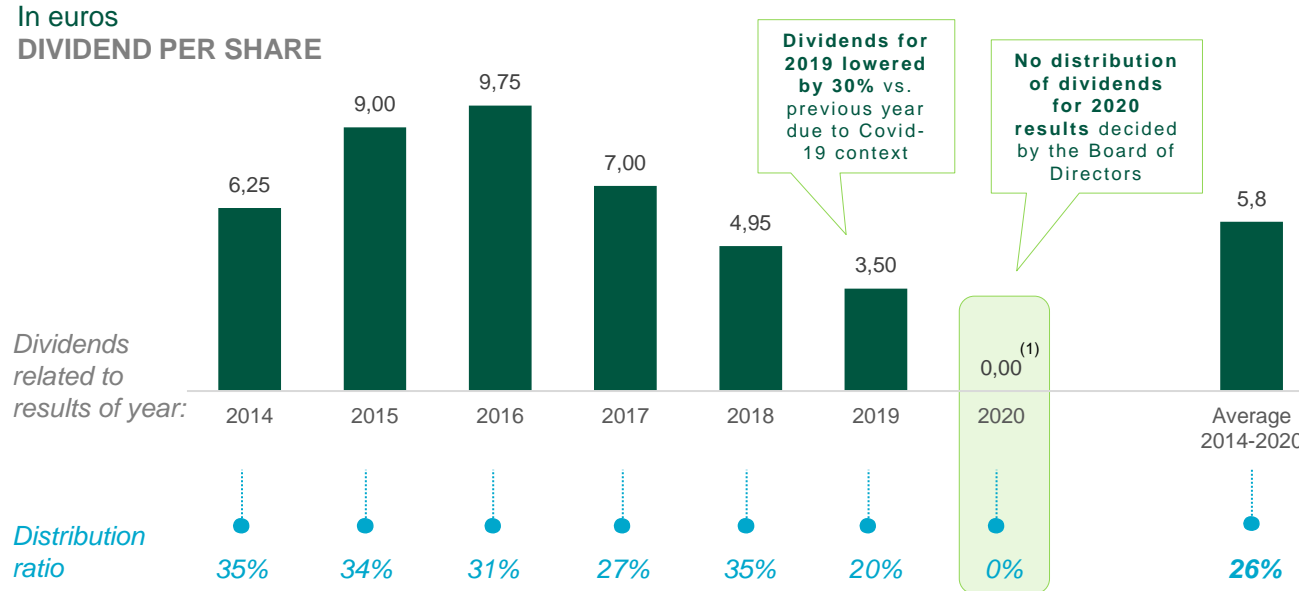
820 M€
undrawn
credit lines⁽¹⁾

Net cash:
580 M€⁽²⁾

⁽¹⁾ Most financing is carried by out by Bel SA

⁽²⁾ Includes 524 M€ centralised at Bel SA

After a reduction in 2019, no distribution of dividends for 2020 results decided by the Board of Directors



⁽¹⁾ Submitted to the general shareholders meeting on May 11th, 2021



5

2021 Outlook

April 6th, 2021 | Annual Results 2020



Outlook 2021

An uncertain future



Call for caution due to uncertainties

- An evolution difficult to predict because of:
 - **COVID-19** crisis
 - **Geopolitical situation** in the Middle East and North Africa
 - Unfavorable trend in **raw material prices**
 - **Currency volatility**



Operational and financial excellence

- The Bel group will remain focused on improving:
 - **Operational performance**
 - **Exemplary financial management**
- While continuing to rely on its **solid financial structure**

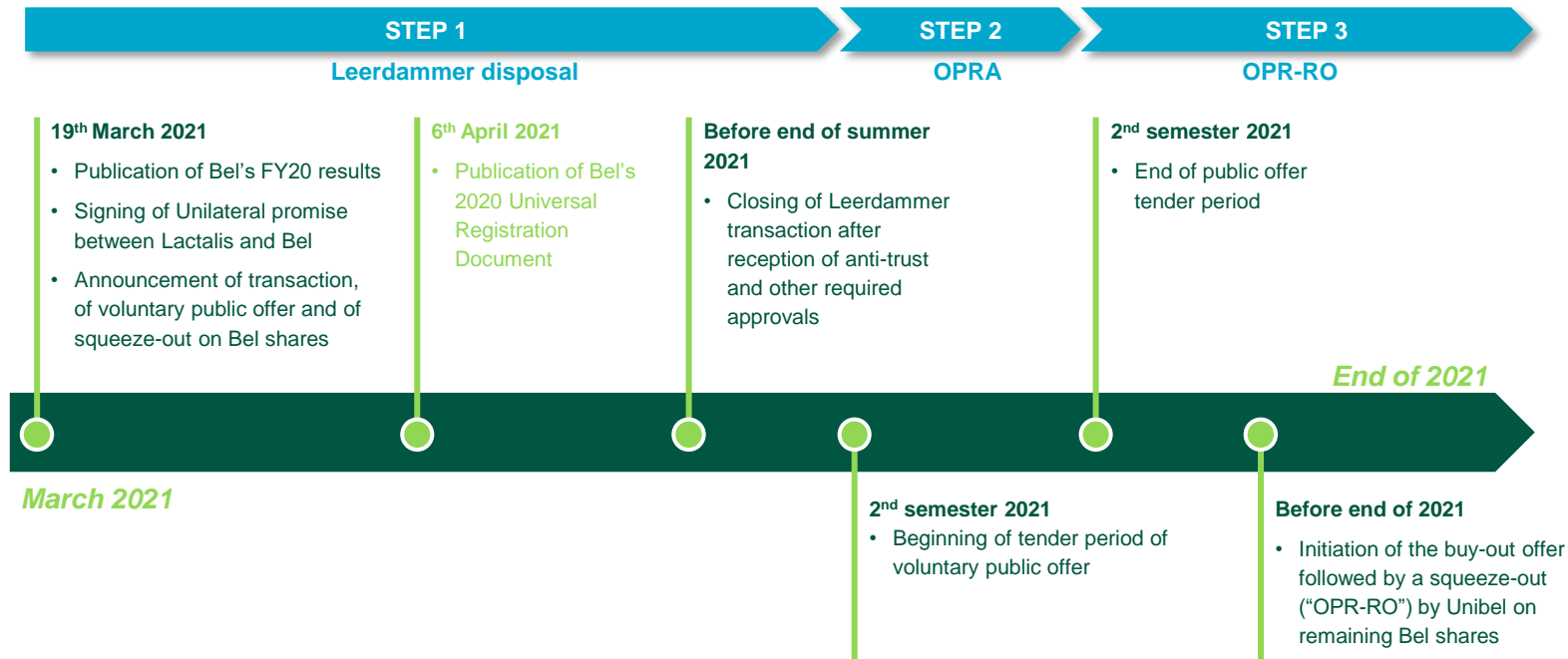


A clear strategy to strengthen our position in healthy snacking

- Continuing to **innovate** and **develop in new territories** (China)
- Boosting **e-commerce**
- Increasing **attractiveness of product offer** (in dairy, fruit and vegetable products)
- Bel **holds** a call option on **35% of the MOM** minority shareholders to be exercised **by April 2022**

Bel has the **possibility** to partially exercise this call option **to buy 17,5%** of MOM minority interests **for a defined price of 152 M€** by the **30th of April 2021** at the latest
- **Closing** of Leerdammer disposal to Lactalis (subject to completion of the consultation process of the relevant employee representative bodies and obtaining of necessary merger control clearances)

What's next about the Lactalis Transaction⁽¹⁾ ?



⁽¹⁾ Subject to completion of the consultation process of the relevant employee representative bodies and obtaining of necessary merger control clearances

What to remember



Sustainability efforts strengthened in 2020 from farm to fork towards regenerative agriculture, better eating and fight against food waste

Responsibility at the heart of our mission with **CSR and finance united under same direction** and an **ambitious roadmap** of which 2020 targets almost fully met despite COVID-19 context

Organic sales growth (+2,8%) buoyed by **positive momentum across core brands**, resumed **growth for Bel in France and in the U.S.**, and **MOM's continued positive trajectory**

Product-offering diversification accelerated in the **plant-based food sector**, notably with the acquisition of All in Foods

Cost-cutting plan successfully completed

Strong positive innovations pipeline on tap for the future

Record Free Cash Flow generation

1st quarter 2021: signing with Lactalis of a unilateral promise to purchase assets comprising the Leerdammer brand



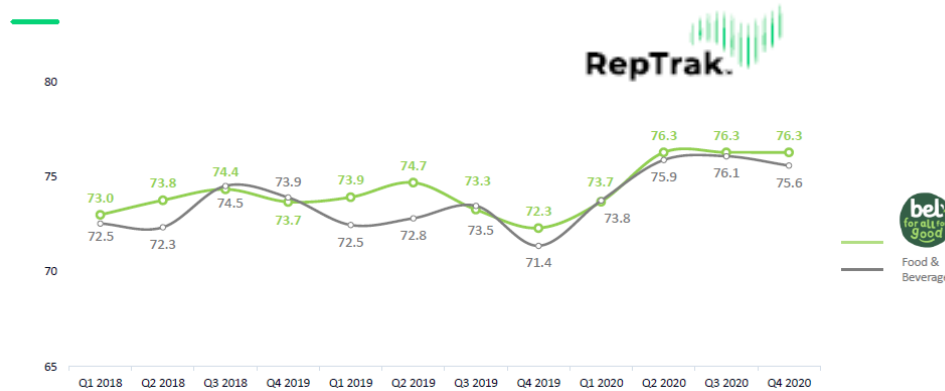
6

Appendices

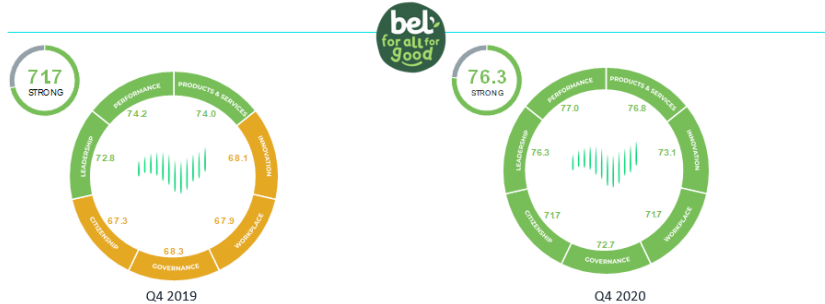
April 6th, 2021 | Annual Results 2020



Bel's reputation as a sustainable pioneer keeps on growing



Informed General Public – Reputation and Drivers Q4 2020 vs. Q4 2019 – Bel



EPOKA

harris interactive

STRATÉGIES

Le palmarès 2021 des entreprises les plus responsables de France

Le Point

| Rang | Nom de l'entreprise | Score final | Rang total | Score environnement | Score social | Score gouvernance |
|------------------------|---------------------|-------------|------------|---------------------|--------------|-------------------|
| AGROALIMENTAIRE | | | | | | |
| 1 ^{er} | Rémy Cointreau | 85,1 | 26* | 89,3 | 81,4 | 84,7 |
| 2 ^e | Barilla | 83,4 | 38* | 85 | 83,4 | 81,8 |
| 3 ^e | Danone | 80,9 | 63* | 80,3 | 82,7 | 79,9 |
| 4 ^e | Groupe Bel | 79,7 | 80 | 82,5 | 78,8 | 77,9 |
| 5 ^e | Pernod Ricard | 79,5 | 81 | 81,3 | 71,8 | 85,5 |
| ASSURANCES | | | | | | |



Consolidated Income Statement

| <i>In millions of euros</i> | 2019 | 2020 | Change in % | Change in M€ |
|--|------------|--------------|----------------|-----------------|
| Sales | 3 403 | 3 456 | 1,5% | 53 |
| Cost of goods and services sold | (2 434) | (2 448) | 0,6% | (14) |
| Sales margin | 969 | 1 008 | 3,9% | 38 |
| As a % of net sales | 28,5% | 29,2% | 0,7 pp | |
| Sales and marketing expense | (438) | (432) | -1,3% | 6 |
| As a % of net sales | -12,9% | -12,5% | 0,4 pp | |
| Research and development expense | (27) | (30) | 14,0% | (4) |
| As a % of net sales | -0,8% | -0,9% | -0,1 pp | |
| Administrative and general overhead expens | (267) | (281) | 5,5% | (15) |
| As a % of net sales | -7,8% | -8,1% | -0,3 pp | |
| Other operating income and expense | 1 | (0) | -160,6% | (1) |
| Recurring operating income | 239 | 263 | 10,1% | 24 |
| As a % of net sales | 7,0% | 7,6% | 0,6 pp | |
| Other non-recurring income and expense | (28) | (18) | -34,5% | 10 |
| Operating income | 211 | 245 | 16,1% | 34 |
| As a % of net sales | 6,2% | 7,1% | 0,9 pp | |
| Financial income and expense | (28) | (27) | -3,0% | 1 |
| Income tax expense | (58) | (64) | 10,4% | (6) |
| Net profit from consolidated entities | 124 | 153 | 23,1% | 29 |
| As a % of net sales | 3,6% | 4,4% | 0,8 pp | |
| Minority interests | (3) | (9) | 224,5% | (6) |
| Consolidated net profit - Group share | 121 | 144 | 18,4% | 22 |
| As a % of net sales | 3,6% | 4,2% | 0,6 pp | |

Consolidated Balance Sheet

| <i>In millions of euros</i> | 2019 | 2020 | <i>Change in %</i> | <i>Change in M€</i> |
|--|--------------|--------------|------------------------|-------------------------|
| Non-current assets | | | | |
| Goodwill | 786 | 848 | 7,9% | 62 |
| Other intangible assets | 649 | 628 | -3,3% | (22) |
| Property, plant and equipment | 992 | 949 | -4,3% | (43) |
| Property, plant and equipment - right of use | 100 | 105 | 5,6% | 6 |
| Financial investments | 124 | 128 | 3,9% | 5 |
| Other financial assets | 10 | 6 | -37,0% | (4) |
| Loans & advances | 12 | 13 | 8,5% | 1 |
| Trade and other receivables | 1 | 1 | -14,7% | (0) |
| Deferred tax assets | 21 | 16 | -25,1% | (5) |
| Total non-current assets | 2 695 | 2 695 | 0,0% | (0,4) |
| Current assets | | | | |
| Inventories and work-in-progress | 373 | 371 | -0,4% | (1) |
| Trade and other receivables | 506 | 434 | -14,2% | (72) |
| Other financial assets | 6 | 22 | 268,0% | 16 |
| Loans & advances | 1 | 1 | -11,9% | (0) |
| Current tax assets | 34 | 40 | 15,3% | 5 |
| Cash and cash equivalents | 406 | 590 | 45,5% | 185 |
| Total current assets | 1 326 | 1 458 | 10,0% | 132,0 |
| TOTAL ASSETS | 4 021 | 4 153 | 3,3% | 131,5 |

| <i>In millions of euros</i> | 2019 | 2020 | <i>Change in %</i> | <i>Change in M€</i> |
|---|--------------|--------------|------------------------|-------------------------|
| Equity and liabilities | | | | |
| Share capital | 10 | 10 | 0,0% | - |
| Additional paid-in capital | 22 | 22 | 0,0% | - |
| Reserves | 1 707 | 1 759 | 3,0% | 52 |
| Treasury shares | -23 | -23 | 0,1% | (0) |
| Equity - group share | 1 716 | 1 768 | 3,0% | 52 |
| Non controlling interests | 94 | 91 | -3,2% | (3) |
| Total Equity | 1 810 | 1 859 | 2,7% | 48,6 |
| Non-current liabilities | | | | |
| Provisions | 6 | 6 | -5,4% | (0) |
| Employee benefits | 79 | 80 | 1,0% | 1 |
| Deferred tax liabilities | 257 | 276 | 7,2% | 19 |
| Lease liabilities – over one year | 83 | 88 | 5,8% | 5 |
| Long term borrowings and financial liabilities | 816 | 850 | 4,1% | 34 |
| Other liabilities | 61 | 63 | 3,4% | 2 |
| Total non-current liabilities | 1 303 | 1 363 | 4,6% | 59,8 |
| Current liabilities | | | | |
| Provisions | 5 | 5 | 2,3% | 0 |
| Employee benefits | 6 | 6 | -4,9% | (0) |
| Lease liabilities – less than one year | 19 | 23 | 20,6% | 4 |
| Short term borrowings and financial liabilities | 172 | 205 | 19,1% | 33 |
| Other financial liabilities | 4 | 0 | -100,0% | (4) |
| Trade payables and other liabilities | 668 | 653 | -2,2% | (15) |
| Tax payable liabilities | 31 | 29 | -7,0% | (2) |
| Current bank facilities and other borrowings | 2 | 10 | 341,3% | 8 |
| Total current liabilities | 908 | 931 | 2,5% | 23,1 |
| TOTAL EQUITY AND LIABILITIES | 4 021 | 4 153 | 3,3% | 131,5 |

Consolidated Cash Flow Statement

| <i>In millions of euros</i> | Dec. 2020 | <i>In millions of euros</i> | Dec. 2020 |
|--|------------------|--|------------------|
| <i>Cash flow from (used in) operating activities</i> | | <i>Cash flow from (used in) financing activities</i> | |
| Pre-tax profit | 217 | Dividends paid | -26 |
| Adjustments for: | | Interest paid | -20 |
| Depreciation, amortization and write-downs | 137 | Financial interests – right of use | -6 |
| Depreciation and amortization – right of use | 22 | Change in debt resulting from lease contracts | -18 |
| Capital gains (losses) on disposal | 1 | (Increase) decrease in current accounts with entities outside the scope of consolidation | -13 |
| Reclassification of net financial income and expenses | 21 | Purchase/(sale) of treasury shares | 0 |
| Reclassification of net financial income and expenses – right of use | 6 | Borrowings and financial liabilities issued | 293 |
| Other non-cash items on the income statement | -4 | Repayments of borrowings and financial liabilities | -232 |
| <i>Cash flow from operations before changes in WCR</i> | 400 | <i>NET CASH FLOW FROM (USED IN) FINANCING ACTIVITIES</i> | -21 |
| (Increase) decrease in inventories, receivables and payables | 33 | NET (INCREASE) DECREASE IN CASH FLOW AND CASH EQUIVALENTS | 187 |
| (Increase) decrease in non-current receivables and payables | -1 | NET CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD | 403 |
| Income taxes paid | -45 | Effect of foreign exchange rate fluctuations | -10 |
| <i>NET CASH FLOW GENERATED BY OPERATING ACTIVITIES</i> | 386 | <i>NET CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</i> | 580 |
| <i>Cash flow from (used in) investing activities</i> | | At the closing date net cash and cash equivalents comprised the following: | |
| Acquisitions of activities | -61 | - Marketable securities and money market instruments | 91 |
| Disposals of activities | 0 | - Cash on hand and balance with banks | 499 |
| Acquisitions of tangible and intangible assets | -121 | - Current used bank facilities including overdrafts and accrued interest | -10 |
| Disposals of tangible and intangible assets | 1 | <i>TOTAL</i> | 580 |
| Investment grant received | 5 | | |
| Acquisitions of financial assets | -6 | | |
| Disposals of financial assets | 2 | | |
| Dividends received | 2 | | |
| <i>NET CASH FLOW FROM (USED IN) INVESTING ACTIVITIES</i> | -178 | | |

Consolidated Net debt variation

| <i>In millions of euros</i> | 2019 | 2020 |
|----------------------------------|--------------|--------------|
| EBITDA | 336 | 400 |
| Change in WCR | 14 | 33 |
| Capex | (153) | (121) |
| Subsidies | 4 | 5 |
| Disposals of assets | 1 | 1 |
| Capex (net) | (148) | (114) |
| New rights of use | (14) | (29) |
| Net interests | (22) | (20) |
| Net interests - IFRS16 | (5) | (6) |
| Net interests paid | (27) | (26) |
| Income taxes paid | (45) | (45) |
| Free cash Flow | 116 | 218 |
| Dividends | (36) | (26) |
| Change in non-current WCR | 4 | (1) |
| Shares buy-back | (0) | (0) |
| Change in perimeter | (9) | (89) |
| Financial investments | 1 | (4) |
| Interests and dividends received | 2 | 2 |
| Other cash flow | (2) | (92) |
| FX impact on net debt | (8) | 1 |
| Net debt variation | 71 | 100 |
| Net debt at opening | (755) | (684) |
| Net debt at closing | (684) | (584) |
| <u>As % of net sales</u> | | |
| Change in WCR | 0,4% | 0,9% |
| Capex | -4,4% | -3,3% |
| FCF | 3,4% | 6,3% |

Bridge between reported Operating Cash flow and Free Cash Flow

