French limited partnership with share capital of € 56,942,095

Registered office: “La Woestyne” 59173 Renescure - France

Dunkerque (France) Register of Trade and Companies (RCS)

number: B 447 250 044

Financial report at December 31st, 2019

Contents

This document is a free translation into English of the “Rapport financier semestriel” and has no other value than an informative one. Should there be any difference between the French and the English version, only the French-language version shall be deemed authentic and considered as expressing the exact information published by Bonduelle.

1. Activity report on half-year financial statement 2019-2020

The Management Board of Bonduelle approved the consolidated financial statements for the 6 months ended December 31st, 2019, which have been then examined by the Supervisory Board on March 5th, 2020.

Further to their limited review of the interim consolidated financial statements of Bonduelle, the auditors have established a report which is included in the Half-Year Financial Report.

This half-year management report should be read in conjunction with the interim consolidated financial statements and the company’s Registration Document for the fiscal year 2018-2019 filed with the Autorité des Marchés Financiers on October 18th, 2019 under number D.19-0903.

Significant Results

(in € millions)	1st HY 2019-2020	1st HY 2018-2019	Variation
Revenue	1,442.3	1,406.6	**+2.5%**
Current Operating Income	57.2	60.9	**-6.2%**
Current Operating Margin	4.-%	4.3%	**-30bps**
Consolidated Net Income	29.5	34.8	**-15.4%**
Gearing[(1)] exclud. IFRS 16	1.24	1.32	

Revenue

The Bonduelle Group's revenue for the first half of financial year 2019-2020 stands at € 1,442.3 million, an increase of +2.5% on reported figures and +0.6% on a like for like basis[(2)]. Currency effects contributed +1.9% to the published growth of this first half year, reflecting the strengthening of the US and Canadian dollars as well as the Russian rouble. No change in the group's scope of consolidation occurred over the period.

Activity by Geographic Region

Total Consolidated Revenue (in € millions)	1st HY 2019-2020	1st HY 2018-2019	Variation Reported figures	Variation Like for like basis[(2)]
Europe Zone	640.4	642.3	-0.3%	-0.3%
Non-Europe Zone	801.9	764.4	+4.9%	+1.2%
Total	**1,442.3**	**1,406.6**	**+2.5%**	**+0.6%**

Activity by Operating Segments

Total Consolidated Revenue (in € millions)	1st HY 2019-2020	1st HY 2018-2019	Variation Reported figures	Variation Like for like basis[(2)]
Canned	559.2	533.3	+4.9%	+3.5%
Frozen	340.3	322.5	+5.5%	+3.1%
Fresh processed	542.8	550.8	-1.5%	-3.8%
Total	**1,442.3**	**1,406.6**	**+2.5%**	**+0.6%**

Europe Zone

The growth of revenue for the Europe Zone, representing 44.4% of the business activity over the first half of this financial year, posted a global evolution of -0.3% both on reported figures and like for like basis[(2)].

The downturn in business in Q2 was mainly due to the decline in the private label activity, high basis of comparison in the canned operating segment, markets for delicatessen and fresh salads remaining difficult in France and the residual effect of the loss of a German client in this latter activity. The bagged salad in Italy and frozen activities in Europe continued to grow, while the canned Cassegrain brand in France recorded record growth.

Non-Europe Zone

The revenue of the Non-Europe Zone, representing 55.6% of the revenue of the group, was up by +4.9% on reported figures and +1.2% on a like for like basis(2).

The group recorded growth over quarter 2 in the 3 operating segments - canned, frozen, fresh prepared and ready-to-use - and in the various geographic marketing areas, in particular in Eurasia (Russia and peripheral countries) thanks to the success of the Bonduelle-branded canned innovations (corn, peas and olives).

In North America, the acquisition of the packaging plant in Lebanon enabled the frozen food business to return to growth, with the canned food business, essentially in Canada, being driven by co-packing markets (subcontracting of national brands). The fresh business segment (bagged salads and salad bowls) returned to solid growth in Q2 by conquering new markets and extending the range with existing clients, despite a health alert that affected the sales activity of the various market players for certain product range.

Operating income

The current operating income of the Bonduelle Group for the 1st half year of FY 2019-2020 stands at € 57.2 million, a 6.2% decline in reported figures and 8.3% on a like for like basis(2). Consequently the current operating margin of 4.-% was down 30 bps when compared with the first half of last FY, mainly reflecting the effect of difficult harvests, the cost inflation not fully reflected in sales prices and the impact of volume losses.

Profitability in the Europe Zone remained stable at € 23.3 million on reported figures as well as current operating margin stood at 3.6% both in reported figures and like for like basis(2) thanks to a favorable basis of comparison (marketing expenditures being postponed to the 2nd half of 2019-2020 and unfavorable 2018 weather conditions).

In the Non-Europe Zone, the current operating income stands at € 33.9 million on reported figures, with a current operating margin of 4.2%, a decline of 80 bps when compared, to the same period last FY, both at reported and like for like basis(2), mainly due to lower business volumes observed in the fresh operating segment in the United States and difficult crops in Russia.

After non-recurring items, mainly related to a health alert in the United States that impacted the entire market, the operating income stands at € 52.6 million vs. 58.1 over the same period last FY.

Net result

The net financial result stands at - € 12.4 million, an improvement of € 1 million, directly linked to the competitiveness of the refinancing performed over last FY, and limited exchange rate deviations. Corporate income tax expense almost stable in value (€ 10.6 million vs. € 9.8 million first half of last FY) reflects, however, an increase in the effective tax rate over the period (26.4% vs. 22.-%.) , 2018-2019 FY having benefited from tax credits and the use of tax loss carry forwards.

After taking into account both financial result and taxes, the Bonduelle Group's net income amounts to € 29.5 million, which represents 2.-% of the group revenue and an evolution of -15.4% compared to first half year of 2018-2019.

Financial situation

The group's net financial debt stood on December 31, 2019 at € 978.2 million against € 879.9 million over the same period last FY. Restated from IFRS 16, enforced on July 1 of this FY, the group's net financial debt stands at € 892.5 million reflecting the usual seasonality of the business activity as well as the acquisition of the Soléal company minority shareholdings (France). The gearing ratio(1), excluding IFRS 16 impact, was 123.5%, down more than 8 points over the same period last FY. Lastly the average cost of debt, excluding IFRS 16, stood at 2.20%, a significant improvement over the previous year (2.69%).

Highlights

Health alert in Northern America

A health alert relating to contamination with the bacteria E. coli of products containing romaine lettuce was issued in November 2019 by the American and Canadian authorities. This alert led, for the various market players, to the temporary cessation of the sale of certain products and generated supply disruptions in stores. The additional costs linked to this alert are estimated at 3.5 million of US dollars and impact the group's accounts as non-recurring items as of December 31, 2019.

Change in the shareholding structure for the Soléal company (France)

Bonduelle, a 48 % shareholder of the Soléal company, acquired in July 2019 most of the interests of the Euralis, Maïsadour and Vivadour cooperatives held in the company.

Created in 2005 in the form of a joint venture, the Soléal company includes 2 sweet corn and vegetable processing plants located in the South-West of France (Labenne and Bordères). Changes in the ownership of Soléal include some sourcing commitments, will strengthen the long term partnership with growers, and increase the competitiveness of the Bonduelle Group.

Impact of the Covid-19 disease outbreak

As the Bonduelle Group has limited commercial activity in Asia, no industrial site and limited recourse to suppliers from this region, the impact of the Covid-19 disease outbreak remains limited to date. The group pays attention to the consequences of this disease outbreak on consumption trends in its various markets and to the possible containment measures that would be taken in the production areas.

[(1)] net financial debt / equity

[(2)] at constant currency exchange rate and scope of consolidation basis. The revenues in foreign currency over the given period are translated into the rate of exchange for the comparable period. The impact of business acquisitions (or gain of control) and divestments is restated as follows

- *For businesses acquired (or gain of control) during the current period, revenue generated since the acquisition date is excluded from the organic growth calculation;*
- *For businesses acquired (or gain of control) during the prior fiscal year, revenue generated during the current period up until the first anniversary date of the acquisition is excluded;*
- *For businesses divested (or loss of control) during the prior fiscal year, revenue generated in the comparative period of the prior fiscal year until the divestment date is excluded;*
- *For businesses divested (or loss of control) during the current fiscal year, revenue generated in the period commencing 12 months before the divestment date up to the end of the comparative period of the prior fiscal year is excluded.*

2. Consolidated income statement

(in thousands of euros)	Notes	At 2019/06/30	At 2018/12/31	At 2019/12/31 (a)
Revenue	4	**2,777,120**	**1,406,638**	**1,442,266**
Purchases and external charges		(2,014,385)	(988,576)	(991,339)
Employee benefits expenses		(560,814)	(307,383)	(329,221)
Amortization and impairment		(89,422)	(50,499)	(63,433)
Other operating income		43,806	21,709	12,119
Other operating expenses		(32,641)	(20,984)	(13,235)
Gain/loss on sale of consolidated equity investments		0	0	0
Current operating income		**123,665**	**60,906**	**57,158**
Non-recurring items	5	(7,851)	(2,802)	(4,594)
Operating profit		**115,814**	**58,104**	**52,564**
Cost of net debt		(21,887)	(12,042)	(10,430)
Other financial income and expenses		(750)	(1,342)	(1,984)
Financial result	7	**(22,637)**	**(13,384)**	**(12,414)**
Share of net income from associates		(48)	(65)	(47)
Profit before tax		**93,128**	**44,655**	**40,103**
Income tax		(20,555)	(9,817)	(10,615)
NET INCOME		**72,574**	**34,837**	**29,488**
• Attributable to owners of the Company		72,617	34,850	29,490
• Attributable to non-controlling interests		(44)	(13)	(2)
BASIC EARNINGS PER SHARE	10	**2.26**	**1.08**	**0.92**
DILUTED EARNINGS PER SHARE	10	**2.24**	**1.07**	**0.91**
REBITDA		**213,087**	**111,404**	**120,591**

(a) The consolidated statement of income for first-half 2019 reflects the impacts of applying IFRS 16 – "Leases" as from July 1st, 2019 using the modified retrospective approach.

Gains and losses recognized directly in equity

(in thousands of euros)	At 2019/06/30	At 2018/12/31	At 2019/12/31
Net income for the period	**72,574**	**34,837**	**29,488**
Items that may be reclassified subsequently to P&L	**16,414**	**(7,116)**	**9,398**
Cash flow hedge	(1,915)	866	734
Translation adjustments	17,672	(7,696)	8,913
Tax effects	657	(286)	(249)
Items that may not be reclassified subsequently to P&L	**(996)**	**0**	**(6,465)**
Actuarial gains and losses on defined benefit plans	(1,483)	0	0
Financial assets at fair value through profit or loss	0	0	(6,465)
Tax effects	487	0	0
Income and expenses recognized directly in equity	**15,419**	**(7,116)**	**2,933**
TOTAL RECOGNIZED INCOME AND EXPENSES	**87,992**	**27,721**	**32,421**
Attributable to owners of the Company	88,036	27,734	32,423
Attributable to non-controlling interests	(44)	(13)	(2)

3. Consolidated statement of financial position

Assets

(in thousands of euros)	Notes	At 2019/06/30	At 2018/12/31	At 2019/12/31 (a)
Non-current assets		**1,122,884**	**1,075,406**	**1,198,288**
Other intangible assets		57,098	65,898	57,187
Goodwill	11	481,881	465,483	486,515
Property, plant and equipment		527,614	491,398	518,160
Rights of use		0	0	86,095
Investments in associates		278	260	231
Other non-current financial assets		38,519	33,803	28,266
Deferred tax		14,588	15,426	19,474
Other non-current assets		2,908	3,138	2,361
Current assets		**988,406**	**1,188,768**	**1,235,624**
Inventories and work-in-progress		627,426	754,889	846,638
Trade and other receivables		324,163	394,067	362,583
Tax receivables		4,392	7,407	2,872
Other current assets		11,883	17,482	7,807
Other current financial assets		3,849	5,168	4,923
Cash and cash equivalents	9	16,693	9,756	10,801
TOTAL ASSETS		**2,111,290**	**2,264,174**	**2,433,912**

Liabilities

(in thousands of euros)	Notes	At 2019/06/30	At 2018/12/31	At 2019/12/31 (a)
Shareholders equity (group share)		**717,398**	**659,045**	**722,113**
Share capital		56,942	56,942	56,942
Additional paid-in capital		38,559	38,559	38,559
Consolidated reserves		621,897	563,544	626,612
Non-controlling interests		**7,574**	**7,564**	**19**
Equity		**724,972**	**666,610**	**722,132**
Non-current liabilities		**637,651**	**655,421**	**867,681**
Financial debts	9	564,215	586,193	730,902
Lease liabilities		0	0	68,429
Employee benefit obligations		26,076	24,211	26,091
Other non-current provisions		9,103	10,724	9,569
Deferred taxes		8,344	10,550	10,032
Other non-current liabilities		29,913	23,743	22,659
Current liabilities		**748,668**	**942,143**	**844,099**
Current financial debts	9	127,659	320,895	190,153
Current lease liabilities		0	0	17,309
Current provisions		7,866	5,248	7,066
Trade and other payables		607,456	609,363	625,404
Tax payables		3,800	4,930	2,735
Other current liabilities		1,887	1,707	1,431
TOTAL LIABILITIES		**2,111,290**	**2,264,174**	**2,433,912**

(a) The consolidated statement of financial position for first-half 2019 reflects the impacts of applying IFRS 16 – "Leases" as from July 1st, 2019 using the modified retrospective approach.

4. Consolidated cash flows statement

(in thousands of euros)	At 2019/06/30	At 2018/12/31	At 2019/12/31 (a)
Net income	**72,574**	**34,837**	**29,488**
Share of net income from associates	48	65	47
Depreciation, amortization and impairment	88,254	47,955	62,492
Other components of net income with no cash impact	(2,189)	1,791	3,001
Deferred tax	(2,604)	(3,587)	(3,662)
Accrued interest	(1,637)	2,883	(193)
Gross cash flows from operating activities	**154,446**	**83,944**	**91,173**
Change in working capital requirement	(35,449)	(264,196)	(254,384)
Net cash flows from operating activities	**118,997**	**(180,251)**	**(163,211)**
Acquisitions of consolidated companies, net of cash and cash equivalents	(28,142)	0	0
Acquisitions of tangible assets	(118,426)	(76,768)	(46,046)
Acquisitions of financial assets	(114)	(4)	0
Disposals of property, plant and equipment and financial assets	1,475	277	355
Net change in loans and other non-current financial assets	448	824	75
Net cash flows from (used in) investing activities	**(144,759)**	**(75,671)**	**(45,616)**
Transactions with non-controlling interests	0	0	(18,539)
(Acquisition) Disposal of treasury shares	(1,306)	78	(74)
Increase (Decrease) in non-current financial liabilities	128,583	181,420	192,843
Increase (Decrease) in current financial liabilities	(100,278)	60,227	38,577
Increase (Decrease) in lease liabilities	0	0	(10,049)
Dividends paid to group and minority Shareholders	(8,893)	0	0
Net cash flows from (used in) financing activities	**18,106**	**241,726**	**202,758**
Impact of exchange rate changes	456	59	177
Change in cash and cash equivalents	**(7,200)**	**(14,138)**	**(5,892)**
Cash and cash equivalents – opening balance	23,893	23,893	16,693
Cash and cash equivalents – closing balance	16,693	9,756	10,801
CHANGE IN CASH AND CASH EQUIVALENTS	**(7,200)**	**(14,138)**	**(5,892)**

(a) The consolidated cash flows statement of income for first-half 2019 reflects the impacts of applying IFRS 16 – “Leases” as from July 1st, 2019 using the modified retrospective approach.

5. Consolidated statement of changes in equity

(in thousands of euros)	In number of shares	Share capital	Additional paid-in capital	Actuarial gains and losses	Treasury shares	Translation reserves	Accumulated income	Shareholders' equity (group share)	Non-controlling interests	Total equity
Equity at July 1, 2018	**32,281,118**	**56,492**	**31,738**	**(3,903)**	**(7,802)**	**(95,810)**	**658,525**	**639,240**	**7,577**	**646,817**
Income recognized directly through equity				(995)		17,672	(1,258)	15,419	(1)	15,418
Net income at 2019/06/30							72,617	72,617	(44)	72,574
Share purchase options							978	978		978
Puts on non-controlling interests							(63)	(63)	88	26
Changes in scope of consolidation				(5)			(50)	(55)	(47)	(102)
Treasury Shares					(755)		(364)	(1,119)		(1,119)
Other							(726)	(726)		(726)
Dividends paid	257,222	450	6,822				(16,165)	(8,893)		(8,893)
Equity at June 30, 2019	**32,538,340**	**56,942**	**38,559**	**(4,903)**	**(8,557)**	**(78,138)**	**713,495**	**717,398**	**7,574**	**724,972**
Equity at July 1, 2019	**32,538,340**	**56,942**	**38,559**	**(4,903)**	**(8,557)**	**(78,138)**	**713,495**	**717,398**	**7,574**	**724,972**
Income recognized directly through equity						8,913	(5,981)	2,932	1	2,933
Net income at 2019/12/31							29,490	29,490	(2)	29,488
Share purchase options							883	883		883
Puts on non-controlling interests							(37)	(37)	4	(32)
Transactions with non-controlling interests (*)				(139)			(10,842)	(10,980)	(7,558)	(18,539)
Treasury Shares					418		(322)	96		96
Other							(1,330)	(1,330)		(1,330)
Dividends paid							(16,339)	(16,339)		(16,339)
Equity at December 31, 2019	**32,538,340**	**56,942**	**38,559**	**(5,041)**	**(8,139)**	**(69,225)**	**709,018**	**722,113**	**19**	**722,132**

(*) Change to Soléal's Shareholder structure (France). In two stages, on July 1 and 22, 2019, Bonduelle, a 48% shareholder in Soléal, acquired most of the interests held in the company by the Euralis, Maïsadour and Vivadour cooperatives, increasing its interest to almost 100%.

Created in 2005 in the form of a joint venture, Soléal has two sweet corn and vegetable processing plants in Labenne and Bordères in the Landes region of France. This change to Soléal's ownership includes some sourcing commitments, strengthening its long-term partnership with growers, and increasing the competitiveness of the Bonduelle Group. Soléal was already controlled and fully consolidated by the Bonduelle Group prior to this transaction.

6. Notes to the condensed half-year consolidated financial statements

NOTE 1 Preparation methods

The consolidated financial statements of the Bonduelle Group and its subsidiaries (“the group”) for the 2019-2020 fiscal year have been prepared in accordance with the “IFRS” (International Financial Reporting Standards) published by the IASB (International Accounting Standards Board), and whose adoption ruling has been published in the official journal of the European Union.

The notes to the half-year consolidated financial statements have been prepared in accordance with IFRS and follow recommendation 2016‑09 of the *Autorité des normes comptables* (ANC – French Accounting Standards Board).

Half-year financial statements have been prepared in compliance with IAS 34 Interim Financial Reporting.

STANDARDS, UPDATES AND INTERPRETATIONS FIRST APPLICABLE TO FISCAL YEAR 2019-2020

These standards are applicable at the first opening accounting period from January 1st, 2019:

- IFRS 16: “Leases”

On January 13, 2016, the IASB published IFRS 16 – “Leases”. IFRS 16 replaces IAS 17 and the related IFRIC and SIC interpretations. IFRS 16 introduces changes in the principles for measuring, recognizing and presenting leases in the financial statements of lessees.

For the lessors, the current distinction between operating leases and finance leases remains, with a mode of recognition that is essentially unchanged.

For the lessees, recognition is now based on a single model, resulting from the elimination of the distinction between operating leases and finance leases.

The lessee recognizes:

- a non-current asset representing its right to use the leased asset, in the consolidated statement of financial position;
- a financial short and long-term liability representing its obligation to pay for the right to use the asset, in the consolidated statement of financial position;
- a depreciation of the right-of-use asset and interest expenses on the lease liability, in the consolidated statement of income.

At the lease commencement date, the lease liability is measured at the present value of the lease payments outstanding at that date, plus payments under any options that the lessee is reasonably certain to exercise. This amount is then measured at amortized cost using a discount rate representing the incremental borrowing rate over the residual lease term. The carrying amount of the lease liability is subsequently increased by the interest due on the lease liability and reduced by the lease payments made.

At the same date, the right-of-use asset is measured at cost. The cost of the right-of-use asset comprises the initial lease liability, any prepaid lease payments made, less any lease incentives received, any initial direct costs incurred by the lessee in establishing the lease, and an estimate of costs to be incurred by the lessee in dismantling or rehabilitating the underlying asset as required by the terms and conditions of the lease.

The right-of-use asset is depreciated on a straight-line basis over the lease term. If the lease transfers ownership of the underlying asset to the lessee or when the lease includes a purchase option that the lessee is reasonably certain to exercise, the right-of-use asset is depreciated over the useful life of the underlying asset under the same conditions as those applied to assets owned by the lessee.

Payments for the interest portion of the lease liability are recorded under cash flows from operating activities and payments for the principal portion are recorded under cash flows from financing activities in the consolidated statement of cash flows.

In case of susbsequent modifications, the lease liability and the right-of-use asset are remeasured to reflect the following:

With a revised discount rate :

- changes in the lease term;
- changes in the amounts expected to be payable under residual value guarantees

Without a revised discount rate :

- changes in the assessment of an option;
- changes in the rates or indexes used to determine the lease payments;

The main measures included in IFRS 16 to simplify application and adopted by the Group are:

- exclusion of short-term leases (twelve months);
- exclusion of leases of low-value assets (five thousand euros);
- No separation of non-lease components (Particularly maintenance for vehicles)

Method used to apply IFRS 16 at the transition date

The group has applied IFRS 16 using the modified retrospective approach. Accordingly, the financial statements published before the date of the first-time application of IFRS 16 have not been restated.

Within the scope of its transition to IFRS 16, the group elected the following main options to simplify application:

- exclusion of leases of low-value assets (five thousand euros);
- application of IFRS 16 only to contracts previously identified as leases;
- use of the residual lease term to determine the discount rate at the transition date;
- exclusion of initial direct costs from the measurement of the right-of-use asset at the date of first time application.

Any leases excluded from the scope of IFRS 16 are recognized directly in operating expenses.

The discount rates applied at the transition date are based on country borrowing rate, plus a spread to reflect the economic conditions of the group. The discount rates were determined taking into account the residual terms of the leases.

The Group's weighted average incremental borrowing rate stood at 2,8% at July 1, 2019.

Regarding deferred tax, the group has decided to recognised deferred tax for any temporary differences arising from lease contracts within the scope.

IFRS 16 states that a lease is no longer enforceable when the lessee and the lessor each have the right to terminate the lease without permission from the other party with no more than an insignificant penalty (IFRS 16.B34). However it didn't state if the economics of a contract shall be taken into account to determine the lease term and the meaning of 'penalty', rather than just legal form of the contract. The group has only considered the legal form of the contrat at December 31 2019 closing. Lease terms will be reviewed at the end of the year in accordance with the IFRIC decision of November 26, 2019.

Impacts of the application of IFRS 16 – "Leases" on the Group's consolidated financial statements at July 1, 2019:

(in thousands of euros)

Assets		Equity & Liabilities	
Total non current assets	**92,307**	**Total non-current liabilities**	**72,606**
Property,plant and equipment	(2,192)	Financial liabilities	(1,825)
Right of use	94,499	Lease liabilities	74,431
Total current assets	**(1,182)**	**Total current liabilities**	**18,519**
Net other current assets	(1,182)	Current financial liabilities	(132)
		Current lease liabilities	18,966
		Trade and other payables	(315)
TOTAL ASSETS	**91,125**	**TOTAL EQUITY & LIABILITIES**	**91,125**

The main leases by value are leases on plants, registered offices and agricultural land in Europe and the United States. Other leases are for vehicles and industrial and agricultural equipment

Future lease payments on IAS 17 operating leases at June 30, 2019 and the lease liability recognized under IFRS 16 at July 1, 2019 can be reconciled as follows:

(in thousands of euros)

Operating leases commitments as of 2019/07/01	101,354
Financial leases reclassement (IAS 17)	2,192
Other	(289)
Discounting	(9 860)
LEASE DEBT AS OF 2019/07/01	**93,397**

The impacts related to IFRS 16 at December 31st 2019 are as follow :

(in thousands of euros)	Current operating income	Financial result	Income tax	Net Income	REBITDA
Reported as at 12/31/2019	57,158	(12,414)	(10,615)	29,488	120,591
IFRS 16	392	(1,238)	188	(657)	11,153
Reported as at 12/31/2019 (before IFRS 16)	**56,766**	**(11,176)**	**(10,803)**	**30,145**	**109,438**
Reported as at 12/31/2018	**60,906**	**(13,384)**	**(9,817)**	**34,837**	**111,404**

(in thousands of euros)	Non-current assets	Current assets	Equity	Net debt	Net cash flows from operating activities	Net cash flows from (used in) financing activities
Reported as at 12/31/2019	1,198,288	1,235,624	722,132	978,233	(163,211)	202,758
IFRS 16	86,280	(1,180)	(371)	85,738	10,049	(10,049)
Reported as at 12/31/2019 (before IFRS 16)	**1,112,008**	**1,236,804**	**722,503**	**892,495**	**(173,260)**	**212,807**
Reported as at 12/31/2018	**1,075,406**	**1,188,768**	**666,610**	**879,866**	**(180,251)**	**241,726**

Impacts of IFRS 16 in monitoring the value of goodwill

The carrying amount net asset for every cash generating unit (CGU), comprising goodwill, tangible and intangible assets and, from this exercise, the right-of-use, is tested for impairment at annual closing or at anytime when other events and conditions suggest that they are likely to have experienced a loss of value.

An impairment loss is recognized when the recoverable amount of the net assets becomes less than their net carrying amount.

Any impairment is allocated first to the goodwill allocated to the cash generating unit (CGU), and then as a reduction of the net carrying amount of each asset within the CGU.

The recoverable amount of goodwill, which is used to calculate any impairment to be recognized in the financial statements, is the value-in-use estimated on the basis of the present value of future cash flows. If this value-in-use does not cover the assets' carrying amount, the recoverable amount used (if higher) is their fair value less selling costs

Following IFRS 16 implementation, the recoverable amount is estimated on the present value of future cash flow, from which lease payment related to right-of-use are now excluded.

Alternative performance indicators

Net debt: the Company's credit or debit position with regard to third parties and out of operating cycle. It corresponds to current and non-current financial debts, adjusted for derivative assets and liabilities and cash and cash equivalents.

REBITDA (Recurring earnings before interest, taxes, depreciation and amortization): this is the current operating income restated of depreciation, amortization and impairment on property, plant and equipment and intangible assets.

Non-recurring items : they comprise significant items that cannot be considered as inherent to the group's operational activity due to their nature and non-habitual character. They include mainly badwill, impairment of intangible assets (including goodwill) from consolidated shareholdings, restructuring and reorganization costs, acquisition costs, insurance deductibles and costs related to uncovered claims, and financial losses arising from fraud or fines, as well as the impacts of changes in estimates.

Current operating margin: the current operating margin is the ratio of current operating income to revenue.

Operating income: current operating income adjusted for non-recurring items.

Current operating income: current operating income corresponds to net income before financial expenses, income tax and share of net income from associates. The group uses current operating profit as its main performance indicator. Current operating profit shall be taken before taking into account non-recurring items.

- IFRIC 23 : "Uncertainty over income tax treatments"

IFRIC Interpretation 23 "Uncertainty over income tax treatments" clarifies the recognition and valuation principles applicable to income tax risks. These risks arise when there is uncertainty related to a tax position adopted by the Group that could be challenged by the tax administration. This interpretation was adopted by the European Union in October 2018 and is applicable for financial years beginning on January 1, 2019 and did not have any significant impact on the financial statements.

There are no other new standards, updates and interpretations published and effective whose impact could be significant for the Group.

A. Information concerning the group

Bonduelle SCA is a French limited partnership (*société en commandite par action*) that is listed in Compartment A of Euronext. Bonduelle is a market leader in processed vegetables both within and outside Europe. The Company operates in three business segments: canned, frozen and ready-to-use fresh vegetables (prepared and fresh-cut).

Half-year financial statements at December 31st, are characterized by a high level of seasonality. Production of canned and frozen technologies is primarily realized during this first half-year of the Bonduelle financial year. At December 31st, expenses directly related to the production of these technologies are accounted according to costs incurred during the year to take into account material effects of seasonality.

On February 14th, 2020, the Management Board approved the consolidated half-year financial statements prepared under IFRS, and authorized the publication of the financial statements for the 6 months ended 31st December 2019.

B. Consolidation methods

The consolidated financial statements fully consolidate the financial statements of all subsidiaries controlled either directly or indirectly by the group.

The definition of control according to IFRS 10 includes three elements: power over an investee, exposure or rights to variable returns of the investee and the ability to use power over the investee to affect the investor's returns.

Full consolidation allows recognition of all of assets, liabilities and income statement items of the companies concerned, after elimination of all intercompany transactions and earnings, with the portion of income and equity attributable to group companies ("group share") distinguished from the portion concerning the interests of other Shareholders ("Non-controlling interests"). All companies over which Bonduelle does not exercise exclusive control yet still exerts notable influence or a joint control are accounted for using the equity method.

All consolidated group companies closed their annual financial statements on June 30, 2019, with the exception of the following companies: Bonduelle Kuban, Coubanskie Conservi, Agro-Rost, Bonduelle do Brasil, Bonduelle Kazakhstan and Bonduelle Belgorod. All these companies were consolidated on the basis of their accounting data at December 31st, 2019.

Companies are included within the consolidation scope with effect from the date on which control or significant influence is acquired.

Companies are deconsolidated with effect from the date on which control or significant influence is lost.

All income and expenses related to subsidiaries acquired or disposed of during the fiscal year are recognized in the consolidated income statement with effect from the acquisition date or until disposal.

All transactions between consolidated companies and intercompany income (including dividends) are eliminated.

C. Segment reporting

Segment data is reported on the basis of the operating segments used for internal reporting purposes. This is referred to as the "management approach".

The two operating segments are the Europe Zone and Non-Europe Zone.

The Europe Zone covers the following geographical areas: France, Germany, Italy and the Iberian Peninsula which form Southern Europe, Northern Europe and Central Europe.

The Non-Europe Zone covers Eastern Europe, Asia, the Mercosur, North America and Export markets.

The primary indicators published are those used by the group's Executive Management. Revenue, operating profit and non-current assets are presented by geographical region. Revenue is also presented by operating segment.

D. Translation of transactions denominated in foreign currencies and the financial statements of companies outside the euro zone

Translation of transactions denominated in foreign currencies

Transactions denominated in foreign currencies are valued using the exchange rates applicable on the transaction dates. All receivables and liabilities denominated in foreign currencies recognized in the statement of financial position at the end of the period are valued at the closing rates. All foreign exchange gains and losses generated by the translation of transactions denominated in foreign currencies are included under the "financial income" and "financial expenses" headings of the income statement, except for those on borrowings denominated in foreign currencies or other instruments used to hedge long-term equity investments in that same currency, which are included on the line "Accumulated translation adjustments" of the consolidated Shareholders' equity.

Translation of the financial statements of companies outside the Euro Zone

The balance sheet of companies with a functional currency other than the euro are translated into euros at the official rate at the end of the fiscal period. In each income statement income and expenses must be translated at the exchange rate at the date of the transactions. For practical reasons, the yearly arithmetic average exchange rate is used to convert income and expense items. However, if exchange rates record significant fluctuations, a calculation method other than the yearly arithmetic average may be used.

The exchange differences resulting from the application of these various foreign exchange rates are included on the line "Accumulated translation adjustments" in consolidated Shareholders' equity until such time as the foreign holdings to which they pertain are sold or liquidated.

NOTE 2 Accounting principles

Since these interim consolidated financial statements are condensed, they may not include all the information required under IFRS for the preparation of the annual consolidated financial statements. Therefore, these interim condensed consolidated financial statements must be read in conjunction with the consolidated financial statements of the Group for the year ended June 30th, 2019, except for the standards, updates and interpretations first applicable to July 1st, 2019.

Monitoring of intangible assets values

The carrying amount of goodwill is tested for impairment at least once a year; all other intangible assets are tested when other events and conditions suggest that they are likely to have experienced a loss of value. An impairment loss is recognized when the recoverable amount of the intangible assets becomes less than their net carrying amount.

Following the review of impairment indicators, no impairment was recognised in the financial statements at December 31st, 2019.

NOTE 3 Changes in the scope of consolidation

There was no change in the scope of consolidation during the period.

NOTE 4 Segment reporting

(in thousands of euros)	Europe Zone	Non-Europe Zone	Eliminations	Total at 2018/12/31
Income Statement				
Revenue	647,573	764,371	(5,307)	1,406,638
Intercompany sales	(5,307)	0	5,307	0
TOTAL REVENUE	**642,266**	**764,371**	**0**	**1,406,638**
Current operating profit	**22,856**	**38,049**		**60,906**

(en milliers d'euros)	Europe Zone	Non-Europe Zone	Total at 2018/12/31
Non-current assets			
France	312,128	0	312,128
United- States	0	411,006	411,006
Others	**163,205**	**189,068**	**352,273**
TOTAL NON CURRENTS ASSETS	**475,333**	**600,074**	**1,075,406**

(in thousands of euros)	Europe Zone	Non-Europe Zone	Eliminations	Total at 2019/12/31
Income Statement				
Revenue	646,950	801,898	(6,581)	1,442,266
Intercompany sales	(6,581)		6,581	0
TOTAL REVENUE	**640,368**	**801,898**		**1,442,266**
Current operating profit	**23,281**	**33,877**		**57,158**

(en milliers d'euros)	Europe Zone	Non-Europe Zone	Total at 2019/12/31
Non-current assets			
France	316,098		316,098
United- States		474,506	474,506
Others	**172,642**	**235,043**	**407,685**
TOTAL NON CURRENTS ASSETS	**488,741**	**709,548**	**1,198,288**

Information by segment

(in thousands of euros)	Canned	Frozen	Fresh	Total at 2018/12/31
Revenue – excluding intercompany	533,279	322,522	550,837	1,406,638

(in thousands of euros)	Canned	Frozen	Fresh	Total at 2019/12/31
Revenue – excluding intercompany	559,181	340,262	542,823	1,442,266

Information by geographical area of destination

(in thousands of euros)	At 2018/12/31		At 2019/12/31	
United States	487,833	35%	488,398	34%
France	313,139	22%	307,647	21%
Canada	154,440	11%	170,199	12%
Southern Europe	117,615	8%	122,363	9%
Germany	108,340	8%	105,798	7%
Eurasia [(1)]	103,116	7%	120,575	8%
Northern Europe	62,352	5%	61,269	4%
Central Europe [(2)]	34,067	2%	41,631	3%
Other	25,735	2%	24,387	2%
TOTAL REVENUE	**1,406,638**	100%	**1,442,266**	100%

(1) *Russia + CIS countries.*

(2) *Former Eastern European countries that have joined the European Union.*

NOTE 5 Non-recurring items

(in thousands of euros)	**At 2018/12/31**	**At 2019/12/31**
Reorganization and restructuring costs	(1,723)	(1,180)
Insurance deductibles and costs relating to claims	(1,000)	(3,001)
Other expenses and honoraries	(79)	(413)
TOTAL NON-RECURRING ITEMS	**(2,802)**	**(4,594)**

** Climate events and natural disasters.*

NOTE 6 Employee benefit obligations

As at December 31, 2019, actuarial assumptions for calculating termination benefit obligation are the same as at June 30, 2019, so a discount rate of 1.20%.A rate of around 0.70% would increase commitments by 1.919 thousand euros

NOTE 7 Financial result

(in thousands of euros)		**At 2018/12/31**	**At 2019/12/31**
Cost of net debt	**A**	**(12,042)**	**(10,453)**
Cash and cash equivalents		45	192
Interest expense (at effective interest rate)		(12,102)	(10,638)
Gains and losses on liabilities covered by fair value hedges		(871)	2,419
Gains and losses on fair value hedging derivatives		886	(2,427)
Other financial income and expenses	**B**	**(1,342)**	**(1,960)**
Foreign exchange gain (loss)		(1,585)	(625)
Ineffective portion of cash flow hedges		(92)	0
Net gain (loss) on derivatives ineligible for hedge accounting (foreign currency & interest rate risk)		530	39
Other finance costs		(195)	(1,374)
FINANCIAL RESULT	**A+B**	**(13,384)**	**(12,414)**

At December 31st, 2019 the group's financial result came out at -12.4 million euros compared to -13.4 million euros a year earlier.

The cost of net debt, the main component of financial result, stood at -10.4 million euros as at December 31st, 2019 compared with -12 million euros as at December 31st, 2018. This includes interest paid at the effective interest rate for 10.6 million euros.

Further to the adoption of IFRS 9, the impact of residual ineffectiveness on the debt hedged at fair value, and hedge derivatives recognized at fair value linked to cross-currency basis swap spreads, is recognized in equity and will be recognized in profit or loss when the underlying debt matures, in line with the option offered by IFRS 9 andadopted by the group.

The interest rate, calculated on the group's average debt in all currencies and restated to account for IFRS impacts, amounted to 2.20% compared to 2.76% the previous year.

Other financial income and expenses (-1.9 million euros) mostly come from the interest rate expense relating to the application of IFRS 16 (-1.2 million euros) and foreign exchange hedges relating to commercial activities in foreign currencies (-0.6 million euros).

NOTE 8 Derivative financial instruments

Derivatives at 2019/06/30

(in thousands of euros)	Notional amount	Market value		Carrying value	
		Assets	Liabilities	Assets	Liabilities
Interest rate derivatives (A)					
Cash flow hedges [1]	423,266	257	2,653	257	2,653
Fair value hedges	216,784	8,114	0	8,114	0
Hedges ineligible for hedge accounting under IFRS	0	0	0	0	0
Current portion				**401**	**222**
Non-current portion				**7,970**	**2,431**
Foreign currency derivatives (B)					
Cash flow hedges	25 611	303	217	303	217
o.w. forward contracts	*12 832*	*107*	*61*	*107*	*61*
o.w. options	*12 778*	*197*	*156*	*197*	*156*
Fair value hedges	157 639	11 558	235	11 558	235
Hedges ineligible for hedge accounting under IFRS	65 609	201	756	201	756
o.w. forward contracts	*35 043*	*133*	*214*	*133*	*214*
o.w. options	*30 566*	*68*	*542*	*68*	*542*
Current portion				**3,448**	**1,208**
Non-current portion				**8,614**	**1**
TOTAL DERIVATIVES (A+B)					
Current portion				**3,849**	**1,430**
Non-current portion				**16,584**	**2,432**

[1] *Including out-of-the-money caps.*

Derivatives at 2019/12/31

(in thousands of euros)	Notional amount	Market value		Carrying value	
		Assets	Liabilities	Assets	Liabilities
Interest rate derivatives (A)					
Cash flow hedges	398,293	99	1,859	99	1,859
Fair value hedges	200,739	6,818	0	6,818	0
Hedges ineligible for hedge accounting under IFRS	0	0	0	0	0
Current portion				**485**	**312**
Non-current portion				**6,432**	**1,547**
Foreign currency derivatives (B)					
Cash flow hedges	62,694	624	396	624	396
o.w. forward contracts	*47,671*	*473*	*278*	*473*	*278*
o.w. options	*15,023*	*151*	*118*	*151*	*118*
Fair value hedges	149,978	10,108	1,834	10,108	1,834
Hedges ineligible for hedge accounting under IFRS	70,373	110	394	110	394
o.w. forward contracts	*14,725*	*99*	*87*	*99*	*87*
o.w. options	*55,648*	*11*	*307*	*11*	*307*
Current portion				**4,438**	**2,624**
Non-current portion				**6,405**	**0**
TOTAL DERIVATIVES (A+B)					
Current portion				**4,923**	**2,936**
Non-current portion				**12,837**	**1,547**

NOTE 9 Net debt

1. Analysis of net debt by component

At 2019/06/30

(in thousands of euros)	Nominal	< 6 months	< 1 year	1 to 5 years	> 5 years	Total
Bonds (USPP)	436,525	28,767	0	126,275	299,559	454,601
Finance leases	1,957	66	66	913	913	1,957
Other bank borrowings	168,531	178	35,328	132,915	110	168,531
Other borrowings and financial debts	2,906	903	903	549	549	2,906
Accrued interest	3,100	3,100	0	0	0	3,100
Current bank lines	56,918	56,918	0	0	0	56,918
Total gross debt before derivatives	**669,936**	**89,933**	**36,297**	**260,652**	**301,131**	**688,012**
Derivatives – Liabilities		**1,318**	**112**	**2,431**	**0**	**3,862**
o.w. derivatives hedging a debt in a fair value hedge		*0*	*0*	*0*	*0*	*0*
o.w. other derivatives		*1,318*	*112*	*2,431*	*0*	*3,862*
Total gross debt after fair value of derivatives		**91,251**	**36,409**	**263,083**	**301,131**	**691,874**
Derivatives – Assets		**3,702**	**147**	**10,228**	**6,355**	**20,433**
o.w. derivatives hedging a debt in a fair value hedge		*3,241*	*0*	*10,002*	*6,355*	*19,599*
o.w. other derivatives		*461*	*147*	*226*	*0*	*834*
Securities	**286**	**286**	**0**	**0**	**0**	**286**
Cash	**16,407**	**16,407**	**0**	**0**	**0**	**16,407**
TOTAL NET DEBT		**70,856**	**36,261**	**252,855**	**294,775**	**654,748**

At 2019/12/31

(in thousands of euros)	Nominal	< 6 months	< 1 year	1 to 5 years	> 5 years	Total
Bonds (USPP)	411,449	0	29,164	138,046	259,340	426,551
Other bank borrowings	378,892	78	47,786	331,028	0	378,892
Other borrowings and financial debts	1,341	200	200	940	0	1,341
Accrued interest	2,881	2,881	0	0	0	2,881
Current bank lines	106,910	106,910	0	0	0	106,910
Total gross debt before derivatives	**901,471**	**110,068**	**77,150**	**470,014**	**259,340**	**916,573**
Derivatives – Liabilities		**2,574**	**362**	**1,547**	**0**	**4,482**
o.w. derivatives hedging a debt in a fair value hedge		*1,834*	*0*	*0*	*0*	*1,834*
o.w. other derivatives		*740*	*362*	*1,547*	*0*	*2,649*
Total gross debt after fair value of derivatives		**112,642**	**77,512**	**471,561**	**259,340**	**921,055**
Derivatives – Assets		**1,075**	**3,848**	**7,530**	**5,306**	**17,759**
o.w. derivatives hedging a debt in a fair value hedge		*501*	*3,613*	*7,506*	*5,306*	*16,926*
o.w. other derivatives		*574*	*235*	*25*	*0*	*833*
Securities	**178**	**178**	**0**	**0**	**0**	**178**
Cash	**10,623**	**10,623**	**0**	**0**	**0**	**10,623**
TOTAL NET DEBT (BEFORE IFRS 16)		**100,766**	**73,664**	**464,031**	**254,034**	**892,495**

The issues are subject to financial covenants, principally an early redemption clause should Bonduelle default on its financial liabilities (cross default), and in the event of failure to comply with the following ratios:

- Long-term debt/long-term equity ratio less than or equal to 0.60;
- Consolidated current assets/consolidated current liabilities greater than or equal to 1.10.

At December 31st, 2019 the group complies with these covenants.

2. Liquidity

At December 31st, 2018 the RCF (Revolving Credit Facility) is used up to 140 million euros (140 million euros at December 2018). The group had several committed bank credit lines with maturities up to three years, bringing the amount of committed bank lines (including RCF) to 440 million euros (440 million euros at December 31st, 2018), of which 222 million euros had been drawn on December 31st, 2019 (222 million euros at December 31, 2018).

Utilisations made on committed bank credit lines (including RCF) with a final maturity beyond one year are classified in consolidated financial statement as non-current financial liabilities.

NOTE 10 Earnings per share

A dividend of 0.50 euros per share has been voted to the Shareholders' Meeting to be held on December 5th, 2019.

As at 31st December 2019 Bonduelle SCA's share capital comprised 32,538,340 shares with a par value of 1.75 euros per share.

(in thousands of euros)	At 2018/12/31	At 2019/12/31
Group net income	**34,850**	**29,490**
Number of shares used to calculate:		
• Basic earnings	32,141,238	**32,112,288**
• Diluted earnings	32,455,699	**32,535,705**
Earnings per share *(in euros)*		
• Basic earnings per share	1.08	**0.92**
• Diluted earnings per share*	1.07	**0.91**

** Dilution relates to free shares being granted. The risk of dilution mentioned above is considered as limited according to the allocation of the treasury shares to the objective of coverage for securities giving rights to allocations of shares.*

NOTE 11 Goodwill

Changes in goodwill were as follows:

(in thousands of euros)	At 2018/06/30	Acquisitons or charges	Sale, disposal or recovery	Other (1)	At 2018/12/31
GROSS CARRYING AMOUNT	**461,800**	**0**	**0**	**3,683**	**465,483**
Impairment					
NET CARRYING AMOUNT	**461,800**	**0**	**0**	**3,683**	**465,483**

(in thousands of euros)	At 2019/06/30	Acquisitons or charges	Sale, disposal or recovery	Other (1)	At 2019/12/31
GROSS CARRYING AMOUNT	**481,881**	**0**	**0**	**4,634**	**486,515**
Impairment					
NET CARRYING AMOUNT	**481,881**	**0**	**0**	**4,634**	**486,515**

(1) Translation adjustements.

At 31st December 2019, net value by CGU is the following :

Goodwill par UGT	At 2019/06/30	Acquisitons or charges	Sale, disposal or recovery	Other (1)	At 2019/12/31
Europe / cans and frozen	73,913	0	0	-97	73,816
Europe / fresh	73,160	0	0	0	73,160
Eastern Europe / can and frozen	13,993	0	0	242	14,235
Norht and South America / can and frozen	46,790	0	0	946	47,735
North and South America / fresh	274,025	0	0	3,543	277,569
Total	**481,881**	**0**	**0**	**4,634**	**486,515**

(1) Translation difference

NOTE 12 Contingent liabilities

(in thousands of euros)	At 2019/06/30	At 2019/12/31
Commitments given		
Guarantees and security deposits given (net of uses)	56,420	**32,390**
Commitments received		
Guarantees and security deposits received (net of uses)	6,668	**8,412**

Our commitments relate to our current activities.

Environment

None of the group's activities generates any major environmental liabilities.

The group occasionally incurs refurbishing costs on closed industrial sites.

NOTE 13 Subsequent events

No significant post closing events.

7. Certification by half-year financial report managers

We hereby certify that, to the best of our knowledge, the condensed accounts for the previous half-year have been drawn up according to the applicable accounting standards and provide a faithful impression of the assets, financial situation and results of the company Bonduelle SCA and all the firms within its consolidation structure and that the half-year business report presents a faithful impression of the important events occurring during the first six months of the financial year, their effects on the accounts, the main transactions between associated parties and a description of the main risks and uncertainties for the remaining six months of the financial year.

The Executive Manager

Pierre and Benoît Bonduelle SAS
Represented by Christophe Bonduelle

The Chief Financial Officer

Grégory Sanson

8. Statutory Auditors' report on the consolidated half-year condensed financial statements

This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your annual general meeting and in accordance with the requirements of article L. 451-1-2-III of the French Monetary and Financial Code ("Code monétaire et financier"), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of Bonduelle, for the period from July 1st, 2019 to December 31st, 2019,
- the verification of the information presented in the half-yearly management report.

These condensed half-yearly consolidated financial statements are the responsibility of the Management Board. Our role is to express a conclusion on these financial statements based on our review.

1. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - standard of the IFRSs as adopted by the European Union applicable to interim financial information.

Without qualifying our conclusion, we draw your attention to the matter set out in note 1 to the condensed half-yearly consolidated financial statements regarding the application of the IFRS 16" leasing contracts"

2. Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review. We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Lille and Villeneuve d'Ascq, March 5th, 2020

The Statutory Auditors

French original signed by

Deloitte & Associés

Jean Yves MORISSET

MAZARS

Vincent Rambaux