



Press release

Regulated information
22 May 2020 – before market

LOTUS BAKERIES ACQUIRES MAJORITY OF REMAINING STAKE OF NATURAL BALANCE FOODS FOUNDERS

Lotus Bakeries has reached an agreement with Natural Balance Food's Founders Jamie & Greg Combs to purchase the majority of their remaining stake, in a deal that gives Lotus Bakeries 97.9% ownership. To ensure the continuity of the brands DNA and to help realize future growth ambitions, Jamie & Greg Combs will remain on board as trusted advisors focusing on innovation and sparring partners and will keep a 2.1% shareholder stake in Natural Balance Foods ("NBF").

Natural Balance Foods is the pioneering British wholefood company with a wide range of innovative wholefood bars sold under the Nākd and Trek brands. NBF was founded in 2004 by the two Californian brothers Jamie and Greg Combs. As from the start, Nākd and Trek have become beloved by consumers for its range of innovative and delicious snack products, free from gluten, dairy, wheat, and added sugars. The strong sales were primarily driven by an explosive demand for its all-natural products across the UK's major grocery and retail stores, as increasingly health-conscious consumers gravitate towards healthy and tasty snacking solutions.

In 2015, the Founders and Lotus Bakeries entered into a strategic partnership whereby Lotus Bakeries acquired 67.2% of the shares. The Founders held the balance of the shares and also remained actively involved in the day-to-day management and operations of Natural Balance Foods. The combination of the Founders' vision on wholefood snacking and Lotus Bakeries' international network and know-how have brought NBF to another level over the last 5 years. As from the start, the Founders and Lotus Bakeries management have been working together in a positive way, always maintaining the entrepreneurial spirit, with the vision to create value for all stakeholders. The sales of both NBF brands, Nākd and Trek, have grown significantly in the UK and internationally through focus, innovation and brand support.

Today, the brand's Founders and Lotus Bakeries are convinced that NBF is ready to move to a next phase. Jamie & Greg will step away from day-to-day management and operations responsibilities at the end of this year. The Founders will remain fully operational until December 31st, 2020. Gareth Dunne, Operations Director NBF, has been appointed as acting Managing Director reporting to Isabelle Maes, Executive President NBF & CEO Natural Foods.

Both parties have reached a mutual agreement on the share price, the timing of the transaction and the future organization. The price paid represents a multiple of c1.7x the current year Net Sales.

Isabelle Maes, CEO Natural Foods Lotus Bakeries:

"We have great respect for what has been realized by NBF's founders and its management team, not only in terms of its growth, which is truly impressive, but particularly by their vision of wholefood snacking. The Founders have been pioneers in the UK market by successfully championing a totally innovative snacking philosophy which is centered on creating all natural, lightly processed and delicious products that suit the mainstream consumer market. Greg and Jamie have therefore been instrumental for the growth of the business not only in sales value, but also in bringing to market an innovative product range."

Jamie & Greg Combs, Founders of Natural Balance Foods:

"In 2015 Natural Balance Foods and Lotus Bakeries joined forces to help advance 'The Wholefood Revolution'. That long-term strategic alliance has been wonderfully successful and happily continues. The NBF/Lotus teams are world-class, dedicated, motivated and more than ready to lead. Our team, products, brands and systems have never been stronger. We look forward to exploring and championing the next generation of mind-blowing wholefood innovations and innovators."





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Lotus Bakeries in a nutshell

Lotus Bakeries began in the village of Lembeke in 1932 and is now active worldwide in the indulgent and natural snacking segment with the Lotus, Lotus Biscoff, Dinosaurus, Peijnenburg, Annas, Näkd, TREK, BEAR and Kiddylicious brands, among others. Lotus Bakeries, with headquarters in Belgium, is a dynamic, internationally oriented company with production facilities in Belgium, the Netherlands, France, Sweden, South Africa and the US, and twenty-one own sales organisations in Europe, America and Asia. Lotus Bakeries also works with commercial partners in approximately fifty countries worldwide. Lotus Bakeries has approximately 2,000 employees. By maintaining a healthy balance between tradition and innovation, the Lotus brand indulges consumers with a unique range of high-quality, tasty products. The secret of Lotus Biscoff lies in the cookie's unique flavour, distinctive design and delightful crispiness. The unique caramelised cookie flavour has meanwhile also been incorporated into a spread and ice cream. A wide range of cake specialties and waffles are furthermore offered under the Lotus brand name. Koninklijke Peijnenburg is the market leader for gingerbread in the Netherlands and Annas is a typical Swedish speciality of pepparkakor biscuits: thin, crunchy biscuits flavoured with ginger and cinnamon. Under the Näkd, TREK and BEAR brands, Lotus Bakeries offers tasty snacks, manufactured from all-natural, unprocessed ingredients, with no added sugar. Kiddylicious focusses on healthy snacking for babies, toddlers and pre-schoolers. In 2019 the Group achieved a turnover of EUR 613 million. The shares of Lotus Bakeries are listed on Euronext Brussels. The majority of the shares are owned by the Boone and Stevens family.

For more information please contact:

Jan Boone - CEO Lotus Bakeries
Tel. + 32 9 376 26 14

Isabelle Maes – CEO Natural Foods
Tel. + 32 9 376 26 14

Further information on Lotus Bakeries can be found on www.lotusbakeries.com

