



# CREATIVE SPIRIT, SUSTAINABLE IDEAS

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ANNUAL REPORT 2020



FLORIDIENNE  

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GROUP







# STRUCTURE

## FLORIDIENNE GROUP

### CHEMICALS



PVC  
STABILISERS

Kimflor

RECYCLING

SNAM

Vera Chimie  
Développements

### GOURMET FOOD



GASTRONOMIC  
SPECIALITIES

Groupe française  
de gastronomie

L'Escargot Courbeyre

Gartal Mareval

Pomarom

UAB Camargo

Menetrel

OTHER

Larzul

SMOKED FISH AND  
SEAFOOD CATERING

Simon Dutriaux

Simon Sélection

Karras

Turita

FINE GROCERIES

Delka

Altesse Quality Food

### LIFE SCIENCES



INTEGRATED PEST  
MANAGEMENT

Biobest and  
subsidiaries

NATURAL ENZYMES

Enzybel  
International

Blue Star Chemicals

Enzybel Asia Pacific

Enzybel Pharma

P.T. Bromelain

FLAVOURINGS AND  
PERFUMES

Sopral

Sotecna

ChemCom

Kamapim



# THE FLORIDIENNE GROUP

Floridienne is a diversified Belgian industrial group that ranks among the **European or world leaders** in a number of market niches or niche markets.

The Group operates in eight business lines divided among three divisions:

**GOURMET FOOD,**  
**LIFE SCIENCES** and  
**CHEMICALS.**

Floridienne prefers to hold **majority positions** in its companies, enabling the Group to invest actively in the long term in the implementation of strategies defined for each of its business lines.

The Floridienne subsidiaries, which enjoy considerable **management autonomy**, uphold the common values of **entrepreneurial spirit** and respect for **commitments**, with a view to **sustainable development** and openness to the world.

Floridienne is **listed on the Brussels Euronext Stock Exchange**, giving it **international visibility**.

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A RESPONSIBLE GROUP



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GOURMET FOOD DIVISION



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LIFE SCIENCES DIVISION



# MISSION & VALUES

## MISSION

Floridienne, which is active in three sectors, Gourmet Food, Life Sciences and Chemicals, aims to invest in niche business lines which have a beneficial impact on the environment.

In these sectors, Floridienne selects companies that share the values of the Group and have the potential to become leaders on their market.

Floridienne supports them as they strive to become references in their field of excellence.

## STRATEGY

Convinced that having control is a major asset to ensure that its strategy is implemented, Floridienne favours majority investments in the companies it chooses to support, with a view to long-term industrial investment.

The Group focuses on three growth vectors to guide its holdings towards leadership positions in their niches: organic growth, through major commercial efforts and sustained investment in the production tool. The Group also aims for growth through acquisitions in consolidation investments in its sectors and allocates substantial resources to R&D and to innovation, driving forces in its long-term competitiveness.



“Our staff are driven by team spirit, acting as real entrepreneurs and developing special links with our partners.”

Gaëtan Waucquez, CEO



The Group invests in business lines that have a beneficial impact on the environment.



## DIVERSIFICATION

Floridienne strives to maintain a good level of diversification in its portfolio by means of holdings with little correlation between one another, having varying degrees of maturity and a presence in different geographic locations.

Its holdings portfolio is divided among mature companies that generate recurrent cash flows and others with strong growth potential in which it can concentrate its investments more specifically.

The Group has subsidiaries in 28 countries with sales across the globe, so that it can benefit from the stability of more mature markets (Europe, North America), while taking advantage of the growing Asian markets.

This diversification, which ensures the long-term future of the Group, is an important element in the Floridienne strategy, as it makes it possible to limit the impact on the Group of any unfavourable events which may occur.

## VALUES

### Autonomy

The Group is led by real entrepreneurs who benefit from considerable management autonomy.

### Respect

The Group takes a long-term view, establishing relationships of trust based on mutual respect with all its employees and partners.

### Ethics

Floridienne attaches particular importance to ethics and honesty in its working relations with its staff and partners.



# A RESPONSIBLE GROUP

Floridienne's activities, originally focusing on traditional chemistry, have evolved towards business lines and solutions that are beneficial for the environment. The Group strives to favour responsible production methods, establish local and long-term relationships with all its workers based on mutual respect and involve local people in its projects.



## GREEN BUSINESS LINES

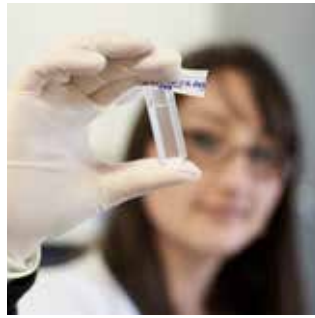
Floridienne is very active in business lines that focus on the environment and in all the sectors in which it operates, the Group takes care to favour solutions that are kind to nature. In its traditional PVC stabiliser activity, for instance, the Group has replaced lead stabilisers with new calcium-zinc or organic products.

Since 1996, the Group has invested in the company SNAM, which now recycles most of the batteries from hybrid and electric vehicles on the roads of Europe.

Within the Group's Gourmet Food Division, several ranges of organic and local products that meet very stringent specifications have been successfully launched.

In the Group's youngest division, which focuses on Life Sciences, the use of products that are good for the environment lies at the heart of its DNA. The Division brings to market natural solutions that offer alternatives to chemical or synthetic products. For example, Biobest has become the second largest company in the world in integrated pest management. The company markets a wide range of beneficial pollinating or predator insects for use in agriculture.





## RESPONSIBLE INVESTMENTS

The Group invests regularly in its production tools to make them more efficient and improve their energy performance.

Floridienne's various production sites apply high-quality methods and systems that are the most stringent on the market, audited by independent bodies. The companies working in the food sector have IFS and/or BRC and ISO certifications, while the companies that offer pharmaceutical applications are GMP and/or FSCC certified. Moreover, the battery recycling sites are inspected by automobile manufacturers and environmental authorities.

## ETHICS AT THE HEART OF HUMAN RELATIONS

Customer satisfaction, ethics in business and the well-being of employees are at the centre of Floridienne's values as the Group considers these to be the best vectors of success.

The Group's decentralised model is based on a substantial degree of autonomy and trust placed in local managers and on transparency in communication.

With both its customers and its suppliers, Floridienne prefers local relationships based on honesty. The Group favours building long-term partnerships regulated by open dialogue and respect for the commitments entered into.



In the Group's youngest division, which focuses on Life Sciences, the use of products that are good for the environment lies at the heart of its DNA.



# A GROUP OF REFERENCES

Floridienne is an atypical Belgian industrial holding company comprising three divisions: Life Sciences, Gourmet Food and Chemicals. The Group holds leadership positions at European or world level in market niches or niche markets. The companies in the Group enjoy considerable operating autonomy, respecting the shared values upheld by Floridienne.



From left to right: Thibaut Hofman, Christian Van Osselaer, Gaëtan Waucquez, Marc Blanpain and Philippe Boonen

# 2,700

STAFF

# 29

PRODUCTION SITES

*“Our Group undertakes a wide range of activities that make it possible to create synergies between the divisions. Each one enjoys a great degree of autonomy, but we share the same desire to work in the long term.”*

**Christian Van Osselaer, Managing Director of the Life Sciences Division**

*“The three divisions are driven by the Group spirit. We share the same basic values. What is more, we can rely on the soundness of the Group to assist us with future developments, enabling us to stand out in our competitive environment.”*

**Philippe Boonen, Managing Director of the Gourmet Food Division.**

*“Belonging to a group listed on Euronext is an indicator of good governance for our potential partners. Our Group provides value and influence for companies which, individually, are modest in size.”*

**Gaëtan Waucquez, CEO.**

*“At Floridienne, we combine the flexibility of an SME, the daring of an entrepreneur and the solidity of a large group. We work on synergies between the companies in our Group and help our subsidiaries to develop, among other things by facilitating their access to financing.”*

**Thibaut Hofman, CFO**

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SUBSIDIARIES



# OUR BUSINESS LINES

Historically active in the chemicals sector, Floridienne has undergone a number of successive changes and now develops around three pillars on which it is building its future.

## FLORIDIENNE GROUP

### LIFE SCIENCES

**INTEGRATED PEST MANAGEMENT  
(BIOBEST)**

**NATURAL ENZYMES (ENZYBEL)**

**NATURAL EXTRACTS  
(SOTECNA, SOPRAL, CHEMCOM)**

Through Biobest, the division ranks second in the world in integrated pest management (natural pollination through bumblebees and natural solutions to manage harmful insects). Biobest has 10 plants and 30 subsidiaries and distributes its products in over 60 countries.

The natural enzymes produced by Enzybel are an excellent alternative to synthetic chemical enzymes. These enzymes have many applications (cancer treatment, drinks filtering, etc.) and markets (food, parapharmacy, etc.). In particular, the Division has entered into a joint venture with a leading Indonesian pineapple producer to ensure its supplies of certain ingredients.

Sopral, based in Madagascar, produces high-quality green pepper and vanilla under the fair trade label. Sotencia is a Belgian producer of natural essential oils. And ChemCom is the world reference in chemical communication through olfaction.

### GOURMET FOOD

**GASTRONOMIC SPECIALITIES  
(FRANÇAISE DE GASTRONOMIE,  
MARÉVAL, LA PALOUDIÈRE)**

**SEAFOOD CATERING (SIMON)**

**FINE GROCERIES (DELKA, ALTESSE)**

The Gastronomic Specialities activity of the Gourmet Food Division mainly involves the preparation of snails (annual production of 400 million snails) and frozen specialities (scallops, stuffed mussels, flaky pastry appetizers, etc.) at several plants in France and Eastern Europe.

With its plants in France and Belgium, the Division's Seafood Catering activity involves smoked preparations and fish-based products. It is the leader in France in the rollmops sector.

The Division's Fine Groceries activity produces cold sauces, vinegars, condiments, jams and spreads in Belgium intended for the mass retail sector and for the Food Service sector in Belgium and internationally.

### CHEMICALS

**PVC STABILISERS (KIMFLOR)**

**RECYCLING (SNAM)**

Kimflor (Turkey) produces and exports new-generation PVC stabilisers to markets in Europe, Russia and the Middle East. This company offers two alternatives to lead-based stabilisers: calcium-zinc stabilisers and organic stabilisers free of heavy metals (Greenstab).

SNAM, the European leader in recycling nickel and lithium-ion batteries, works actively with most European automobile manufacturers to collect and recycle the batteries from their hybrid and electric vehicles. SNAM is established in France (plants in Rhodéz and Saint Quentin-Fallavier).

# “WITHSTANDING THE CRISIS WELL”



“We strive to be the best shareholder in each of the companies in our Group.”

Gaëtan Waucquez, CEO

## How were Floridienne’s activities impacted by the health crisis in 2020?

**Marc Blanpain** – The effects varied considerably depending on the profile of the companies operating in the Group. In the Gourmet Food Division, the shutdown of the hospitality sector and group catering led to a fall in our sales volumes on our main markets in France and the Benelux.

Added to that, we had organisational issues and faced considerable increases in logistics costs linked to Covid-19, mainly in our Life Sciences Division, which suffered because of the restrictions imposed by certain countries on the free movement of goods and people.

**Gaëtan Waucquez** – ‘Passenger’ flights were considerably reduced. However, our insects are transported mainly by air. Biobest was affected by both the increase in the cost of transport and a lack of flexibility in terms of flight destinations, often making it necessary to add a segment of road transport, resulting in bulk breaking which is always costly.

**M.B.** – What is more, we were obliged to temporarily close the SNAM plants owing to isolated cases of Covid-19 contracted outside the workplace. The staff were put in quarantine twice. Opening up these plants again involved high restart costs.

**G.W.** – Finally, our wish to apply the most stringent health measures so as to keep our staff safe entailed added production costs and productivity falls in most of our plants.



“We favour alliances with investors who share our ethics.”

Marc Blanpain

€373.9 mio

GROUP TURNOVER



### So the pandemic weighed on the Group's results in 2020...

**M.B. –** Despite these exceptional circumstances, the Group was able to record satisfactory performances. Even if our consolidated net result is down, we are delighted with the way our activities withstood the effect of Covid-19 on the economies. Floridienne's diversification and the nature of our business lines enabled us to withstand the crisis.

**G.W. –** Without Covid-19, the EBITDA for the financial period – which amounts to € 38 million – would have been considerably higher. Nevertheless, it is up over 10% compared with 2019. The health situation affected the results in all three of our divisions. However, the impact of the crisis was alleviated by promising dynamics in each of our business lines. So the Life Science Division benefited from the development of the activities of Enzybel, which is proving increasingly successful. The Gourmet Food Division succeeded in improving its margins, under pressure, thanks to the easing of ingredients prices. Finally, the Chemicals Division was able to benefit from Kimflor, our Turkish subsidiary, which held its ground well.

### Marc Blanpain, how do you view your term as chairman of Floridienne, a position that you have held since May 2020?

**M.B. –** Our previous chairman, Philippe Bodson, who passed away on 4 April 2020, was a huge source of inspiration for Floridienne. He worked hard on the transformation of this company, whose fundamentals are particularly sound. I was fortunate enough to spend a lot of time with him when I was a director at Floridienne. Like Philippe Bodson, I strive, in all humility, to be a preferred adviser, consulted by the Group's management team. I try to ask the right questions which will help us to evolve in the right direction.



**The year was marked by the disposal of companies and a major acquisition. Is the Floridienne strategy taking a new direction?**

**G.W. –** We are concentrating on our strengths. A few years ago, Floridienne consisted of a profusion of companies. We had multiplied our activities in the sectors linked to our business lines. Today we are focusing on the companies that we believe offer the best opportunities. That means we are moving out of certain sectors. We make sure that we support the companies which our expertise and our size allow us to develop to the full. We have just sold our German subsidiary, IKA, which we had held for 30 years and which specialised in PVC stabilisers. In the food sector, we have sold Gel Manche, whose activity involves prepared salads in particular, and Salm Invest, which produced quality salmon. But our competitors had delocalised production and we were unable to compete with the giants in the sector.

**M.B. –** On the other hand, Floridienne made the biggest acquisition in its history with Beneficial Insectary, representing an investment of just over € 40 million. This strengthens Biobest, which is developing positively, and positions us as a major player on the world stage. Floridienne is continuing its transformation. The company is very different than it was ten years ago. The process is irreversible. It is a management philosophy.



**€8.4 mio**

CONSOLIDATED NET RESULT



“We focus on the companies that we believe offer the best opportunities.”

Gaëtan Waucquez, CEO

### What makes Floridienne distinctive today? How does the Group stand out?

**G.W. –** We are an industrial company. Our shareholding body is stable, family-based and local. We are also able to count on the SRIW (the regional investment company of Wallonia), which holds 8.5% of our capital and has supported our development for many years. We operate at world level in niche markets. Certain sectors, such as integrated pest management, where we have a substantial presence, are becoming increasingly important. We strive to be the best shareholder in each of the companies in our Group, so as to support them as best we can.

**M.B. –** Our Group has a short decision-making circuit. This allows us to avoid certain cumbersome procedures that hamper big companies. It makes us more efficient. Our managers are real entrepreneurs, very proactive, and we have total confidence in them.

### Does Floridienne's growth continue to be underpinned mainly by the Life Sciences Division?

**G.W. –** Our presence in three business lines, through our three divisions, remains an asset in turbulent times. Clearly, however, the Life Sciences Division continues to develop very favourably. Its EBITDA has risen 12% to € 27.4 million. In this division, natural extracts are set to be a new driving force for growth in Floridienne. So in February 2021, we appointed a managing director for this activity, who will be able to devote himself to this full time. We would like to develop this activity through organic growth and acquisitions. We are looking for partners and highly developed skills to speed up our development. We are delighted to have embarked upon fruitful collaboration with the Mérieux group, which upholds the same values as us. This year, for the second time, the Mérieux group is providing a capital input of € 10 million, which will be used to support the Biobest growth projects.

### What financing sources are available to Floridienne for its development?

**M.B. :** Floridienne's financial situation allows us to fund a series of projects ourselves. We have a substantial amount of cash at our disposal. In addition, if needed, we can sell own shares held by our company. The insurance companies and banks are a major source of financing, as well. But we favour alliances with potential investors who share the same ethics as us and whose support goes beyond the financial input, like the Mérieux group, our partner in Biobest.

### Is the outlook good for 2021?

**M.B. :** The year 2021 looks particularly promising. We are forecasting a higher EBITDA than in 2020. The easing of the impact of Covid-19 and the lack of impairment in our accounts, which was exceptional in 2020, will have a positive impact on our result. Our divisions are expected to benefit from the anticipated improvement in the health situation and the easing of the lockdown measures ordered as part of the fight against the pandemic, if these come about.

**G.W. :** We are confident as regards this year and the expected results. A gross dividend of € 2.3 per share will be proposed to the General Meeting. We are anticipating a 'gradual return to normal'. The Covid-19 coronavirus pandemic will, of course, continue to weigh on the economic environment. Our growth may suffer as a result for part of the year. However, as last year showed, the fundamentals of our Group are sound.

# KEY FIGURES OF THE GROUP

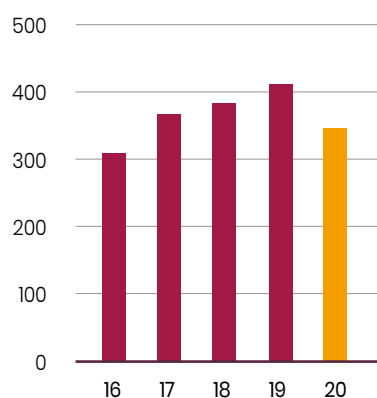
€373.9 mio

TURNOVER

10%

INCREASE IN  
CONSOLIDATED EBITDA

## TURNOVER



CONSOLIDATED BALANCE SHEET – In EUR millions	2020	2019	2018	2017*	2016
Assets, <b>non-current</b>	187.7	167.8	144.1	122.4	102.9
Assets, <b>current</b>	203.0	177.3	176.2	164.5	136.7
Liabilities, <b>non-current</b>	281.6	234.6	218.2	185.5	163.1
Floridienne equity capital	117.3	119.7	112.9	100.1	97.6
Third-party interests	25.6	23.6	20.1	6.3	8.0
Long-term loans and provisions	138.7	91.2	85.2	79.2	57.5
Liabilities, <b>current</b>	109.2	110.5	102.1	101.4	76.5
Balance sheet total	390.8	345.1	320.3	286.9	239.6

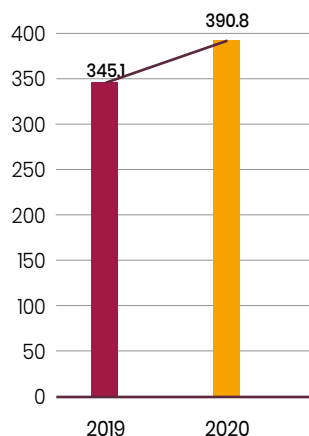
CONSOLIDATED RESULTS – In EUR millions	2020	2019	2018	2017*	2016
Turnover	373.9	410.3	382.8	367.2	307.7
EBITDA	38.0	34.4	24.1	22.4	18.6
Adjusted operating result**	19.4	21.4	14.9	14.5	11.7
Consolidated net result	8.4	13.2	10.5	8.0	7.4
Consolidated net result, Floridienne share	4.3	9.1	8.3	6.9	6.6
Net cash flow	25.4	25.0	15.1	13.9	13.9

\* 2017 figures reprocessed

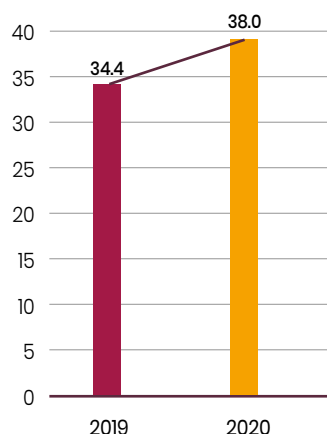
\*\* Operating result + Share of net result of companies consolidated using the equity method



## BALANCE SHEET TOTAL



## EBITDA



FINANCIAL RATIOS - in %	2020	2019	2018	2017*	2016
Financial profitability (net result/equity capital as at 1 January)	3.6	8.1	8.3	7.1	6.9
Solvency ratio (equity capital/balance sheet total)	36.6	41.5	41.5	37.1	44.1
Pay-out ratio (gross dividend/group share of result)	53.7	0.0	25.2	30.3	31.9

DETAILS PER SHARE - in EUR	2020	2019	2018	2017*	2016
Number of shares	996 857	996 857	996 857	996 857	996 857
<b>Share price</b>					
Average	239.97	183.93	187.09	157.00	109.40
Highest	340.00	209.80	244.00	191.00	133.00
Lowest	180.00	170.00	164.00	119.50	90.56
As at 31/12	340.00	209.80	175.00	181.06	125.49
Net dividend per share	1.61	0.00	1.47	1.47	1.47
Stock market capitalisation (in EUR millions as at 31/12)	338.93	209.14	174.45	180.49	125.10



# RESULTS OF OUR DIVISIONS

## LIFE SCIENCES

### **Beneficial insects**

Acquisition by Biobest of the company Beneficial Insectary in California, making it North America's largest beneficial insect production platform. This is Biobest's twelfth acquisition in five years.

### **Promising dynamics**

The Division's industrial activities all recorded an improvement in their EBITDA during the course of the last financial year, confirming the positive general dynamics of the Life Sciences Division which has been growing constantly for 13 years.

### **New investments for Enzybel**

Enzybel, a world reference in plant and animal enzymes, continued to invest in 2020 to increase its production capacities so as to be in a position to respond to the growing success of its products.



# +2%

DIVISION TURNOVER

# +12%

EBITDA



## CHEMICALS

### **Disposal of IKA shares**

The Group sold its German subsidiary, IKA, which operates in the field of stabilisers and additives for the PVC industry, on 6 October 2020. This disposal enabled Floridienne to strengthen its cash position.

### **Increase in volumes of batteries collected**

The volume of batteries collected by SNAM for recycling is rising sharply. These batteries, which come from hybrid and electric cars in particular, boosted the activity of the company despite the fact that the plants were closed for three months for health reasons.

### **Kimflor improves its profitability**

The Group's Turkish subsidiary, which manufactures and markets PVC stabilisers, improved its profitability despite a difficult context and the continued depreciation of the Turkish lira.

# €56 mio

DIVISION TURNOVER

# €6.5 mio

EBITDA UP



## **GOURMET FOOD**

### **Cold pasteurisation**

Karras is offering a new product range of ethnic and Mediterranean sauces. Cold pasteurisation, which is part of the production process, makes it possible to eliminate preserving agents and extend the shelf life of fresh products.

### **Delka expands its range**

Delka has invested in a new production line and in the acquisition of two emulsifying units to keep abreast of its international growth, mainly in ethnic sauces. The product range is being expanded to include vegan and organic options, with ingredients based on organic olive and sunflower oil.

### **New items**

Gartal Mareval has brought new organic scallop and flaky pastry products to the market, benefiting from its increased production capacity following the investments made. Major new references are consolidating the Division's presence among regular items throughout the year.

### **Starred menus**

Française de Gastronomie has embarked upon collaboration with starred chef David Gallienne in order to breathe new life into the company's traditional products, snails and scallops. In the context of the Group's eco-responsible policy, special efforts have been made as regards packaging, eliminating carbon black from the aluminium trays and ending the use of polystyrene. Ceramic has been replaced by poplar wood for the cassiolettes.

### **Disposals**

Disposal of Gel Manche (Carentan) and Salm Invest (Fleurus).

**€ 166.5 mio**

DIVISION TURNOVER

**€ 6.1 mio**

EBITDA



# GOURMET FOOD DIVISION

**550 tons**

SUSTAINABLE FISHING



**3,400 tons**

FLAKY PASTRY PRODUCTS



**5,000 tons**

WILD SNAILS

The Gourmet Food Division comprises production and marketing companies specialising in gourmet food products such as snails, scallops, stuffed shellfish, flaky pastry appetizers, prepared ethnic dishes, cold and warm sauces and more.









# GOURMET DELIGHTS

The impact of Covid-19 on the Gourmet Food activity in 2020 varied. The closure of the hospitality sector and of group catering (schools, universities, etc.) impacted negatively the Division's volume of business. Exports were down. Plants closed and teleworking limited the activities of some production sites. Entire sectors of the economy were shut down. Contacts and commercial exchanges with partner companies were curbed. The referencing procedures slowed. However, the increase in mass retail sales partly offset this downturn in activity.

The turnover for 2020 stood at € 166.5 million, compared with € 201 million a year earlier. However, the EBITDA remained stable thanks in particular to the easing of the price of certain ingredients, such as scallops and butter.

€ 6.1 mio

EBITDA



The process of optimising operating sites and grouping activities as well as the final phase of the reorganisation of the Division, which began in 2018, carried on in 2020. The Division continued to invest in order to improve its production and innovation capacities. Productivity was also a focus of attention. Two companies, Gel Manche and Salm Invest, were sold to allow the Division to concentrate its efforts on the activities with a higher added value, in gastronomic specialties markets. As the smoked salmon segment has become highly competitive, with players concentrated and the production chain integrated, Floridienne sold the trading and own production activities of Salm Invest (Fleurus – Belgium). Gel Manche (located in Carentan, Normandy), which focuses mainly on the preparation of seafood terrines, salads for the out-of-home catering sector and texture-modified dishes for hospitals, was also sold. The two companies had been facing difficulties for several years, with a negative EBITDA and overexposure to markets not linked to out-of-home catering. This enables the Division to reduce its operations and focus on niche products.



## The Gourmet Food Division favours environmentally friendly channels

The Gourmet Food Division favours environmentally friendly channels. Specific attention is being paid to packaging so as to promote eco-responsible solutions. Carbon black polystyrene has therefore been abandoned. Wood is now used to make cassolettes. And the quantity of plastic used in the production of packaging has been drastically reduced. Recycled and recyclable PET plastic is now the preferred choice.

For the gourmet food range, the Division has called upon starred chef David Gallienne to boost sales with new product recipes for Française de Gastronomie.

Now more than ever, consumers prefer healthy, ethnic products with certified origin, from sustainable fishing, or organic and vegan options. Certification is essential and provides a guarantee of quality. Quality is sought through labels, with strict specifications, ensuring the traceability of the food on offer. The origin of ingredients is a factor in buyers' final choice, along with the absence of preserving agents. The range of fresh products offered by the Division sold well.

## DEVELOPMENT AREAS

- Gourmet starters
- Ethnic cuisine and tastes of the world
- Organic products
- Nutrition
- Local produce and French tradition
- Belgian products
- Fine groceries



# € 166.5 mio

TURNOVER







## CERTIFICATIONS

- **Plants with IFS certification (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 certification (Marine Stewardship Council) for sustainable mackerel, wild salmon and herring fishing (Simon Dutriaux) and scallop fishing (Gartal/La Palourdière).**
- **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 companies Gartal and La Palourdière.**
- **Ecocert organic certification for products made at the Delka and Altesse sites.**

The Group is increasingly turning towards the international scene, even though the lack of trade fairs in 2020 curbed the Division's ambitions. Floridiennne aims to establish a lasting presence on neighbouring markets for fresh products and on the large-scale export markets interested in frozen products and items, such as sauces, with a longer shelf life.

The initial reaction to lockdown was to stock up as a precaution. Demand for distributors' own brands is growing. Independent stores selling high quality products, including the Gourmet Food range, have become more popular. Deprived of restaurants, consumers treated themselves.

With the positive effects of vaccination, the year 2021 is expected to see a return to normal. Out-of-home catering will certainly have to be reinvented, at least partially. The sector has become more vulnerable. Restructuring measures are expected. The mass retail sector offers our Division more stable outlets.



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## OUTLOOK

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*“Consumers are increasingly aware of the provenance of products, their composition and their impact on the environment.”*

Philippe Boonen,  
Managing Director of the Gourmet Food Division

### Will consumers' new habits adopted during the pandemic last?

Consumers are increasingly well informed and mindful of the provenance of products (origin, sustainable fishing, organic options), their composition and their impact on the environment (recyclability of packaging). The Covid-19 crisis has accelerated the increase in awareness of the importance of healthy eating. Interest in vegan, organic and gluten-free ranges is growing. Fresh products, free of taste enhancers and preserving agents, are popular. Many consumers have adopted flexitarianism. The buying channels are evolving.

Online sales are multiplying, speeding up the digitalisation of many companies. This is a groundswell that will last beyond the pandemic. And local shops have been booming. In future, consumers will continue to favour the craftworkers and traders with whom they have built up new habits. The traditional hypermarket model has had its day. We have seen the emergence of the drive-in model, specialised and short networks, local stores.



# THE COMPANIES IN THE DIVISION

## FRANCE

### Groupe Française de Gastronomie S.A.S.

This company has two plants in France where 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 are prepared. FDG also markets most of the Group's other frozen preparations produced in Brittany (Gartal and Dousot).

#### Administrative office

2, Allée d'Helsinki, CS 80072 Schiltigheim  
F- 67013 Strasbourg  
Tél. : +33.3.88.59.30.60  
Fax : +33.3.88.59.30.61  
[www.francaise-de-gastronomie.fr](http://www.francaise-de-gastronomie.fr)

#### Production site

Le Clos Saint-Anne  
F- 43100 Vieille Brioude  
Tél. : +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

### L'escargot Courbeyre S.A.S.

Courbeyre, based in Aurillac in Auvergne, produces preparations based on snails as well as stuffed mussels, appetizers and Auvergne specialities.

Impasse Blaise-Pascal  
F-15000 Aurillac  
Tél. : +33.4.71.64.97.90  
Fax : +33.4.71.48.96.96  
[www.courbeyre.fr](http://www.courbeyre.fr)

### Larzul S.A.S.

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

Rue Henri Lautredou  
F- 29720 Ploneour Lanvern  
Tél. : +33.2.98.82.68.68  
Fax : +33.2.98.87.71.27  
[www.groupe-larzul.com](http://www.groupe-larzul.com)



### Gartal S.A.S.

This Brittany-based company specialises in the preparation of scallops and seafood flaky pastries. Its main brands are Mareval and La Palourdière.

Z.A. de Troyalach -  
F- 29170 ST. Evarzec  
Tél. : +33.2.98.94.61.25  
Fax : +33.2.98.94.67.46

### Simon Dutriaux S.A.S.

Founded in 1886, Simon Dutriaux specialises in the preparation 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 retail sector in northern France.

The Simon Dutriaux production plant is the home of Simon Selection S.A.S. This firm specialises in the smoked salmon trade for the French market.

Parc d'activité du Bois Rigault -  
Rue Gustave Eiffel  
F- 62880 Vendin-Le-Vieil (Lens)  
Tél. : +33.3.21.14.24.80  
Fax : +33.3.21.14.24.81  
[www.simon-dutriaux.com](http://www.simon-dutriaux.com)



## BELGIUM

### Altesse Quality Food S.A.

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

Rue de Battice 22B  
B- 4800 Petit Rechain  
Tél. : +32 4 240 92 40  
Fax : +32 4 384 72 64

### Delka S.A.

Delka is a 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  
Tél. : +32 87 76 63 38  
Fax : +32 87 76 57 48  
www.delka.be

### Karras S.A.

Karras specialises in ethnic dishes based on Mediterranean recipes (tarama, hummus, etc.).

Avenue de Lambusart 11  
B- 6220 Fleurus  
Tél. : +32 71 816.180  
Fax : +32 71 810.376  
www.karrasgroup.be



## 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.

Str. Liverzii 41 –  
510170 Alba Iulia – Romania  
Tél. : +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. – Pakalnės G. 7  
Bezdonys, Bezdoniu Sen., 15201 Lithuania  
Tél. : +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  
Tél. : +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 – Plovdiv  
Bulgaria





# LIFE SCIENCES DIVISION

## 1,750

EMPLOYEES

---

## 32,000

DELIVERIES FROM BELGIUM

---

## 13 years

CONSTANT  
GROWTH

The Life Sciences Division produces and markets natural technologies and products for agriculture, agri-foodstuffs, health care, parapharmaceuticals and the cosmetics industry. Some of these represent environmentally friendly and sustainable solutions for agriculture.

This Division is world leader in plant proteases and ranks second globally in integrated pest management. It also invests in innovative solutions, such as chemical communication through receptors associated with taste and olfaction in mammals.







# AT THE HEART OF THE LIVING WORLD

Drawing inspiration from nature, its main ingredient, the Division, which was modest in size when first created twelve years ago, now comprises a series of companies with multiple skills. The Life Sciences Division is the world leader in several sectors of activity.

The Division has been built up around projects requiring substantial investments. Integrated pest management and the enzymes sector have become major development centres for the Group.

The Division is present in 27 countries through 46 subsidiaries, generating a turnover of €151.4 million, up by 2% despite the pandemic. Research & Development remain a priority and a driving force for growth thanks to the contribution made by over 60 staff members. Owing to the Covid-19 situation, the Division was unable to achieve the goals it had set for itself for 2020.

The pandemic required an adjustment in means of transport and rates which increased the Division's costs.

The Division has invested in IT solutions to ensure optimal communication with customers and within the teams.



Staff at the various subsidiaries have displayed great solidarity as well as remarkable courage and dedication throughout these long months of crisis. Thanks to their attitude and despite the difficult conditions of a Covid year, the Group continued to grow and its EBITDA increased from €24.4 million to €27.4 million.

## BIOBEST

With the acquisition of the company Beneficial Insectary, a leading player on the American integrated pest management market, Biobest becomes North America's biggest beneficial insect production platform and ranks second in this region of the world. Present on every continent and with 30 subsidiaries, now more than ever Biobest is a world reference in solutions for agriculture that is friendly to consumers and to the environment. Further acquisitions are being considered to strengthen this position.

In a world of agri-chemical giants, Biobest is establishing a position as a pioneer in innovation.

Although Covid-19 had a direct impact on the fluidity of supplies, the teams and processes implemented became more efficient.

Despite this unusual context, which prevented the company from achieving the goals set, Biobest is seeing growth in sales and profitability.

The biopesticides portfolio is progressing well.

The cannabis sector, whether for medicinal or recreational use, offers great development potential in the beneficial insect market. This is an area of strong growth in which the Group is very active, even if 2020 proved to be a period of major disruptions.



## ENZYBEL

The company closed the year with a turnover comparable to that of 2019, but a sharp increase in EBITDA (+33%).

Despite a series of logistics problems, Enzybel was able to maintain its activities. The expansion plans in Italy and Indonesia were delayed but will be operational in 2021.

A new plant, Enzymco, is under construction in India to produce papain and assure the Group's presence in Asia. This will allow the production capacities to respond to growing demand on a buoyant market.

Keen to ensure the quality of its products and improve its relations with its customers, Enzybel has strengthened its Quality department by recruiting a Group manager.

Enzybel has become a reference company in the world of enzymes derived from plants and animals by developing a wide product range and deploying its activities geographically.

Enzybel has become a reference company in the world of enzymes derived from plants and animals.

**+33%**

EBITDA (ENZYMES)



## SOPRAL

The company, which has been active in Madagascar for 31 years, had to cope with a sudden downturn in vanilla prices which prevented all production and distribution of this spice during the financial period.

Covid-19 had a direct impact on the organisation of work. The plants worked at a reduced pace but the cannery activities were nevertheless maintained. Even though staff worked less, salaries were paid in full in order to reward their loyalty and dedication. Food and sanitary products were distributed free of charge to support the teams.







### **SOTECNA**

The turnover in essential oils increased substantially (+45%).

Sotencia is also active in snail extracts. These have many health benefits: healing wounds, hydration, collagen production and more. The outlook as regards applications of these derived products in cosmetics is also promising.

The company recorded strong growth during the financial year, doubling its turnover and its EBITDA. Sotencia continued its investment programme in order to increase its snail extract production capacities.

# x4

EBITDA SOTECNA



### **KAMAPIM**

Managing the Covid-19 context proved a complex undertaking for Kamapim in Papua New Guinea. The company was asked to take charge of Covid training in isolated communities. The team was strengthened and benefited from advice from the Red Cross to enable them to provide first aid.

Kamapim continues to develop while assisting village communities to open bank accounts by telephone, which is more secure than cash payments. In addition, Kamapim ensures that women who work with their husbands receive their share of the wages in person.

The communities that have chosen to work with Kamapim have to commit themselves to respect biodiversity in the context of their activities.

### **CHEMCOM**

The company is a world reference in the molecular and cellular biology of human olfaction.

ChemCom is developing around three sectors: the aromas and perfumes market (blockers, enhancers, formula reconstitution or simplification), cosmetics and the pharmaceutical sector.

## OUTLOOK



*“We aim to make use of nature in an intelligent, environmentally friendly way.”*

**Christian Van Osselaer,**  
Managing Director of the Life Sciences  
Division

### Can sustainable development and profitability always be reconciled?

Through the activities of the Division, their growth and their profitability, we prove that it is possible to reconcile expectations in terms of profitability and the major challenges of the future, namely sustainable development and societal responsibility.

Since the Division was created, our aim has been to make use of nature in an intelligent, environmentally friendly way. In our business lines, nature is an amazing source of inspiration and solutions.

Through Biobest, we strive to put forward ecological alternatives to the use of pesticides for agriculture. Solutions of this kind are widely welcomed internationally and are multiplying, expanding the portfolio of future agriculture processes. We are continuing our efforts to strengthen our position by investing substantial resources in Research & Development, in our production tools and in our sectors.

With the acquisition of Beneficial Insectary, Biobest has become a

leading player in pollination and integrated pest management in North America. For the Floridienne Group, this is a historic investment, in excess of € 40 million. This company, an additional driving force for the Division, strengthens Biobest's presence in North America. Other acquisitions are to be made in 2021.

Through Enzybel, we continue to promote efficient natural products that can advantageously replace certain chemical products, are non-toxic, involve low-pollution processes and are biodegradable.



# COMPANIES IN THE DIVISION

## Biobest S.A.

Biobest ranks second in the world 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 therefore enables better profiling and positioning of their agricultural products.

Ilse Velden 18 – B 2260 Westerlo  
Tél. : +32.14.25.79.80 – Fax : +32.14.25.79.82  
[www.biobest.be](http://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 pineapples 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 Waremmes 116 – B 4530 Villers-le-Bouillet  
Tél. : +32 4 259 93 30 – Fax : +32 4 259 93 39  
[www.enzybel.com](http://www.enzybel.com)



## Enzybel Pharma S.A.

Enzybel Pharma was created at the end of 2016 to complete the Enzybel portfolio of natural enzymes by adding a range of enzymes of animal origin (pancreatin, trypsin, pepsin, etc.). It markets these products in various sectors of activity such as pharmacy and nutraceuticals.

Rue de Waremmes 116 – B 4530 Villers-le-Bouillet  
Tél. : +32 4 259 93 30 – Fax : +32 4 259 93 39  
[www.enzybel.com](http://www.enzybel.com)

## Sopral – Madagascar

Sopral, a company located in Madagascar, produces and markets 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 (litchi, 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 flavourings.

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 Fenerive – 501 Tamatave – Madagascar  
Tél. : + 261.2053.316.30 – Fax : +261.2053.316.50  
[www.sopral-Madagascar.com](http://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 flavouring and perfume companies. Sotecna produces high-quality powdered and liquid snail extracts for the cosmetics and nutraceuticals industries.

Rue des Gaulois 7B – B 7822 Meslin-l'Évêque  
Tél : +32 68 28 31 02 – Fax : +32 68 28 18 01  
[www.sotecna.com](http://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 the olfactory receptors. The deorphanisation of all the 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.

ChemCom is also developing a platform representing the biological nose of the dog.

Route de Lennik 802 – B 1070 Bruxelles  
Tél. : +32.2.353.00.28 – Fax : +32.2.353.05.81  
[www.chemcom.be](http://www.chemcom.be)

### Kamapim

Kamapim produces top-quality vanilla with the aid of local farmers. Kamapim guarantees the farmers with whom it works a fair remuneration, paid directly. The company has developed a strong partnership with the various regional communities.

Po Box 2098 – 511 Madang – Papua New Guinea  
Tél.: +675 7484 3690  
[info@kamapim.com](mailto:info@kamapim.com)





# CHEMICALS DIVISION

x2

VOLUME ELECTRIC BATTERIES  
COLLECTED

—  
99%

RATE OF RECOVERY OF STRA-  
TEGIC METALS IN SNAM'S  
RECYCLING PROCESS

The Chemicals Division operates in the field of additives used to stabilise PVC and in the recycling of industrial and (hybrid and electric) car batteries.





# CLEAN TECHNOLOGIES

The Floridienne Chemicals Division works both in traditional sectors such as additives for PVC stabilisers, with the company Kimflor, and in the high-potential niche of the recycling of hybrid and electric batteries through SNAM.

The Division's turnover amounted to € 56 million at the end of 2020, down € 5 million compared with the previous financial year. The EBITDA of the Division stood at € 6.5 million, up on the previous financial year despite the negative impact of Covid-19. The net result of the Division amounted to € 2.0 million, as against € 3.4 million a year earlier. This fall may be attributed mainly to the accounting loss of € 1.6 million recorded for the disposal of IKA. The Group sold its German subsidiary which developed, manufactured and marketed stabilisers and additives for the PVC industry. This holding was fully consolidated until 30 September 2020. The sale of all the IKA securities enabled Floridienne to strengthen its cash position.

The Covid-19 context had a negative impact on the Division's profitability. SNAM, European leader in nickel and lithium-ion battery recycling (building site equipment, alarm systems, aeroplanes, high-speed trains, hybrid and electric vehicles, etc.) was forced to shut down its production sites for three months further to the lockdown measures. The cost of these mandatory closures and the restarts may be estimated at € 1 million. However, SNAM's recycling activities were boosted by the increase in battery volumes, particularly in the hybrid and electric car battery segment. This activity, which was initially a niche sector, is set to experience huge growth linked to the number of batteries that are appearing on the market. With electric and hybrid cars, electric scooters, connected objects and more, battery use is increasing.





Electricity storage monopolises the SNAM teams, who collect and use end-of-life car batteries to this end. Cells are replaced and the batteries are restored to store electricity, for example at the foot of wind turbines or solar panels.

Through its 'Second Life' project, SNAM aims to store the surplus production to inject it into the grid later on and also to promote the recycling of batteries from electric and hybrid vehicles at zero cost for our customers.

With the aid of the CEA (Alternative Energies and Atomic Energy Commission) in France, SNAM has developed technologies that offer used batteries from hybrid and electric vehicles a second life. Green electricity generated by wind turbines and solar panels can be stored once these batteries have been reconditioned. SNAM also invests in the repair of used batteries to be reused in the automobile sector where electric and hybrid vehicles have a lifespan of twelve years, while the lifespan of a new battery is eight years.

KIMFLOR, which manufactures and markets PVC stabilisers, was able to improve its profitability despite a difficult environment. The partnership between Floridienne and the Turkish company remains positive for both parties.



### Alternative stabilisers

KIMFLOR, which operates in the field of PVC stabilisers, offers two alternatives to lead-based stabilisers in the manufacture of PVC intended for the window frame and tubes and connectors markets: calcium-zinc stabilisation (which can be used for all applications) and organic stabilisation (free of heavy metals). The GreenStab® range, reserved for tubes and connectors in PVC and flexible PVC, is set to expand to include other applications.





## OUTLOOK



*“SNAM Group ranks among the top 25% of companies assessed by EcoVardis, in the areas of the environment, social matters and human rights, ethics and responsible buying.”*

Gaëtan Waucquez,  
Managing Director of the Chemicals Division

**“The battery recycling market, initiated by SNAM, is enjoying exponential success.”**

**Eric Nottez, CEO of SNAM**

SNAM is the European leader in the recycling of batteries from hybrid and electric vehicles. The number of batteries from electric mobility collected during the 2020 financial year was almost twice the volumes collected in 2019. We continue to focus on staff training to manage these volumes as efficiently as

possible and we are continuing with an ambitious capacity investment programme. Other countries are working with us. To consolidate our head start in the field, we would like to join forces with an industrial partner who will give us the necessary operational and financial base.



# COMPANIES IN THE DIVISION

## 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  
Turquie  
Tél. : +90.232.853.90.66  
Fax : +90.232.853.90.65  
[www.kimflor.com](http://www.kimflor.com)

## SNAM S.A.S.

As the leading player in the process of recycling Ni/Cd (nickel/cadmium), NiMH (nickel-metal hybrid) and Li-ion (lithium-ion) rechargeable batteries, SNAM recovers batteries from 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. It has recently specialised in collecting batteries from hybrid and electric vehicles, a market on which it is currently the European leader.

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

Avenue Jean Jaures 4  
F 12110 Viviez  
Tél. : +33.5.65.43.77.30  
Fax : +33.5.65.43.03.95  
[www.snam.com](http://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  
Tél. : +33.4.78.90.52.52  
Fax : +33.4.78.90.33.20  
[www.verachimie.fr](http://www.verachimie.fr)



# MANAGEMENT REPORT

## MANAGEMENT REPORT FROM THE BOARD OF DIRECTORS TO THE ORDINARY GENERAL MEETING ON 1 JUNE 2021

Ladies and Gentlemen,

We have the honour of presenting to you the management report for our Group and of submitting for your approval the annual and consolidated accounts as at 31 December 2020, as adopted by the Board of Directors on 25 March 2021. This 2020 management report also includes the information required by Article 12 of the Royal Decree of 14 November 2007 on the obligations of issuers whose shares are admitted for trading on a regulated market. All the information that must be included in this management report pursuant to Articles 3:6 and 3:32 of the Belgian Code of Companies and Associations (the corporate governance statement – including the remuneration report – the financial performances of the company and the statement on the non-financial information of Floridienne) are included in the various chapters of the (integrated) annual report.

Floridienne invests in niche markets, paying particular attention to the sectors of Gourmet Food, Life Sciences and Chemicals. Alongside these three operating divisions, we also provide information in the 'Corporate Division' section on all the services and consultancy activities provided by Floridienne S.A. to its subsidiaries and the food product trading activities.

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

### **CONSOLIDATED RESULTS FOR THE 2020 FINANCIAL YEAR**

The year 2020 was marked by the Covid-19 coronavirus pandemic and the measures taken by countries to limit the spread of the virus. The lockdowns ordered in certain countries and the restrictions on the circulation of goods and people had a negative impact on our operations. This pandemic presented major operational and logistical challenges and slowed our growth.

The Floridienne Group turnover for 2020 amounted to € 373.9 million, down 9% compared with € 410.3 million in 2019. This fall in turnover of € 36.4 million or 8.9% may be attributed mainly to the loss of certain salmon trading markets, the negative impact of Covid-19 on our Food Service sales and the exit of IKA from the consolidation scope on 30 September 2020 further to its sale.

The EBITDA amounted to € 38 million as at 31 December 2020, up € 3.7 million compared with € 34.4 million in 2019. The three Divisions of the Floridienne Group showed great resilience in the unprecedentedly difficult context linked to the Covid-19 pandemic. All three Divisions report a stable or higher EBITDA compared with the previous year.

Amortisations and impairments amounted to € 18.7 million. The impairments mainly concerned certain activities in our Life Sciences Division (€ 2.9 million) and € 1.2 million recorded on 30 June 2020 on the goodwill of activities of the German company IKA, our subsidiary active in the field of PVC stabilisers. The consequences of the Covid-19 coronavirus, the poor results of our other activities in the Life Sciences Division and the uncertainties linked to the development of these activities prompted the Group to record impairments totalling € 2.9 million. The € 1.2 million impairment on the company IKA was recognised to bring the book value of the activities of this company into line with their estimated market value less costs linked to the disposal of these activities when this holding was classified under 'non-current assets held for sale' on 30 June 2020.

The operating result fell by € 1.6 million owing to the extraordinary impairments recorded. It amounted to € 19.4 million in 2020, compared with € 21 million the previous year.

The sale of IKA was concluded on 6 October 2020 and resulted in an accounting loss of € 1.6 million recognised in impairments of € 1.2 million (booked on 30 June 2020) and in the result on the disposal of non-current assets for € 0.4 million.



The Group therefore closed the 2020 financial year with a consolidated net result of € 8.4 million, down € 4.8 million compared with € 13.2 million in 2019. The net result, group share, fell to € 4.3 million compared with € 9.1 million as at 31 December 2019.

The consolidated equity remained stable at € 142.9 million as at 31 December 2020, compared with € 143.4 million as at 31 December 2019.

The Group's net indebtedness rose by € 6.6 million in 2020 to € 98.7 million (excluding lease commitment debts – IFRS 16). This increase may be attributed mainly to the investments made during the course of the financial year and in particular the acquisition by our subsidiary BIOBEST of the American company Beneficial Insectary Inc. in November 2020. The consolidated cash position is sound at € 49.5 million.

As at 31 December 2020, the Group fulfilled all its financial covenants.

## **LIFE SCIENCES DIVISION**

### **Change of scope**

On 30 November 2020, BIOBEST acquired the American company Beneficial Insectary Inc. This acquisition brought additional goodwill of € 30.3 million.

BENEFICIAL INSECTARY, which is located in Redding (California), is the main producer on the American integrated pest management market and represents a turnover of around USD 25 million. This company constitutes a useful supplement to BIOBEST's presence in the United States.

BENEFICIAL INSECTARY has been consolidated since 1 December 2020.

### **Activity in 2020**

The turnover of the Life Sciences Division amounted to € 151.4 million as at 31 December 2020, compared with € 148.3 million as at 31 December 2019. Growth in the Division's sales slowed in 2020, amounting to 2% (following a rise of 25% in 2019). The markets on which the Division evolves were disrupted by the current pandemic. However, the trend on these markets remains positive.

BIOBEST, which is active in integrated pest management solutions in agriculture, is recording growth in sales and profitability. However, it is having to cope with substantial extraordinary costs linked to the restrictions imposed by certain countries on the movement of goods in response to the Covid-19 pandemic. ENZYBEL continued to develop in the field of plant and animal enzymes and is implementing an ambitious plan to increase its production capacities. Finally, our other companies recorded poor results. In particular, SOPRAL, based in Madagascar, had to deal with an abrupt fall and extreme volatility in vanilla prices which prevented all vanilla production and distribution activity during the financial year. The Division estimates that the additional costs in excess of € 6 million were incurred owing to Covid-19 in 2020. These costs are mainly linked to the extraordinary losses on stock and the increase in logistics expenses.

The Division's EBITDA rose by 12% to € 27.4 million as at 31 December 2020, compared with € 24.4 million as at 31 December 2019. Stringent cost control enabled the Division to improve its profitability and absorb certain extraordinary costs linked to the current pandemic, in particular the increase in logistics costs owing to the disruption in the aviation sector.

The net result recorded by the Life Sciences Division amounted to € 8.7 million in 2020, compared with € 11.5 million in the previous financial year. The poor results of our other activities prompted the Group to record impairments totalling € 2.9 million.

### **Risks and uncertainties**

The proceedings between ChemCom and Givaudan concerning the distribution of the assets of their joint subsidiary in liquidation, TecnoScent, are continuing and no unfavourable developments have occurred. As there is no 'cash outflow' risk, the Board of Directors does not deem it necessary to establish a provision for this dispute.

## GOURMET FOOD DIVISION

### Change of scope

The scope of the Gourmet Food Division did not change during the financial year.

In January 2021, the Group concluded the sale of its subsidiary Gel Manche S.A.S. and the disposal of its majority holding in the company Salm Invest S.A.

GEL MANCHE, which is located in Carentan, Normandy, specialises in mixed and ground products for hospitals. It also prepares and packages seafood terrines (fish and shellfish) and salads. Based in Fleurus (Belgium), SALM INVEST specialises in trading and producing smoked salmon.

Given the disposal plan under way as at 31 December 2020, the activities of these subsidiaries were transferred to 'Non-current assets held for sale and discontinued activities' as at 31 December 2020 in application of IFRS 5. No impairment was recorded. The activities of GEL MANCHE and SALM INVEST are not considered to be discontinued activities.

These companies were fully consolidated in 2020. They represented a combined turnover of € 56.9 million (down € 32.6 million, mainly linked to the salmon trading activities) and a negative EBITDA of € 0.5 million (down € 0.9 million).

These two transactions confirm the Group's wish to focus its Gourmet Food Division mainly on its specialties markets.

### Activity in 2020

The Division's turnover amounted to € 166.5 million as at 31 December 2020, compared with € 201.0 million as at 31 December 2019. This fall may be attributed mainly to the loss of certain smoked salmon trading markets (impact estimated at € 25.6 million) and, to a lesser extent, to the fall in sales to the hospitality sector further to the lockdown measures applied in Belgium and France. The increase in mass retail sales partly offset this fall in activity.

The EBITDA of this Division remained stable at € 6.1 million. However, the underlying performance of the different activities varied. The companies sold in January 2021 were hit hard by the fall in sales to the hospitality sector and recorded a negative EBITDA of € 0.5 million,

down € 0.9 million. The other companies that focus on our specialties markets also suffered from the negative impact of Covid-19. The amount involved is estimated at € 1.5 million and mainly linked to the lower sales of our gourmet products and to extraordinary costs. However, these companies succeeded in increasing their EBITDA by € 0.9 million thanks to the easing of the prices of certain ingredients (scallops) and the dynamism of sales in the mass retail sector.

The net result of the Gourmet Food Division amounted to € 0.1 million as at 31 December 2020, compared with € 0.8 million as at 31 December 2019. This fall may be attributed to the increase in amortisations linked to investments in the Division's growth lines.

### Risks and uncertainties

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

Various legal proceedings are still ongoing concerning this company. No substantial progress was recorded in 2020 as regards these proceedings, which are described in detail in our annual report. Consequently, we are still not able to exercise our rights or deploy our industrial strategy for this company. As we do not have control over the company, our holding in Larzul is booked as a 'non-current financial asset' in the Group's consolidated financial statements.

In the context of the ongoing proceedings, we have obtained more recent financial information about the company Larzul. On the basis of these financial elements, the Board of Directors believes that the book value recognised in 'Other non-current financial assets' in the consolidated balance sheet (see note 15 of the annual report for more information on this heading), is very close to the fair value of this asset, estimated on the basis of the information available and market multiples. The Board has therefore decided to maintain the value of this holding and our claim, payable further to a judgement of the courts, in the consolidated accounts unchanged compared with its historical book value, i.e. € 2.6 million and € 1.5 million, respectively.

## CHEMICALS DIVISION

### Change of scope

The Group sold its German subsidiary IKA Innovation Kunststoffaufbereitung GmbH & Co KG (IKA) on 6 October 2020.

Based in Bitterfeld-Wolfen (Germany), IKA develops, manufactures and markets stabilisers and additives for the PVC industry. This holding was fully consolidated until 30 September 2020.

Selling all the IKA securities allowed the Group to strengthen its cash position. However, this transaction resulted in an accounting loss of € 1.6 million for the financial period, € 1.2 million of which was recognised as an impairment when the assets and liabilities of this company were reclassified as 'Non-current assets and liabilities held for sale and discontinued activities' on 30 June 2020 and € 0.4 million as a loss at the time of the actual sale.

### Activity in 2020

The turnover of the Chemicals Division fell due to the sale of IKA, standing at € 56 million as at 31 December 2020, compared with € 61 million as at 31 December 2019.

SNAM's recycling activities are underpinned by the increase in the volumes of batteries, notably in the hybrid and electric car segment. The profitability of this subsidiary was affected by the shutdown of its production sites for three months further to the constraints linked to the lockdown measures during 2020. The cost of these production stoppages and the additional costs linked to Covid-19 are estimated at € 1.0 million for SNAM.

KIMFLOR, our subsidiary active in PVC stabilisers on the Turkish market, succeeded in improving its profitability despite a difficult environment.

The EBITDA of the Division stood at € 6.5 million in 2020. The Division's profitability improved compared with 2019 despite the impact of Covid-19, the sale of its subsidiary IKA during the financial period and the continued depreciation of the Turkish lira which affects KIMFLOR.

The net result of the Chemicals Division amounted to € 2 million as at 31 December 2020, compared with € 3.4 million as at 31 December 2019. This fall may be attributed mainly to the accounting loss recorded on the sale of IKA, which totalled € 1.6 million (including an impairment

of € 1.2 million recognised as at 30 June 2020). This sale allowed the Group to strengthen its cash position with a view to the acquisition of BENEFICIAL INSECTARY.

### Risks and uncertainties

A substantial share of the turnover from the PVC Stabilisers activity is recorded in zones exposed to geopolitical uncertainty, in particular Russia and Turkey. Our Turkish subsidiary, KIMFLOR, stood its ground well in a complicated environment in 2020. It is expected to continue to progress well in 2021.

## CORPORATE

The Corporate Division comprises a series of service and consultancy activities provided by Floridienne for its subsidiaries as well as food product trading activities.

## STATUTORY ACCOUNTS AND APPROPRIATION OF THE RESULTS

No modification occurred in the activity at Floridienne S.A. in 2020 compared with the past. This company's activity consists of investing in niche markets in three sectors: Life Sciences, Gourmet Food and Chemicals. Floridienne 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 net loss of € 5.8 million, compared with a net profit of € 1.6 million in 2019. The loss recorded in the financial year may be attributed to an impairment recorded on a holding in 2020. The valuation of holdings is based on the methodology applied in the impairment test carried out in the consolidated financial statements.

Bearing in mind the amount carried over of € 110.6 million, the profit available for appropriation amounts to € 104.8 million.

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

- € 2.3 million for capital remuneration;
- € 102.5 million to be carried over.

The Board is to put a proposal to the General Meeting of Shareholders to distribute a gross dividend of € 2.3 per share giving the right to dividends (i.e. excluding own shares) for the 2020 financial year.



We propose to carry over the profit available for appropriation in full.

### **EQUITY PURCHASES**

The Group did not make any additional equity purchases during the 2020 financial year.

The total number of own shares held by Floridienne as at 31 December 2020 was 17,363 out of a total of 996,857 shares issued, which represents a value of € 5,903,420 on the basis of a share price of € 340 as at 31 December 2020.

The average acquisition value of these own shares is € 107.53 per share.

In the past, own shares were acquired with the authorisation of the General Meeting granting the Board of Directors the power to acquire a maximum of 180,000 shares in the company on the stock exchange or elsewhere, at a unit price that may not be more than 20% lower than the lowest closing price over the 20 stock market days prior to the transaction or more than 20% higher than the highest closing price over the 20 stock market days prior to the transaction.

The Extraordinary General Meeting of 2 June 2020 renewed the authorisation granted to the Board of Directors to acquire and dispose of own shares in the company in the conditions provided for by law for a period of three years.

### **OTHER RISKS AND UNCERTAINTIES**

As part of our financial risk management, some of our subsidiaries take out hedging contracts (foreign currencies, interest or raw materials) in order to cover their commercial margin against fluctuations. The Group's policy as regards 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 operating permits

are renewed. The Group takes the necessary measures to comply with all the regulatory requirements in terms of the 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.

We also refer to the non-financial information given in the Annual Report describing the various environmental measures taken by the Floridienne Group.

### **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.

### **THE COVID-19 PANDEMIC AND OUTLOOK**

In December 2019, a COVID-19 coronavirus epidemic erupted in certain parts of China (Wuhan) and subsequently spread throughout the world. Every country is affected and they are all taking measures to limit the spread of the virus. The lockdowns ordered in certain countries and the restrictions on the movement of goods and people impacted negatively on our operations.

The activities of the Gourmet Food Division intended for the hospitality sector were particularly hard hit by the lockdown measures applied in Belgium and France during the 2020 financial year and they continue to suffer from the sluggishness of this sector. The increase in sales to the mass retail sector partly offset this decline in activity.

The Life Sciences Division is facing significant operational and logistics challenges linked to the current pandemic and the restrictions imposed by certain countries on the free movement of goods and people. However, this Division is recording increased sales and profitability and continues to benefit from strong demand for its products.

Finally, following the sale of our German subsidiary IKA, the Chemicals Division comprises only our Turkish PVC stabiliser production and marketing activities (KIMFLOR)

and our battery recycling activities (SNAM). KIMFLOR is holding its ground, despite a difficult environment. The profitability of SNAM was negatively affected by certain extraordinary costs linked to the current Covid-19 pandemic during the first half of the year. SNAM recovered during the second half of 2020 and the medium-term outlook for our cycling activities remains positive, with a steady rise in the volume of batteries collected.

The Covid-19 coronavirus pandemic will continue to have a major impact on the economic environment and weigh negatively on our growth in 2021. However, as the 2020 financial year showed, the fundamentals of our Group are positive and should allow us to continue to develop despite the crisis caused by this pandemic.

The Gourmet Food Division finalised the sale of its subsidiaries GEL MANCHE and SALM INVEST in January 2021. The Division is focusing on developing its specialties markets and improving its profitability. The continuation of its strategic plan involving the simplification of its organisational structures and the specialisation of its sites, the stability of ingredients prices and the gradual reopening of the hospitality sector should allow this Division to post improving results.

The outlook for the Life Sciences Division is generally favourable. The markets in which BIOBEST evolves continue to follow a positive trend and this company is expected to benefit from the integration of its recent acquisitions. Our enzymes activity has now established a size and international credibility that enable it to accelerate its development on the American and Asian markets. As for the other natural products, forecasting remains difficult, given the uncertainty weighing on the prices and available volumes of vanilla.

Finally, in the Chemicals Division, our subsidiary SNAM has succeeded in establishing a good position to take in substantial volumes of hybrid and electric car batteries. It will continue to invest in its production capacities and its 'second life' project focusing on the reuse of batteries, thereby prolonging the total useful life of car batteries. Our subsidiary in Turkey, KIMFLOR, demonstrated outstanding resilience in a particularly complicated environment. It is expected to continue to develop favourably.

## **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**

Pursuant to the act of 1 April 2007 on public takeover bids, shareholders are obliged to inform the FSMA and the company concerned annually of any changes in their majority holdings. In this context, they sent Floridienne an update of the controlling shareholding structure. The shareholding structure on the date on which the accounts were closed, as indicated in the notifications received, is given below:

<b>Beluflo S.A.</b>	<b>391 996</b>	<b>39.32%</b>
<b>Philippe de Spoelberch</b>	<b>216 428</b>	<b>21.71%</b>
<b>S.R.I.W.</b>	<b>84 176</b>	<b>8.44%</b>
<b>Private individuals</b>	<b>61 821</b>	<b>6.20%</b>
<b>Indivision Waucquez</b>	<b>21 000</b>	<b>2.11%</b>
<b>Finatco S.A.</b>	<b>18 000</b>	<b>1.81 %</b>
<b>Floridienne S.A.</b>	<b>17 363</b>	<b>1.74%</b>
<b>Marinvest S.A.</b>	<b>90 800</b>	<b>9.11%</b>
<b>Sigeco S.A.</b>	<b>14 150</b>	<b>1.42%</b>
<b>Dematerialised/Free Float</b>	<b>81 123</b>	<b>8.14%</b>
<b>Number of shares</b>	<b>996 857</b>	<b>100%</b>

### **2. Bearer shares**

Since the act of 14 December 2005 came into force, there have no longer been any bearer shares in Floridienne S.A.

### **3. Shareholders' agreement**

A shareholders' agreement was signed in 2013 by Beluflo (39.32%), Gaëtan Waucquez (2.11%) 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 2 June 2020, the following powers were granted to the Board of Directors:

- Creation of a new authorised capital of € 4,850,000 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.
- Authorisation for the Board of Directors to acquire fully paid-up divided stock or securities in the company when this is necessary to avoid serious and imminent damage. This authorisation is valid for three years as of the General Meeting of 2 June 2020.
- Authorisation for the Board of Directors to dispose of shares in the company on the stock market or elsewhere in the cases provided for by law, without the prior authorisation of the General Meeting. The Board is further authorised, in accordance with the law, to transfer shares in the company to one of more specific persons other than members of staff.
- Authorisation for the Board of Directors, in accordance with the law, for a period of three years as of the Extraordinary General Meeting of 2 June 2020, to dispose of shares in the company in order to avoid serious and imminent damage to the company.

These powers are valid for the acquisition and disposal of shares in the company undertaken by the subsidiaries referred to by the Code of Companies and Associations.

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 the authorised capital (with the option of limiting or abolishing the preferential right for shareholders) in the event of a public takeover bid on securities issued by the company.

## 7. Article 74 of the act of 1 April 2007 on public takeover bids

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

On 27 August 2018, Beluflo S.A. confirmed that it held 392,035 shares with voting rights issued by Floridienne S.A., i.e. 39.33% of the capital.

On 31 December 2020, the number of shares held by Beluflo stood at 391,996.

## **INFORMATION REQUIRED PURSUANT TO ARTICLE 7:96 OF THE BELGIAN CODE OF COMPANIES AND ASSOCIATIONS**

### **Conflict of interest policy**

Part IV of the Corporate Governance Charter updated on 25 March 2021 describes the policy on transactions or other contractual relations between the company, including affiliated companies, and the directors when these transactions or other contractual relations are not covered by the legal provisions on conflicts of interest. It also provides for the application of the special procedures laid down in Articles 7:96 and 7:97 of the Code of Companies and Associations.

We have no conflicts of interest arising during the various Board of Directors' meetings, as referred to be Articles 7:96 and 7:97 of the Code of Companies and Associations to report during 2020.



## STATEMENT ON NON-FINANCIAL INFORMATION / CORPORATE SOCIAL RESPONSIBILITY

The activities of the Floridienne Group are described in more detail in the annual report.

### Our commitment

Floridienne's main concern is to engage in activities that are profitable and sustainable, while playing a role in the society in which it operates. Bearing in mind the essential link between operating success and a strong civil society, Floridienne's responsible management approach must be beneficial for all concerned.

### Our responsible management approach

Floridienne upholds its corporate responsibility values which lie at the heart of its corporate vision. The environmental, social and governance aspects (ESG) are essential to the Floridienne operating method, not only in the context of its investment activities but also as a business and more particularly in its relations with its staff and with the civil society in which it is established.

The main risks facing our companies in terms of ESG are as follows:

- Environmental (Chemicals Division)
- Product Liability (Gourmet Food and Life Sciences Divisions)
- Reputation risk

The Group considers that the identification of and communication about ESG risks can impact on its performance and safeguard the image and reputation of the Group.

### Implementation

As a responsible business and investor, it reflects this vision in various ways:

#### Responsible investor in business lines with a positive impact on the environment

Floridienne has gradually developed its business lines, which originally focused on traditional chemistry, towards business lines and solutions that are beneficial for the environment.

In its traditional PVC stabiliser business line, Floridienne has replaced lead-based stabilisers with new products made using calcium and zinc or organic bases that no

longer include metal. It was a pioneer in the production and marketing of these clean solutions on its various markets (Europe and Turkey in particular).

From 1996, convinced that recycling used materials was a sustainable source of supply for its other production units, it invested in the company SNAM, which now recycles nine out of ten batteries from hybrid and electric vehicles which are on the road in Europe. SNAM recovers the metals (nickel, cadmium, cobalt, rare earth elements) contained in these batteries which would otherwise be dumped in landfills. This activity has required major investments on the part of Floridienne in this company.

SNAM has decided to go even further in the eco-responsibility chain by launching an ambitious 'second life' project for its used car batteries. The idea behind this project is to prolong the useful life of car batteries by testing their various components and reassembling them in battery packs intended for stationary applications, such as wind farms.

This project makes it possible to delay the ultimate recycling of the battery components.

In the Group's Gourmet Food Division, several 'organic' and 'local' product ranges have been successfully launched. These follow very stringent specifications not only in terms of the quality of the ingredients used, but also as regards their carbon footprint, compelling the teams to use local products as far as possible.

Finally, the use of products that are good for the environment lies at the core of the DNA of the Life Sciences Division. This division markets natural solutions as alternatives to chemical or synthetic products.

BIOBEST, which ranks second in the world and is a pioneer in integrated pest management, offers a wide range of beneficial pollinating or predator insects for agriculture which help limit the use of synthetic or chemical products in certain crops.

Our natural enzymes, essential plant oils and snail extracts can be used to advantageously replace the use of synthetic products in many pharmaceutical, cosmetic or food applications.

Finally, our products from Madagascar (fair trade vanilla, green pepper, litchis and pineapples) are among the best quality on the island and are produced with respect for local people.

### Using responsible production methods

We constantly invest in our production tools in order to make them more efficient (automation of tiresome manual tasks), more ergonomic (equipment designed to avoid the risks of accidents and overly heavy loads), less polluting (fume processing, excipient recovery) and more energy efficient.

Our packagings are regularly adapted to include as much recyclable material as possible.

Finally, our various production sites use the strictest quality methods and systems on the market and are regularly audited by independent bodies. Our food product companies have IFS and/or BRC and ISO certification while our companies that are closer to pharmaceutical applications are GMP and/or FSCC certified. Finally, our battery recycling sites are regularly audited by automobile manufacturers and environment authorities and ensure that they are always well within the authorised emission limits.

### Respect for the individual

Customer satisfaction, ethics in business and respect for our employees lie at the centre of our values, considered by the Group to be the best vectors of success in the long term. Floridienne is a business with family ties and is not obsessed by short-term profit. It promotes the well-being of its staff, at the service of its customers, to establish a sound basis for its success.

Moreover, its decentralised model is based on a great degree of autonomy and trust placed in local managers and on multidirectional transparency in communication. As the trust granted is based on honesty, behaviour that violates this principle will be instantly penalised.

Floridienne wants to have balanced relations with its customers and its suppliers. It will favour the building of long-term partnerships, regulated by open, respectful dialogue. This implies the provision of quality service and respect for the commitments entered into.

### With a concern for human rights

Respect for human rights has always been part of the Floridienne philosophy in terms of responsible management, as a matter of principle.

The entire company has a duty to uphold this commitment. The direct and indirect impacts as regards human rights are taken into account during exchanges with

commercial partners and when analysing investments, if they are deemed to be significant and relevant.

As a company with a diversified portfolio, Floridienne acknowledges the role it can play in supporting and respecting the universal protection of human rights. It considers that respecting and protecting these rights are essential to create lasting value in the long term. When fulfilling its commitments, the Group strives to increase the awareness of all its staff of the values of the company and their link with respect for human rights. Even though Floridienne has not – so far – formalised performance indicators and does not yet have an official ESG Statement and Code of Ethics, it pays great attention to ethical standards and the risk linked to human resources.

### With a positive impact on the local people with whom we work

Being in contact with local people in several countries with which we work (Congo, Madagascar, Indonesia, etc.), we are keen to make a positive contribution to their well-being and development, always from the point of view of mutual respect.

In Congo, we are associated with the Virunga Park, Africa's oldest National Park, where the wish to fight poaching and other forms of trafficking takes the form of offering local people living around the park stable sources of income enabling them to meet their needs. We support this approach, teaching the villagers to grow papaya and extract the latex from it and we undertake to buy their production at prices predetermined by mutual agreement.

In Madagascar, our subsidiary SOPRAL employs many men and women in the Tamatave region on a permanent or seasonal basis, thereby offering them stable employment, all too rarely accessible in this country, under fair working conditions.

KAMAPIM, in Papua New Guinea, which is active in the natural vanilla segment, works to improve vanilla plantations and preparation processes. To this end, it works with over 27,000 planters and shares good farming practices and pod preparation methods. It also strives to improve the life of remote rural communities by implementing original solutions promoting personal safety, equality for women, environmental protection and access to education.

Other similar examples can be given in other countries where we work.

At this stage, the Group does not yet have non-financial centralised key performance indicators concerning the activities described above, given that these indicators are analysed, assessed and monitored locally by the subsidiaries in question.

### **Ethics and integrity**

Floridienne undertakes to carry out its activities with respect for the rules of ethics and in accordance with the applicable laws and forbids corruption and other illegal practices in order to obtain or maintain a commercial advantage. So Floridienne does not tolerate any acts of corruption in the context of its activities. Floridienne expects total compliance by its Group or local managers with the rules on ethics that it has laid down.

### **Governance**

Floridienne believes that good corporate governance is essential to be able to generate lasting profits in the long term and undertakes to abide by the most stringent governance standards. ESG responsibility is taken by the Board of Directors, which supervises the implementation of best practices. The rules of conduct applied to members of the Floridienne Board of Directors and its specialised committees as well as the rules that govern the working of these bodies are laid down in the Governance Charter which is published on the Floridienne website.

As regards the main risks facing the various activities, we refer to the section on 'Other risks and uncertainties' in the management report.



# CORPORATE GOVERNANCE STATEMENT

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As a Belgian company listed on Euronext Brussels, Floridienne is obliged to meet the most stringent corporate governance criteria and is required by Belgian law to comply with the Belgian Code of Corporate Governance.

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

The Group applies Code 2020, which has been in force since 1 January 2020. Code 2020 replaces the previous editions of 2004 and 2009 (Code 2009). Like the 2009 edition, Code 2020 is based on the 'comply or explain' principle. Belgian company law and the Belgian Code of Corporate Governance both require Floridienne to adopt and publish a Corporate Governance Charter and prepare an annual statement of corporate governance to be included in the annual report. This is available on the website of the Corporate Governance Commission. Code 2020 applies as of 1 January 2020 and Floridienne has adapted its Corporate Governance Charter accordingly.

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)**

In accordance with the 'comply or explain' principle, the Board of Directors would, however, like to draw attention to the following exceptions to Code 2020.

### **Succession plans (Provisions 2.10 and 2.13)**

Floridienne does not have any formal succession plans for the CEO, the other members of the executive management team and the directors.

### **Code of Conduct (Provision 2.18)**

Floridienne has so far not adopted a formal code of conduct. Floridienne expects the Group or local managers to fully uphold the rules of ethics. The Group culture is based on strong ethical values adopted by all members of staff and in particular those in positions of responsibility within the Group.

### **Non-executive directors and management (Provision 3.11)**

During 2020, the non-executive directors did not meet formally without the presence of the Management Committee. The non-executive directors did, however, have frequent informal contacts without the presence of the Management Committee.

### **Separation of powers (Provision 3.12)**

During the 2020 financial year, Marc-Yves Blanpain held the positions of Chairman of the Board of Directors and member of the Management Committee.

### **Composition of the Audit Committee (Provision 4.3)**

The Audit Committee has two members. The Floridienne Audit Committee reports to the Board of Directors on its work and its conclusions (including when opinions diverge) and is not expected to take majority decisions. An Audit Committee comprising two members therefore seems appropriate to us.

### **Specific provisions for whistleblowers (Provision 4.13)**

Bearing in mind the limited size of the Group, there is no formal mechanism for whistleblowers. Internal communication usually takes place via less formal, direct channels.

### **Internal Audit (Provision 4.14)**

Code 2020 stipulates that an independent audit function must be put in place and that its resources and its areas of competence must be adapted to the nature, size and complexity of the company. If the company does not have an internal audit function, the need to create one is assessed at least annually.

Floridienne does not have a separate internal audit function, contrary to that which is stipulated in the Code. However, the (operating) risk management process is

very closely monitored by the Audit Committee (in this context, we also refer to the section 'Internal auditing and risk management in the context of the process of compiling the financial information' below).

### **Appointment and Remuneration Committees (Provision 4.19)**

Given our small size, the Board of Directors did not set up an Appointment Committee because it considered itself to be able to fulfil this role. However, there was a formal Remuneration Committee.

The Board of Directors has decided that the Remuneration Committee will also fulfil the function of the Appointment Committee as of 1 April 2021. This Committee is henceforth known as the Appointment and Remuneration Committee.

### **Remuneration of non-executive directors and executive managers (Provisions 7.6 and 7.9)**

The remuneration of all the members of the Board of Directors is granted exclusively in cash and does not include any shares in the company. The Board of Directors has not set a minimum threshold of shares to be held by the leaders of the company.

### **Clauses on recovering the fees of the CEO and the executive managers (Provision 7.12)**

Belgian law severely limits the scope of clauses which may be included in the contracts of the CEO and other executive managers that would allow the company to recover variable fees paid or to defer payment of variable fees. Consequently, no clause of this type is included in the contracts of the CEO and the other executive managers.

### **Periodic assessment of directors (Provisions 9.1 and 9.2)**

Contrary to that which is stipulated in the Code, the individual contribution of directors is not yet subject to formal periodic assessment. The Board of Directors believes that such individual assessment is not currently required to ensure that the Board of Directors functions properly. The Chairman of the Board of Directors makes regularly bilateral contact with each of the directors outside the Board of Directors' meetings. However, he will conduct such

formal assessments if, given particular circumstances, this proves necessary or is required.

## **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 CEO. 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 compliance with the laws and regulations.

The Audit Committee, set up in application of Article 7:99 of the Code of Companies and Associations, 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 Audit Committee reports on its work to the Board of Directors.

The company traditionally publishes its financial information in half-yearly and annual 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
<b>Financial information and budget</b>	<b>Validation of accounts twice per year and approval of the budget. Definition of the Group's assessment rules.</b>	Discussion of assessment issues	Centralisation of financial information at Group level and budget follow-up	Collection of financial information and drafting of budgets
<b>Strategy</b>	<b>Definition of the Group's strategic axes</b>		Determination of policies and follow-up	Implementation of defined policies and reporting
<b>Investments</b>	<b>Validation of major developments, whether organic or through external growth</b>		Identification of opportunities	Identification of opportunities
<b>Divestment</b>	<b>Decisions to dispose of activities</b>		Identification of opportunities	Identification of opportunities
<b>Financing</b>	<b>Consolidated financial structure and objectives</b>		Structuring of the Group's financing	Structuring of the working capital requirements
<b>Risk management, internal monitoring, internal audit</b>	<b>Validation of proposed action plans</b>	Proposals to the Board of Directors in the event of failures observed		
<b>Human resources</b>	<b>The Appointment and Remuneration Committee is responsible for the remuneration of members of the Management Committee</b>		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 the management of risks related to financial reporting, an inventory of the main risks is kept as regards 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 IFRS standards and by a consultant who specialises in consolidation techniques. 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 operating 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 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 being 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 underway 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.

### Monitoring activities

The monitoring activities implemented are based on two aspects: close 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 put in place in order to gradually cover all the operational aspects.

### Information and communication

The Group is mindful of 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 2021, the Board of Directors comprised the following members:

**Knight (Marc-Yves) Blanpain**

Appointed until 2021

Chairman

**W. Invest S.A. (Mr Gaëtan Waucquez)**

Appointed until 2021  
CEO

**Count Paul Cornet de Ways Ruart**

Appointed until 2024  
Non-executive and independent  
Member of the Audit Committee

**Ms Caroline de Laet Derache**

Appointed until 2021  
Non-executive and shareholder representative

**Viscountess Caroline de Spoelberch**

Appointed until 2021  
Non-executive and shareholder representative

**Viscount Philippe de Spoelberch**

Appointed until 2021  
Non-executive and shareholder representative

**BCCONSEIL S.P.R.L. (Mr Bernard Delvaux)**

Appointed until 2024  
Non-executive and shareholder representative

**Beluflo S.A. (Mr Loïc Waucquez)**

Appointed until 2021  
Non-executive and shareholder representative  
Member of the Audit Committee

**Freshwater Bay Management S.P.R.L. (Mr Herman Wielfaert)**

Appointed until 2021  
Non-executive and independent

**Samanda S.A. (Ms Stéphanie Montenair)**

Appointed until 2021  
Non-executive and independent

**Auditor****Mazars Réviseurs d'entreprises S.C.**

Represented by Peter Lenoir  
Appointed until 2021  
Auditor

As Marc-Yves Blanpain 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 7:87 of the Code of Companies and Associations and provision 3:5 of Code 2020.

Beluflo S.A. (represented by Loïc Waucquez), Philippe de Spoelberch, Caroline de Spoelberch and Caroline de Laet Derache represent the shareholders > 10% and are therefore not considered independent in accordance with the provisions laid down in Article 7:87 of the Code of Companies and Associations and provision 3:5 of Code 2020.

Paul Cornet de Ways Ruart, Freshwater Bay Management S.P.R.L. (represented by Herman Wielfaert), Samanda (represented by Stéphanie Montenair) and BCCONSEIL S.P.R.L. (represented by Bernard Delvaux) meet all the independence criteria defined by the law on independence criteria as laid down in Article 7:87 of the Code of Companies and Associations and provision 3:5 of Code 2020. They are therefore considered independent within the Board of Directors.

**Governance**

Diversity of the Board of Directors and the Executive Management

**Commitment**

Floridienne implements the corporate governance provisions. This involves management bodies (Board of Directors and Management Committee) made up of members experienced in governance with varied profiles, making a real contribution to the management of the Floridienne Group, notwithstanding the presence of a controlling shareholder.

Diversity is therefore a criterion in the selection of new directors and executive management members. Floridienne does not tolerate any discrimination of any sort whatsoever.

**Implementation**

For the past few years, Floridienne has undertaken to gradually increase the presence of women on its Board of Directors, which now has three women out of a total of ten members. This composition complies with the quotas of one-third (rounded off to the nearest full number) of female members required by the law of 28 July 2011

The Board of Directors met six times in 2020, as can be seen from the attendance table below:

	25 MARCH	22 APRIL	15 JUNE	20 AUGUST	22 SEPTEMBER	20 DECEMBER
Philippe Bodson († 4 April 2020)	A	NA	NA	NA	NA	NA
Marc-Yves Blanpain	P	P	P	P	P	P
W. Invest (Gaëtan Waucquez)	P	P	P	P	P	P
Paul Cornet de Ways Ruart	P	P	P	P	P	P
Caroline de Laet Derache	P	P	P	P	P	P
Caroline de Spoelberch	P	P	P	P	P	P
Philippe de Spoelberch	P	P	P	P	P	P
Bccconseil S.P.R.L. (Bernard Delvaux)	NA	NA	P	P	P	P
Beluflo (Loïc Waucquez)	P	P	P	P	P	P
Freshwater Bay Management S.P.R.L.	P	P	P	P	P	P
Samanda S.A. (Joanne Fuger, Stéphanie Montenair)	P	P	P	P	P	P

P=Present R=Represented A=Absent  
NA = non-member of the Board of Directors

Discussions concerned:

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

## 5. AUDIT COMMITTEE

In accordance with the Article 7:99 of the Code of Companies and Associations, the Board of Directors set up an Audit Committee at its meeting on 27 March 2009. This Committee comprises the following members:

- Beluflo S.A., permanently represented by Loïc Waucquez, Chairman (non-executive director);
- Paul Cornet de Ways Ruart (non-executive, independent director);

Beluflo S.A., Chairman of the Audit Committee, sits in a non-executive capacity and as shareholder representative. Its permanent representative, Loïc Waucquez, has a degree in Commercial Engineering from the Université Libre de Bruxelles (Solvay) and a Certified European Financial Analyst diploma. Loïc Waucquez has worked in the consultancy firm PriceWaterhouseCoopers (Corporate Finance Executive) and has held financial

responsibilities in a telecommunications company. As such, he has the skills required (accounting and auditing) by the Code of Companies and Associations and provision 3:5 of Code 2020 for the composition of the Audit Committee.

Paul Cornet de Ways Ruart sits in a non-executive capacity and fulfils the independence criteria as laid down in 7:87 of the Code of Companies and Associations and provision 3:5 of Code 2020. He has the required accounting and auditing skills thanks to his academic career (Master of Commercial Engineering from the Université Catholique de Louvain and MBA from the University of Chicago) and his professional experience (including at Yahoo! from 2006 to 2011, where he was in charge of Corporate Development for Europe before accepting other responsibilities as Senior Financial Director for Audience and Chief of Staff).

All these directors were selected within the Audit Committee owing to their significant accounting and corporate governance skills.

The Audit Committee fulfils the following duties:

1. monitoring the process of compiling the financial information;
2. monitoring the effectiveness of the company's internal auditing 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;



In the course of 2020, the Audit Committee met four times. One member of the Management Committee and the Financial Director attended all these meetings. The company auditor attended two meetings.

During these meetings, the Audit Committee examines the accuracy and sincerity of the Floridienne social accounts and consolidated financial statements and exercises its auditing follow-up responsibilities in the broadest sense of the term, in particular the quality of the internal auditing and the information provided for shareholders and the markets.

In 2020, the Audit Committee discussed the following issues in particular:

- analysis of the situation regarding the internal and external audits within Floridienne and its subsidiaries;
- analysis of Floridienne's financial situation and consolidated debt;
- examination of the procedures for drawing up the consolidated accounts;
- review of the valuation of holdings and management estimates in the consolidated and social accounts as at 31 December 2019;
- examination of the consolidated and social accounts as at 31 December 2019;
- examination of the consolidated accounts as at 30 June 2020;
- review of the risks and assessment by the auditor of the efficiency of the internal auditing systems;
- examination and follow-up of the independence of the auditor, analysis of regulatory changes regarding the legal audit.
- examination of bids received, interview and selection of candidates in the context of the call for tenders launched for the audit mandate of the Floridienne Group for the financial years 2021 to 2023.

## **6. APPOINTMENT AND 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:

- Freshwater Bay Management S.P.R.L., represented by Herman Wielfaert, Chairman;
- Paul Cornet de Ways Ruart.

The Board of Directors has decided to expand the role of this Committee to include the function of Appointment Committee as of 1 April 2021. This committee is henceforth known as the Appointment and Remuneration Committee.

Freshwater Bay Capital Management S.P.R.L., Chairman of the Appointment and Remuneration Committee, is a member in a non-executive capacity and fulfils the independence criteria as laid down in Article 7:87 of the Code of Companies and Associations.

Paul Cornet de Ways Ruart sits in a non-executive capacity and fulfils the independence criteria as laid down by the Article 7:87 of the Code of Companies and Associations.

All these directors were selected within the Appointment and Remuneration Committee for their abilities in the field of human resources and remuneration policy.

The Remuneration Committee met twice during the course of 2020.

## **7. MANAGEMENT COMMITTEE**

The Management Committee is made up of the Chairman of the Board of Directors and the CEO. Until his sad and unexpected death, Philippe Bodson († 4 April 2020) held the position of Chairman of the Board of Directors and was also a member of the Management Committee alongside Gaëtan Waucquez. At the meeting of 22 April 2020, further to the untimely death of Philippe Bodson on 4 April 2020, the Board asked Marc-Yves Blanpain to take over the Chairmanship. Marc-Yves Blanpain also joined the Management Committee.

This committee met 21 times during 2020. It is responsible for the day-to-day management of the company, possibly assisted by the various members of the 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 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 the 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 executive management. The latter are represented by the Management Committee (consisting of Marc-Yves Blanpain and Gaëtan Waucquez), given that it alone is concerned by the regulation of 6 April 2010.

### General remuneration 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 predetermined 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 Appointment and 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 Appointment and 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 Marc-Yves Blanpain worked for the Floridienne Group for a set number of days in 2020.

The variable sum depends on performance, based on the development of the Group's share in the consolidated net profit in relation to equity. Only Gaëtan Waucquez currently benefits from variable remuneration, which has a ceiling of one year's fixed remuneration.

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 recover 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.

Gaëtan Waucquez carries out his functions through a management company.

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.

IN EUROS	BOARD OF DIRECTORS	AUDIT COMMITTEE AND REMUNERATION COMMITTEE
Marc-Yves Blanpain	15,000	
W Invest SA	15,000	
Paul Cornet de Ways Ruart	15,000	3,000
Caroline de Laet Derache	15,000	
Caroline de Spoelberch	15,000	
Philippe de Spoelberch	15,000	
BCCONSEIL S.P.R.L.	7,500	
Beluflo SA	15,000	3,500
Freshwater Bay Management S.P.R.L.	15,000	3,500
Samanda S.A.	15,000	

### 3. Remuneration of Management Committee members

The remuneration of the members of the Management Committee for services rendered in the 2020 financial year consists of the amounts invoiced when that they fulfil their functions through management companies and of gross remuneration when they fulfil their functions as individuals.

IN EUROS	FIXED REMUNERATION	VARIABLE REMUNERATION
Philippe Bodson († 4 Avril 2020)	17,000	-
Marc-Yves Blanpain	30,000	-
Gaëtan Waucquez	350,670	130,000

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

The table below reflects the trend in the remuneration of the members of the Management Committee and the average remuneration of the Group's employees over the past five years.

In euros	2016	2017	2018	2019	2020
Chairman	61,696	63,332	64,439	65,450	47,000
CEO	323,431	400,472	407,082	443,823	480,670
Average remuneration of Group employees	29,309	28,408	27,926	26,936	27,809

The ratio between the remuneration of the CEO and the lowest remuneration of a Group employee for 2020 was 126. This reflects the salary disparities that exist between certain countries where the Group is active.

### 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 2021 and 2022 financial years

No significant modification in the Floridienne remuneration policy is planned in the coming years.

In the context of the law of 28 April 2020, the Group's remuneration policy will be put to the vote of the shareholders during the General Meeting of 1 June 2021.

### REMUNERATION OF THE STATUTORY AUDITOR

During the 2020 financial year, in accordance with Article 3:65 of the Code of Companies and Associations, the auditor (Mazars S.C.) received auditing fees amounting to €184,129 for the Group as a whole (of which €44,243 was attributable to Floridienne S.A.). No other audit missions were carried out during the 2020 financial year. The breakdown of fees between Mazars Réviseurs d'Entreprises SCRL and the members of its network is as follows:

- Mazars Réviseurs (statutory auditor): €123,264
- Members of its network: €60,865.

The mandate of Mazars expires at the General Meeting of 1 June 2020. In application of the rules on mandatory rotation, Mazars is no longer eligible for the renewal of the mandate of auditor/statutory auditor. Consequently, and in application of the rules in force (Regulation (EU) 537/2017, Floridienne undertook a selection process for the mandate of auditor as of the 2021 financial year.

The Audit Committee was responsible for the selection procedure. At the end of this process, the firm RSM, represented by Gert Van Leemput, was chosen on the recommendation of the Audit Committee. The Board of Directors will put a proposal to the General Meeting of 1 June 2021 to appoint RSM as auditor for a period of three years.

### FLORIDIENNE SHARE DEALINGS

Several individuals linked to Floridienne purchased or sold securities in the company during the course of 2020. A total of 639 Floridienne shares were sold by individuals linked to the Group during the course of 2020. The FSMA



has been informed of these transactions in accordance with the current legislation.

### **EVENTS OCCURRING AFTER THE CLOSE OF THE FINANCIAL YEAR**

In January 2021, the Group concluded the sale of its subsidiary Gel Manche S.A.S. and the disposal of its majority holding in the company Salm Invest S.A.

GEL MANCHE, which is located in Carentan, Normandy, specialises in mixed and ground products for hospitals. It also prepares and packages seafood terrines (fish and shellfish) and salads. Based in Fleurus (Belgium), SALM INVEST specialises the trading and producing smoked salmon.

These companies were fully consolidated in 2020. They represented a combined turnover of € 56.9 million (down € 32.6 million, mainly linked to the salmon trading activities) and a negative EBITDA of € 0.5 million (down € 0.9 million).

These two transactions confirm the Group's wish to focus its Gourmet Food Division mainly on its specialties markets.

On 15 April 2021, BIOBEST acquired a 51% holding in Manchil Altmann Pty Ltd, a company that operates under the name BIOLOGICAL SERVICES.

BIOLOGICAL SERVICES is located in Loxton (South Australia) and in Muchea (Western Australia) and holds a leading position in Australia in integrated pest management for greenhouse crops. In 2020, this company generated a turnover of AUD 7.2 million and recorded an operating result of AUD 2.3 million. In 2019, BIOBEST had already acquired the company BUGS FOR BUGS in Australia, which specialises in integrated pest management for outdoor crops, known as open-field crops.

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

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## Simon Dutriaux S.A.S. Simon Selection S.A.S.

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Rue Gustave Eiffel – F-BP34 –  
62880 Vendin-le-Vieil (LENS)  
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Tél. : +33.3.21.14.24.80  
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www.simon-dutriaux.com

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## Karras S.A.

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www.karrasgroup.be

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## Delka S.A. Altesse Quality Food

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www.delka.be

## Florinvest S.A.

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www.biofirst.be

## Biobest S.A.

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## Sopral

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501 Tamatave (Analamalotra)  
– Madagascar  
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Fax : +261.2053.316.50  
www.sopral-madagascar.com

## Kamapim

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511 Madang Papua  
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Tél. : +675 7484 3690  
info@kamapim.com

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## Blue Star Chemicals S.A.

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www.enzymos.com

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