



Suresnes — November 4, 2021 at 6:00 pm

Bel

Third quarter 2021 financial information

Sales

Organic growth shows resilience in uncertain global economic environment

- **Sales show resilience, totaling €2,567.3m in the first nine months of the year¹**
 - **Down 1.0% on a published basis**
 - **Up organically 1.1% overall and up organically 4.2%, excluding the Middle East and North Africa**

 - **In Q3, sales increased a robust 1.8%⁽²⁾ organically and advanced 4.2% organically excluding the Middle East and North Africa**
 - **MOM reported an excellent sales performance**
 - **Canada and Germany also posted strong growth**

Amounts are expressed in millions of euros and rounded off to the nearest million. Ratios and variances are calculated based on underlying amounts, not rounded off amounts.

Antoine Fievet, Chairman and Chief Executive Office of the Bel Group, said, "Bel was able to navigate with agility and demonstrate its resilience in an economic environment that remained difficult, with a direct impact on consumer spending trends. At the end of September, we saw market share gains in dynamic regions key to our future and reported continued strong organic growth. Despite persistent economic uncertainties, I believe in our ability to continue along our growth path, bolstered by momentum in North America and China, the power of our core brands and MOM's increasing consumer appeal."

Bel's consolidated sales for the first nine months of 2021 totaled €2,567.3 million, down 1.0% on a published basis versus the same period ended September 30, 2020. Unfavorable foreign exchange fluctuations, stemming primarily from the euro's rise against the U.S. dollar, adversely impacted sales by 2.5%, or €65.8 million. Organic sales growth showed resilience, advancing 1.1% for the period. Excluding the Middle East and North Africa, organic growth came to 4.2%.

In the third quarter of 2021, Bel reported sales of €877 million, up 2.3% on a published basis versus €857 million in the year earlier quarter. Sales grew organically a solid 1.8% against Q3 2020, when the organic growth rate was already high. That performance was driven in particular by strong sales of the GoGo squeeze[®] brand. Other core brands Mini Babybel[®] and Boursin[®], buoyed by markets in North

¹ This amount includes sales from the Royal Bel Leerdammer NL, Bel Italia and Bel Deutschland subsidiaries, the Leerdammer brand and all related rights, and the Bel Shostka Ukraine company.

² Organic growth corresponds to reported sales growth, excluding impacts from foreign exchange fluctuations and changes in the scope of consolidation, i.e. on a constant structure and exchange rate basis, and excluding inflation in Iran. Since 2020, Iran's economy is deemed to be a hyperinflation economy. Accordingly, inflation impacts, based on the Consumer Price Index (CPI), were excluded when determining organic growth.



Press release

America and Western Europe, continued along a strong growth trajectory, on a par with their first half 2021 performances. Bel notably gained market share in the key territories of Western Europe, North America and Asia, demonstrating the relevance of its strategy to diversify in the three complementary markets of dairy, fruit and plant-based foods, as well as underscoring the broad consumer appeal of its products. The sales breakdown by market segment is as follows.

millions of euros	Third quarter				9 months			
	2021	2020	% change	% organic growth**	2021	2020	% change	% organic growth**
Global Markets	704	703	+0.2%	-0.4%	2,081	2,137	-2.6%	-0.7%
New Territories	173	154	+12.2%	+12.0%	486	456	+6.6%	+9.5%
TOTAL	877	857	+2.3%	+1.8%	2,567	2,594	-1.0%	+1.1%

* New Territories encompass the business activities of MOM (Mont-Blanc, Materne), as well as markets in Sub-Saharan Africa and China.

** Including adjustments for the hyperinflation environment in Iran and excluding AIF (All in Foods).

Global Markets

Global (mature) markets reported mixed performances in Q3 2021. Firstly, Canada posted a strong increase in sales, notably on the back of successful promotional campaigns for The Laughing Cow® brand. In Western Europe, Germany and Austria recorded strong sales performances.

Conversely, markets in the Near and Middle East, as well as North African markets, remained mired in a particularly volatile economic environment, due notably to eroded economic conditions in some countries that adversely impacted consumer spending on food products, as well as local competition growing through aggressive pricing policies.

Although the underlying consumer spending trend remains favorable in the United States, in particular for The Laughing Cow® and Boursin® brands, growth slowed in Q3 due to resource shortages and rising wage pressures in the job market, which resulted in production delays and postponed promotional campaigns.

New Territories

New territories reported steady sales growth. In China, a market with enormous potential, sales remained high in both the retail and the Foodservice sectors. MOM once again posted an excellent performance. A slightly adverse impact linked to the Covid pandemic was reported in some Asian countries following the implementation of certain strict health measures.

millions of euros	Third quarter				9 months			
	2021	2020	% change	% organic growth**	2021	2020	% change	% organic growth**
Europe	483	459	+5.2%	+4.7%	1,424	1,375	+3.6%	+3.5%
Middle East, Greater Africa	155	166	-7.0%	-8.1%	453	533	-15.1%	-10.9%
Americas, Asia-Pacific	239	232	+3.3%	+3.3%	690	686	+0.7%	+5.7%
TOTAL	877	857	+2.3%	+1.8%	2,567	2,594	-1.0%	+1.1%

** Including adjustments for the hyperinflation environment in Iran and excluding AIF (All in Foods).



Sale of Leerdammer® brand and all related rights completed

On September 30, 2021, Bel announced the completion of the sale to Lactalis of the Royal Bel Leerdammer NL, Bel Italia, and Bel Deutschland subsidiaries, the Leerdammer brand and all related rights, and the Bel Shostka Ukraine company. These assets were transferred to Lactalis through Sicopa, a 100%-owned Bel subsidiary, in exchange for 1,591,472 Bel shares, representing a 23.16% equity stake in Bel held by Lactalis. All preconditions for completing the transaction were met, in particular the unconditional merger approval of the European Commission granted on August 26, 2021³. Further, Bel announced that it was adjusting its financing and capital allocation strategy and has withdrawn its proposed plan to buy back publicly held stock (*OPRA — offre publique de rachat d'actions*).

Following the disposal, Unibel, together with members of the Fievet-Bel family group, hold 95.46% of Bel's share capital directly and indirectly and 82.21% of its calculated voting rights⁴. Unibel announced on September 30, 2021 its decision to increase the price of its draft buyout offer and subsequent delisting (*OPR-RO*) to €550 per Bel share. The draft offer document describing the terms and conditions of the OPR-RO was filed with the AMF financial markets authority on October 22, 2021.

2021 results outlook

Looking ahead, Bel expects to see a continuation of the tough economic and financial environment, still marked by currency volatility, unfavorable raw material prices and an unstable economic and geopolitical context in the Near and Middle East and North Africa. In addition to these already identified issues, wage inflation is growing in the United States and energy prices are soaring. Bel nevertheless remains confident about the quarter ahead, believes strongly in the consumer appeal of its product offering as a major player in the healthy snack market and reiterates that its growth is expected to be buoyed in particular by MOM and such markets as North America and China, which have particularly strong growth momentum.

At the same time, Bel, which is committed to a sustainable and responsible growth model, undertook new corporate social responsibility (CSR) efforts in the quarter just ended. It joined the Livelihoods Carbon Fund 3 (LCF3), launched by non-governmental organization Livelihoods Venture in June 2021, linking up with 13 other companies and financial investors. LCF3's goal is to support rural communities in their effort to preserve or restore their natural ecosystems and improve their livelihood through sustainable farming practices. Bel also reaffirmed its commitments to preserving biodiversity during the 2020 IUCN World Conservation Congress, which took place in Marseille, France from September 3 to 11, 2021. At the Congress, Bel announced that it had joined the Lab Capital Naturel, co-founded by WWF France and AgroParis Tech's Ecological Accounting Chair (*Chaire Comptabilité Ecologique*), with expertise provided by five large French companies to test methodologies for measuring and conserving biodiversity.

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®, Nurishh®, 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.

Some 11,510 employees in some 40 subsidiaries around the world contribute to the deployment of the Group's mission to champion healthier and responsible food all. Bel products are prepared at 29 production sites and distributed in nearly 120 countries.

³ As stated in the Bel press release of August 27, 2021.

⁴ Based on a total of 6,872,335 shares, representing 11,892,271 calculated voting rights under Article 223-11 of the General Regulation of the AMF financial markets authority. Together, the initiator and members of the Fievet-Bel family group directly and indirectly hold 95.66% of voting rights exercisable at the Annual General Meeting of Shareholders.



Press release

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