



Suresnes & Laval, 30th September 2021, 6.00 P.M.

Bel and Lactalis complete sale of Leerdammer® and related rights

- **Bel completes its sale to Lactalis of a business comprising Royal Bel Leerdammer NL, Bel Italia, Bel Deutschland, Leerdammer and all related rights, plus Bel Shostka Ukraine.**
This transaction also includes an agreement for Lactalis to sell Bel group products in Germany, Italy and Ukraine.
- **Lactalis, dairy products world no. 1, acquires Leerdammer, one of Europe's most iconic cheese brands. The transaction is a perfect fit for Lactalis' strategic priorities, which focus on top-quality product development. The company aims to boost Leerdammer's international growth and continue developing the brand.**
- **Bel, a market leading cheese brand owner and major player in healthy snacking, now reaffirms its independent family business model to ramp up rollout of its strategy with a view to boosting growth of its three complementary market segments - dairy, fruits and plant-based.**

Bel Group and Lactalis Group today announced the completion of the sale to Lactalis of a business comprising Royal Bel Leerdammer NL, Bel Italia, Bel Deutschland, the Leerdammer brand and all related rights, plus Bel Shostka Ukraine. These have all been transferred to Lactalis by Sicopa, a wholly-owned Bel subsidiary, in return for 1,591,472 Bel shares (23.16% equity stake) held by Lactalis. All the transaction's pre-conditions have been met, including a European Commission unconditional merger approval received on 26 August 2021¹.

Bel Group Chairman and CEO Antoine Fievet said: *"I am delighted about the success of this transaction. For a start, it opens new doors for both the Shostka and Leerdammer brands and I want to thank all their staff and wish them all the best for the future because they have built the brands' success over the last 20 years. This is a new step for us, underpinning our independent family business model, a key factor in our success from our company's very beginnings. Now we can put all our weight behind rolling out our strategy with a well-balanced dairy, fruit and plant-based offering, in line with our corporate mission to champion healthier and responsible food for all."*

Lactalis Group Chairman Emmanuel Besnier confirmed: *"By acquiring Leerdammer and Shostka, we have now completed our offering with a range of food brands that consumers know and love. We want to turn the European Leerdammer brand into a global one by tapping into our worldwide reach. We are delighted to welcome new staff backed by their cheese-making pedigree into our Group."*

¹ As stated in the 27 August 2021 Bel press release.



Press release

Lactalis, dairy products world no. 1

Lactalis strengthens its cheese business

In line with its strategic goals to develop healthy dairy products for an expanding mass-market and to build on its longstanding dairy know-how, Lactalis seeks to boost Leerdammer by tapping into its existing international facilities.

The transaction also offers good growth prospects in Italy and Germany by expanding the family firm's European footprint. Lactalis gains a foothold in the Dutch cheese market backed by two production plants and a local collection facility. The Shostka acquisition further allows Lactalis to expand its Ukrainian business, where it has operated for the last 25 years. Some one thousand Dutch, German, Italian and Ukrainian employees will join Lactalis.

Bel Group, a major player in healthy snacking

Ongoing strategic rollout and greater independence

Selling business holdings including the Leerdammer brand is in line with Bel Group strategy, which aims to take its business beyond cheese products to bolster its positioning as a major healthy snacking player. The transaction gives Bel further opportunities to advance its product offering strategy on its three further key market segments, over the medium-term achieve balanced revenues between dairy, fruits and plant-based, while also stepping up moves into high-growth future markets like Asia-Pacific and North America.

The transaction, which involves Bel buying back shares held by Lactalis, also gives Bel family shareholders further funds to invest in the Group's future growth and bolster market share, thereby testifying to the independent family business model.

Financial and legal advisors

BNP Paribas, Perella Weinberg Partners and Oppenheimer have acted as Bel Group's financial advisors and Linklaters LLP has acted as legal advisor.

Freshfields Bruckhaus Deringer LLP and Bredin Prat have acted as Lactalis Group's legal advisors.

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Press release

About Bel

The Bel Group is a world leader in branded cheese and a major player in the healthy snack market. Its portfolio of differentiated and internationally recognized brands include such products as The Laughing Cow®, Kiri®, Mini Babybel®, Boursin®, Pom'Potes®, and GoGo squeeZ®, as well as some 20 local brands. Together, these brands helped the Group generate sales of €3.46 billion in 2020.

12,510 employees in some 40 subsidiaries around the world contribute to rolling out the Group's mission to champion healthier and responsible food for everyone. Bel products are made at 33 production sites and distributed in nearly 120 countries.

About Lactalis Group

Lactalis Group is the world's no. 1 dairy group and a French family business founded in 1933 in Laval. Backed by operations in 51 countries and 266 worldwide dairy and cheese production plants, its 85,000 staff convert milk into cheese, consumer milk, yoghurt, butter, cream, dairy ingredients and nutrition. Serving the daily lives of millions of households, Lactalis is famed for iconic brands such as Président, Galbani and Parmalat and strives to ensure it sustainably upholds milk expertise as world no. 1 AOP provider.
