

Amsterdam, 10 April 2019

## Trading update Q1 2019: Strong operating result and lower revenue

### Q1 2019 highlights

- Autonomous growth in own brands (3.2)%
- Further reduction of private label and distribution business in-line with strategy
- EBITE of €20.5 million, equal to 12.8% of revenue

### Consolidated key figures Q1 2019

In € million, unless stated otherwise

|   | Q1 2019      | Q1 2018      | % change      |
|---|--------------|--------------|---------------|
| <b>Revenue</b>  | <b>159.8</b> | <b>166.7</b> | <b>(4.1)%</b> |
| Autonomous revenue development of own brands <sup>1</sup> | (3.2)%       |              |               |
| <b>Normalised operating result (EBITE)</b>                | <b>20.5</b>  | <b>16.7</b>  | <b>22.8%</b>  |
| EBITE as % of Revenue                                     | 12.8%        | 10.0%        |               |
| <b>Operating result (EBIT)</b>                            | <b>20.1</b>  | <b>16.6</b>  | <b>21.1%</b>  |
| Net financial income/(expenses)                           | 0.3          | (0.2)        |               |
| Income tax expense  | (6.0)        | (4.9)        |               |
| <b>Profit for the period</b>                              | <b>14.4</b>  | <b>11.5</b>  | <b>25.2%</b>  |
| Net debt <sup>2</sup>                                     | 52.2         | 49.5         |               |

<sup>1</sup> Including adjustments for currency effects and acquisitions/divestments.

<sup>2</sup> Excluding the effect of the implementation of IFRS 16 'Leases' the Net debt per Q1 2019 would have amounted €31.7.

### Q1 review

Revenue development in Q1 was impacted especially by our French operations. In the Grocery Channel, Bjorg was negative in the quarter due to later phasing of promotional and innovation plans compared to last year and the withdrawal of the chilled activities. Gayelord Hauser continued to decline at double-digit levels. Results for Alter Eco and Clipper were good.

In HFS, in a softer overall market, Bonneterre suffered from operational issues in connection with the changeover to our new distribution center.

Our results in Germany were strong across both channels with Clipper, Allos and Tartex.

Our Spanish business achieved good growth in particular with Ecocesta as well as our other brands. Isola Bio in Italy was negatively impacted by a product quality issue. While results for Clipper in the Benelux were strong, Zonnatura had a soft quarter due to later phasing of support plans compared to 2018.

In the UK we had another solid quarter continuing the turnaround of our brand performance in the trade, especially with Kallo.

Abbot Kinney's grew at double-digit levels and is now being activated across Europe by our country teams.

Development of gross margin was positive and EBITE as % of revenue high predominantly as a result of A&P phasing.

In Q1 revenue decreased by 4.1% to €159.8 million. Autonomous growth of our own brands was (3.2)% and total autonomous revenue growth amounted to (4.7)% as a result of continued decline in private label and distribution brands. The acquisition of Abbot Kinney's contributed 0.4% and the appreciation of the British pound contributed 0.2%.

## Guidance FY 2019

- We expect low to moderate growth of own brands and a further reduction of private label and distribution brand sales
- We expect EBITE as % of revenue to be in the range of 8 to 9% for the full year
- Net financing costs around €2.0-2.5 million. This includes an impact of around €0.5 million regarding the implementation of IFRS 16 and around €0.5 million related to the unwinding discount of the contingent consideration for the Abbot Kinney's acquisition
- Tax rate around 30%
- Capital expenditure of €10-12 million
- Depreciation and amortisation of €14-15 million. This includes an impact of around €4.3 million related to IFRS 16 and €0.4 million amortisation of the Gayelord Hauser brand after reclassification to a finite life

## Important dates 2019

11-04-2019 AGM (14h00 CET)

19-07-2019 Publication Q2 2019 interim results

18-10-2019 Publication Q3 2019 trading update

## Analyst & investor meeting

At 16h00 CET, a conference call for analysts, investors, and media will be hosted by Christophe Barnouin (CEO) and Ronald Merckx (CFO). The dial-in number is +31(0)20 341 8241, code 590844#.

The press release and presentation are available for download at [www.wessanen.com](http://www.wessanen.com).

## Media, investor & analyst enquiries

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## Company profile

Wessanen is a leading company in the European market for healthy and sustainable food. In 2018, our revenue was €628 million and we employed on average 1,350 people. Our purpose is 'connect to nature' and we focus on organic, vegetarian, fair trade and nutritionally beneficial products.

Our family of companies is committed to driving positive change in food in Europe. Our own brands include many pioneers and market leaders: Allos, Alter Eco, Bjorg, Bonneterre, Clipper, Destination, El Granero, Isola Bio, Kallø, Mrs Crimble's, Tartex, Whole Earth and Zonnatura.

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## Note on forward-looking statements

This press release includes forward looking statements. Other than reported financial results and historical information, all statements included in this press release, including, without limitation, those regarding our financial position, business strategy and plans and objectives of management for future operations, are forward-looking statements. These forward-looking statements are based on our current expectations and projections about future events and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements.

Many of these risks and uncertainties relate to factors that are beyond Wessanen's ability to control or estimate precisely, such as future market conditions, the behaviour of other market participants and the actions of governmental regulators. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release and are subject to change without notice. Other than as required by applicable law or the applicable rules of any exchange on which our securities may be traded, we have no intention or obligation to update forward-looking statements.

Market Abuse Regulation

This press release may contain inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation

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