



PRESS RELEASE

LA DORIA - BOARD OF DIRECTORS APPROVES 2020 RESULTS AND 2020 CONSOLIDATED NON-FINANCIAL DISCLOSURE

2021-2023 INDUSTRIAL PLAN ALSO APPROVED

2020 Financial Highlights

Results significantly up on 2019 and far exceed expectations.

Revenues and margins up, thanks to higher sales volumes and improved industrial efficiency as a result of the increased quantities produced and the major investment plan launched in 2018 coming fully on stream.

- Consolidated revenues of Euro 848.1 million, +18.2% y/y.
- EBITDA of Euro 83.1 million, +48.4% y/y. EBITDA margin improves from 7.8% to 9.8%.
- EBIT of Euro 64.8 million, +87.5% y/y. EBIT margin improves from 4.8% to 7.6%.
- Net profit of Euro 56.7 million, of which Euro 4.9 million mainly from realignment of tax values as per Legislative Decree No. 104/2020. Net profit of Euro 51.8 million (+160.3% y/y) excluding effects of realignment.
- Debt/EBITDA reduces from 2.65 to 1.69x, gearing decreases from 0.59x to 0.48x.

Proposed dividend of Euro 0,50 per share, significantly increasing on the previous year.

2021-2023 Industrial Plan

In view of excellent results in 2020, which far exceeded the 2022 target from the 2020-2022 Plan, the Board approved the new three-year Strategic Plan which targets consolidating La Doria Group's leadership in the international private labels market and ever-more challenging goals.

Operating-financial targets

<i>Euro millions</i>	2019	2020	2021 (E)	2022 (E)	2023 (E)
Revenues	717.7	848.1	800	813	831
EBITDA	56.0	83.1	83	91	95
EBITDA margin	7.8%	9.8%	10.4%	11.2%	11.5%
NFP/EBITDA	2.7x	1.7x	1.3x	0.7x	0.3x



Angri (SA), March 15, 2021 - The Board of Directors of La Doria S.p.A, a leading producer of tomato-based products, ready-made sauces, pulses and fruit juices and beverages for supermarket private labels, met today at Angri (SA) and approved the 2020 Annual Accounts, which will be presented to the Shareholders' Meeting called for June 10 in first call and if necessary on June 12 in second call.

2020 Financial Highlights

The domestic and international picture has been heavily impacted since the initial months of 2020 by the effects of the COVID-19 health crisis and the resulting severe restrictions introduced by the public authorities across the world.

From the initial outbreak of the virus, the La Doria Group's priority has been the safety of its workforce and its capacity to ensure the provision to the markets of its products at a particularly difficult time for Italy and the entire world, in which household food consumption significantly rose and retail sales of packaged foods saw double-digit increases, partly due to the closure of the HORECA channel imposed for a number of months in a range of countries.

In order to reduce the risk of infection for employees and ensure at the same time its operational continuity, the company issued specific provisions and introduced all health safety measures required by the central Government's orders and those of the regions in which the production facilities are located. Similar measures were adopted also by the subsidiaries.

Against this extraordinary backdrop, the La Doria Group's results improved significantly compared to 2019 and were far ahead of expectations. Revenues and margins were significantly up, thanks to higher sales volumes and improved industrial efficiency as a result of the increased quantities produced and the major investment plan launched in 2018 coming fully on stream.

Specifically, with regards to the performance of the Group's two business macro-areas - industrial and trading - manufacturing activity, carried out by the parent company La Doria S.p.A. and the subsidiary Eugea Mediterranea S.p.A., saw revenues rise significantly (+14.6%), mainly thanks to sustained sales volume increases. The margin was significantly up thanks to the greater quantities produced and improved industrial efficiencies, also stemming from the above-stated investments. This was achieved despite the increase in the procurement costs of certain raw materials and higher tomato-based product processing costs during the 2019 summer campaign.

The trading activities of the subsidiary LDH on the English market reported a significant increase in revenues (+27.3%) and in earnings compared to the previous year, mainly as a result of sustained volume growth, which for certain product categories - such as ready-made sauces - reached over 140%, thanks also to the acquisition of new contracts with strategic clients, in line with the sustained growth objective for this category.

The Investments Plan was substantially completed in 2020, deploying total financial resources of Euro 138 million to allow the La Doria Group to expand in the product categories with the higher added value products with stronger growth rates and better margins, while also making



the Group more cost-competitive by leveraging economies of scale and production and logistical streamlining.

In line with the Plan objectives, resources were principally allocated to boosting production capacity in the ready-made sauces area in order to handle increasing demand for this product from customers, in addition to the “packaging area” for the internal production of metal containers to support commercial development also in the tomato-based product and pulses categories.

Within the scope of the plan, the Group also completed the significant investment by LDH in the United Kingdom for the construction of a highly-automated major logistics platform to store and move goods to be distributed on the UK market. This platform, which was launched in the fourth quarter of 2020 and which became fully operational from the initial months of 2021, boosts logistics efficiency and cuts company costs, making it more competitive on an extremely competitive market due to the high level of Major Distributor concentration and the growth of the Discounts.

Consolidated results

Consolidated revenues were Euro 848.1 million, up 18.2% on Euro 717.6 million in the previous year, thanks to strong sales volume growth (+16.2%). At like-for-like exchange rates, revenues would amount to Euro 855 million (+19.1%).

The best performance was seen in the sauces line, up 23.8%. There were also excellent performances in the other production lines, up 19.8% for the “Red line”, +10.3% for the “Pulses and vegetables line” and +4.3% for the “Fruit line”. “Other line” (trading) sales also significantly increased (+27.4%).

Group revenues were generated by “Pulses and vegetables” for 27.1%, “Tomato-based products” for 21.2%, “Sauces” for 13.4%, “Fruit” for 8.5% and “Other lines” (trading) for 29.8%.

Exports accounted for 83% of sales, increasing 20.4%, with the domestic market accounting for 17% and an 8.1% increase in revenues.

The principal profit margins at consolidated level were:

- **EBITDA** of Euro 83.1 million was up (48.4%), on Euro 56 million in 2019. EBITDA margin up to 9.8% from 7.8% in 2019;
- **EBIT** of Euro 64.8 million was up 87.5% on Euro 34.5 million in 2019. EBIT margin up from 4.8% in 2019 to 7.6%;
- **pre-tax profit** of Euro 68.2 million, up significantly on Euro 27.7 million in 2019. It benefitted from exchange gains of Euro 4.9 million, against exchange losses of Euro 5 million in 2019;
- **net profit** of Euro 56.7 million (Euro 19.9 million in 2019), of which Euro 4.9 million mainly from the alignment of tax values to IAS values as per Legislative Decree No. 104/2020. The



net profit would amount to Euro 51.8 million (+160.3% y/y), excluding the effects of the realignment.

The key consolidated balance sheet highlights were:

- **Net financial payables** of Euro 140.2 million decreased compared to Euro 148.8 million at December 31, 2019. These include, for Euro 34.5 million (Euro 32.1 million in 2019), the payable to acquire the minority holdings of the subsidiary LDH. Therefore, operating financial payables at December 31, 2020 amounted to Euro 105.7 million (Euro 116.7 million at December 31, 2019);
- **net equity** of Euro 291.5 million, increasing on Euro 253.6 million at December 31, 2019;
- **Debt/EBITDA ratio** decreasing from 2.65x to 1.69x, with **gearing** decreasing to 0.48x from 0.59x.

Results of the Parent Company La Doria S.p.A.

Revenues of the Parent Company La Doria S.p.A. in 2020 amounted to Euro 503.4 million, an increase of 14.6% on Euro 439.3 million in 2019.

EBITDA was Euro 66.3 million, up 54.5% on Euro 42.9 million in 2019, while **EBIT** totalled Euro 50 million - almost doubling on Euro 24.7 million in the previous year.

The Net profit amounted to **Euro 44.8 million**, significantly up on Euro 18.6 million in 2019 and partly benefitting from the stated realignment of tax values to IAS values as per Legislative Decree No. 104/2020.

Financial payables decreased to Euro 68.8 million from Euro 88.6 million in the previous year.

Net equity of Euro 243.1 million rose on Euro 207.2 million at December 31, 2019.

Dividend proposal

The Board of Directors will propose to the Shareholders' Meeting the distribution to shareholders of a **gross dividend of Euro 0,50 per share**, for a total pay-out of Euro 15,500,000. In the previous year a dividend of Euro 0.18 per share was paid.

The dividend, in accordance with the provisions of Borsa Italiana S.p.A., will be paid from July 7, 2021. The shares will be listed ex-dividend from July 5, 2021, with dividend coupon No. 21. The right to receive dividend payment will be established based on evidence of accounts as indicated by Article 83-quater, paragraph 3 of Legislative Decree No. 58 of 24.02.1998, as of the conclusion of the accounting day of July 6, 2021 (record date).

2021-2023 Industrial Plan

In view of the excellent results for 2020, which significantly exceeded the 2022 target for the previous 2020-2022 Plan, the Board of Directors approved the new three-year Strategic Plan, raising the operating and business targets in comparison to the previous Plan.

On the basis of the new Plan, the La Doria Group seeks to strengthen its international leadership on the private labels market, delivered thanks to a business model which over the years has demonstrated its winning and resilient formula and which establishes a solid base for additional future development.



Operating-financial targets

The Plan targets consolidated revenues of Euro 830.6 million in 2023, decreasing on 2020 (a year which benefitted significantly from pandemic-related demand peaks), although increasing on the 2021-2022 period (and Euro 113 million higher than 2019, with an average annual increase of 3.7%); **EBITDA of Euro 95.2 million**, up Euro 12.1 million on Euro 83.1 million in 2020, with an annual average increase of approx. 5% (+39.2 million compared to 2019, with an average annual increase of 14.2%).

The net profit over the Plan's timeframe is estimated to reach Euro 54.2 million, decreasing on the 2020 net profit, although up Euro 2.4 million and with an average annual increase of 1.5% compared to the 2020 net profit adjusted for the effects of the benefits from the realignment of the tax values to the IAS values as per Legislative Decree No. 104/2020, equal to Euro 51.8 million (+34.3 million compared to 2019, with an annual average increase of 28.4%).

The net financial debt at the end of 2023 is estimated at Euro 26.2 million, considerably down on Euro 140.2 million at the end of 2020, with an NFP/EBITDA ratio of 0.3x.

Strategic objectives

The Industrial Plan centres on the following strategic objectives, in continuity with the preceding plan:

1. **GROWTH:** in the higher value-added and margin product categories, with a focus on the premium, organic and healthy segments;
Sustainable and responsible growth;
2. **CONSOLIDATION:** of the long-standing markets;
3. **INTERNATIONAL EXPANSION:** in new areas which present interesting development potential in terms of size and/or growth rates;
4. **EFFICIENCY:** continue to be competitive on costs through increasing volumes and leveraging economies of scale and significant industrial and logistics, organisational and operational efficiencies.

Chairman Antonio Ferraioli, in commenting upon the 2020 results and the 2021-2023 Plan, stated *"Last year's results were the fruit of an exceptional boost in volumes sold and the industrial efficiencies achieved - partly thanks to major investments made over the years - in addition to the extraordinary commitment and sense of responsibility of all our personnel which has allowed us to ensure continuity of production for the absolutely essential agro-food supply chain.*

These results allow us to target even more challenging objectives than the previous Plan. The packaged food market remains favourable for 2021, with demand remaining sustained. The coming years will see us highly-engaged in pursuing our objective to consolidate our international leadership in the private labels packaged vegetable products sector, leveraging, as always, on economies of scale, industrial and procurement efficiencies and the commercial strength of our Group. La Doria Group's equity and financial solidity allows us to assess new acquisition-led growth opportunities, so as to expand the Group and strengthen our position, while gaining access to new markets and distribution channels".



Consolidated non-financial disclosure - Sustainability Report

The Board of Directors in addition approved the Consolidated non-financial disclosure produced as a separate report from the Financial Statements (2020 Sustainability Report), in accordance with Legislative Decree 254/2016.

The 2020 Sustainability Report, drawn up in accordance with the Guidelines of the Global Reporting Initiative (GRI Standard), second option "in accordance - Core", outlines the strategies, results and commitments undertaken in the various sustainability, economic, social and environmental areas, presenting the Group's position on growth and development which takes into account the interests of the various stakeholders.

Corporate Governance Report and Remuneration Policy and Report

The Board of Directors approved the annual Corporate Governance and Ownership Structure Report, prepared in accordance with Article 123-*bis* of the CFA and, following the favourable opinion of the Appointments and Remuneration Committee, the 2021 Remuneration Policy and 2020 Report as per Article 123-*ter* of the CFA.

Proposal to authorise the purchase and dispose of treasury shares

The Board of Directors also passed a resolution to propose the purchase and utilisation of treasury shares to the Shareholders' Meeting.

The Board will present to the Shareholders' Meeting a proposal to purchase within the legally established limits, on one or more occasions, within 12 months from the date of approval, ordinary shares at a unitary price not more than 10% lower than the share price quoted on the stock exchange on the day prior to each single purchase operation, nor more than 10% higher, as well as the proposal to sell treasury shares acquired at a unitary price not more than 15% lower than the average of the official price recorded by the MTA segment managed by Borsa Italiana S.p.A. in the thirty days preceding each disposal operation, and in any case, not lower than the average book price.

The authorisation to purchase and utilise treasury shares was requested in order to allow the company to tap into value creation opportunities, while also supporting the efficient use of liquidity.

Shareholders' Meeting Call

The Board of Directors has called the Shareholders' Meeting for June 10, 2021 at 11AM and, where required, for June 12, 2021 in second call, with an agenda covering the approval of the Annual Accounts and the distribution of dividends, the approval of the Remuneration Report and authorisation to purchase and dispose of treasury shares.

Documentation

The Shareholders' Meeting call notice will be made available to the public on the company website www.gruppoloria.it, Investor Relations/For shareholders/Shareholders' Meeting section and also on the 1Info authorised storage mechanism (www.1Info.it) in accordance with Law. The documentation, including that concerning the matters on the agenda of the Shareholders' Meeting, required by the applicable regulation, will be made available to the public, at the registered office, in the relative sections of the website of the company Investor Relations/For shareholders/Shareholders' Meeting and Corporate Governance and also on the



stated authorised storage mechanism 1Info (www.1Info.it) in accordance with the applicable provisions.

La Doria, a company listed on the STAR segment of Borsa Italiana, is the leading European producer of processed pulses and peeled and chopped tomatoes on the retail channel and among the leading Italian producers of fruit juices and beverages. La Doria is also the leading producer in Europe of private label ready-made sauces.

2020 revenues totalled Euro 848.1 million, of which 97% generated by the private labels segment (distribution chain brands) with the major domestic and international retailers.

The executive officer for financial reporting, Dr. Alberto Festa, declares in accordance with Article 154 bis, paragraph 2, of the Consolidated Finance Act, that the accounting information contained in the present press release corresponds to the underlying accounting documents, records and accounting entries.

Attached to the present press release are the reclassified condensed balance sheet and income statement of the La Doria Group and of La Doria S.p.A. at 31.12.2020 (currently unaudited) and the 2021-2023 plan.

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LA DORIA GROUP - condensed consolidated balance sheet		
In accordance with EU/IFRS in thousands of Euros		
	31.12.2020	31.12.2019
Trade receivables	126.141	109.824
Inventories	247.215	219.051
Other current accounts receivable	9.062	13.513
Total current assets	382.418	342.388
Trade payables	138.381	127.391
Other current accounts payable	33.786	26.496
Total current payables	172.167	153.887
WORKING CAPITAL	210.251	188.501
Intangible assets - net	7.507	5.134
Property, plant and equipment-net	219.475	221.636
Equity investments in associates	729	1.260
Other assets	19.131	18.013
TOTAL NON-CURRENT ASSETS	246.842	246.043
Non current liabilities	15.857	20.281
Reserve for employee termination benefit and other reserves	9.568	11.883
Total non current liabilities	25.425	32.164
NET INVESTED CAPITAL	431.668	402.380
Cash and cash equivalents	(51.085)	(42.044)
Short-term borrowings	104.024	92.669
Medium and long-term borrowings	87.275	98.177
NET CASH POSITION	140.214	148.802
Group Shareholders' Equity	291.384	253.507
Shareholders' Equity pertaining to minority interest	70	71
SHAREHOLDERS' EQUITY	291.454	253.578



LA DORIA GROUP - reclassified consolidated income statement				
In accordance with EU/IFRS in thousands of Euros				
	31.12.2020		31.12.2019	
Revenues	848.133	100,0%	717.650	100,0%
Changes in inventories of work in progress and semi-finished and finished goods	31.598	3,7%	12.518	1,7%
Other income	14.025	1,7%	11.255	1,6%
Production value	893.756	105,4%	741.423	103,3%
Operative expenses	752.487	88,7%	627.952	87,5%
Value added	141.269	16,7%	113.471	15,8%
Labour costs	58.158	6,9%	57.459	8,0%
EBITDA	83.111	9,8%	56.012	7,8%
Amortisation and depreciation expenses	18.333	2,2%	21.458	3,0%
EBIT	64.778	7,6%	34.554	4,8%
Financial income and expenses, net	(1.477)	-0,2%	(1.811)	-0,3%
Exchange gains (losses)	4.927	0,6%	(5.028)	-0,7%
Profit/(loss) from operating activities	68.228	8,0%	27.715	3,9%
Gain on discontinued operations	0	0,0%	0	0,0%
Profit (loss) before tax	68.228	8,0%	27.715	3,9%
Income taxes	11.545	1,4%	7.864	1,1%
Net profit (loss)	56.683	6,7%	19.851	2,8%
of which Group	56.684	6,7%	19.850	2,8%
of which minority interest	(1)	0,0%	1	0,0%



LA DORIA SPA - condensed balance sheet		
In accordance with EU/IFRS in thousands of Euros		
	31.12.2020	31.12.2019
Trade receivables	108.738	82.264
Inventories	147.408	153.381
Other current accounts receivable	6.215	10.410
Total current assets	262.361	246.055
Trade payables	90.945	94.089
Other current accounts payable	23.857	14.992
Total current payables	114.802	109.081
WORKING CAPITAL	147.559	136.974
Intangible assets - net	4.021	2.957
Property, plant and equipment-net	164.163	167.109
Equity investments in associates	10.131	10.609
Other assets	10.073	8.869
TOTAL NON-CURRENT ASSETS	188.388	189.544
Non current liabilities	14.928	19.300
Reserve for employee termination benefit and other reserves	9.074	11.424
Total non current liabilities	24.002	30.724
NET INVESTED CAPITAL	311.945	295.794
Cash and cash equivalents	(50.582)	(41.212)
Short-term borrowings	32.304	31.700
Medium and long-term borrowings	87.104	98.117
NET CASH POSITION	68.826	88.605
Group Shareholders' Equity	46.150	46.458
Shareholders' Equity pertaining to minority interest	196.969	160.731
SHAREHOLDERS' EQUITY	243.119	207.189



LA DORIA S.p.A. - reclassified income statement				
In accordance with EU/IFRS in thousands of Euros				
	31.12.2020		31.12.2019	
Revenues	503.374	100,0%	439.301	100,0%
Changes in inventories of work in progress and semi-finished and finished goods	(4.324)	-0,9%	6.058	1,4%
Other income	14.405	2,9%	11.682	2,7%
Production value	513.455	102,0%	457.041	104,0%
Operative expenses	399.277	79,3%	365.946	83,3%
Value added	114.178	22,7%	91.095	20,7%
Labour costs	47.923	9,5%	48.205	11,0%
EBITDA	66.255	13,2%	42.890	9,8%
Amortisation and depreciation expenses	16.256	3,2%	18.166	4,1%
EBIT	49.999	9,9%	24.724	5,6%
Income from equity investments	2.535	0,5%	3.069	0,7%
Financial income/(charges)	(1.189)	-0,2%	(1.568)	-0,4%
Exchange gains (losses)	1.452	0,3%	(2.074)	-0,5%
Profit/(loss) from operating activities	52.797	10,5%	24.151	5,5%
Gain on discontinued operations	0	0,0%	0	0,0%
Profit (loss) before tax	52.797	10,5%	24.151	5,5%
Income taxes	7.973	1,6%	5.554	1,3%
Net profit (loss)	44.824	8,9%	18.597	4,2%



2021-2023 PLAN
Operating results

Euro millions	2019	2020	2021 (E)	2022 (E)	2023 (E)
Revenues	717.7	848.1	800	813	831
EBITDA	56.0	83.1	83	91	95
	7.8%	9.8%	10.4%	11.2%	11.5%
EBIT	34.5	64.8	62	69	73
	4.8%	7.6%	7.8%	8.4%	8.8%
Pre-tax profit	27.7	68.2	62	68	73
Net Profit	19.9	56.7	46	51	54

Balance Sheet

Euro millions	2019	2020	2021 (E)	2022 (E)	2023 (E)
Operating cash flow	37.0	53.4	66	69	73
Investments	59.4	19.1	13	13	13
FCF	-22.3	34.3	53	56	59
Dividend Payout (on Parent Company profit)	30%	30%	30%	30%	30%
Net cash flow	-36.5	8.6	35	37	41
NFP	148.8	140.2	105	68	26
Debt/EBITDA	2.7	1.7	1.3	0.7	0.3
Gearing	0.6	0.5	0.3	0.2	0.1
ROI	8.6%	15.0%	14.7%	16.3%	17.6%
ROE	7.9%	19.4%	14.4%	14.4%	13.9%