



Interim Financial Reporting  
per 30 June 2021



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## CONSOLIDATED KEY FIGURES

INCOME STATEMENT <sup>(1)</sup> (IN THOUSANDS OF EUR)	30-06-2021	30-06-2020	EVOLUTION %
<b>TURNOVER</b>	<b>365,248</b>	<b>323,271</b>	<b>+ 13.0</b>
Recurrent operating result (REBIT) <sup>(2)</sup>	64,460	55,030	+ 17.1
<b>RECURRENT OPERATING CASH FLOW (REBITDA) <sup>(3)</sup></b>	<b>77,344</b>	<b>67,074</b>	<b>+ 15.3</b>
Non-recurrent operating result	(1,294)	(4,007)	- 67.7
Operating result (EBIT) <sup>(4)</sup>	63,166	51,023	+ 23.8
Financial result	(1,506)	(2,547)	- 40.9
Profit for the year before taxes	61,660	48,476	+ 27.2
Taxes	(13,890)	(10,295)	+ 34.9
Net result	47,770	38,181	+ 25.1
<b>RECURRENT NET RESULT</b>	<b>48,774</b>	<b>41,337</b>	<b>+ 18.0</b>
Total number of shares on 30 June <sup>(5)</sup>	811,837	810,244	+ 0.2
<b>KEY FIGURES PER SHARE (IN EUR)</b>			
Recurrent operating result (REBIT)	79.40	67.92	+ 16.9
Recurrent operating cash flow (REBITDA) <sup>(3)</sup>	95.27	82.78	+ 15.1
<b>BALANCE SHEET (IN THOUSANDS OF EUR)</b>			
Balance sheet total	911,519	848,486	+ 7.4
Equity	471,226	391,555	+ 20.3
Investments <sup>(6)</sup>	17,630	31,022	- 43.2
Net financial debts <sup>(7)</sup>	129,640	170,870	- 24.1

(1) The income statement and balance sheet can be found attached.

(2) REBIT is defined as the recurrent operating result, consisting of all the proceeds and costs relating to normal business.

(3) Recurrent operating cash flow is defined as recurrent operating result + depreciations + provisions and amounts written off + non-cash costs valuation option and warrant plan.

(4) EBIT is defined as recurrent operating result + non-recurrent operating result.

(5) Total number of shares on 30 June, excluding treasury shares.

(6) Investments in tangible, intangible fixed assets and participating interests.

(7) Net financial debts are defined as interest bearing financial debts - investments - cash and cash equivalents - treasury shares, and are reported excluding the 'lease liability' that results from the implementation of the IFRS 16 Leases standard. Including this 'lease liability', the net financial debts amount to EUR 137 million.

The statutory auditor, PwC Bedrijfsrevisoren, represented by Lien Winne, has executed a review of the consolidated balance sheet and consolidated interim financial information. The statutory auditor has no comments.

## MANAGEMENT EXPLANATION

### 2.1 Group turnover up by 13% or EUR 42 million

In the first half of 2021, the consolidated turnover of the Lotus Bakeries Group rose by EUR 42 million to EUR 365.2 million, up 13%. Without the impact of negative exchange rates and on a constant currency and day basis, turnover growth would have risen 14.6%.

Even though both the COVID-19 pandemic with general lockdown measures and the impact of negative exchange rates provided an unfavourable basis for comparison with last year, growth was nevertheless achieved in the first quarter. The gradual reopening of all of the out-of-home channels and the resumption of on-the-go consumption provided an overall acceleration of growth in the various markets and channels in the second quarter.

**Lotus Biscoff®**, the Group's number one and largest strategic pillar, grew by 20% in the first half of the year. In addition to the positive impact of the hospitality sector reopening and the gradual recovery of air traffic in the United States, the international expansion of Lotus Biscoff®, Lotus Biscoff® Spread and Lotus Biscoff® Ice Cream continues unabated in every country and continent of the world. For instance, double-digit growth was recorded in among others the UK, Germany, Spain, Italy, Czech Republic, Switzerland, Sweden, China, South Korea, Japan, Israel, United Arab Emirates, Kuwait, Singapore, Jordan, Turkey, Australia, Canada, Egypt, Indonesia and Malaysia.

Furthermore, the innovations launched in 2020 also provided additional growth. After a successful launch in four countries in 2020, the Lotus Biscoff® Sandwich Cookie has also been enthusiastically welcomed in all other countries where it was introduced. In the second half of 2020, Lotus Bakeries also made a successful entrance into the chocolate category. Lotus Biscoff® Chocolate has now built up a wide distribution in Belgium and its range of products has already been expanded further.

The second strategic pillar at Lotus Bakeries is **Lotus Natural Foods**. After a very strong first quarter in 2020, sales from the Lotus Natural Foods brands *näkd*, *TREK*, *Kiddylicious* and *BEAR* fell sharply when lockdowns were introduced in the second quarter of 2020. All products for which the on-the-go aspect is an important consumption factor were affected by the shutdown of offices and schools and by the restrictions on travel to work, to visit family or out of the home.

Following a significant and systematic recovery from July last year onwards, the Lotus Natural Foods brands had recovered to the 2019 level by the end of 2020. The first two months of 2021 were highlighted by the tightening of lockdowns, which, when combined with a pre-COVID comparison basis, produced slightly negative growth. From March, there was a systematic upward trend in growth month after month, resulting in two record months in May and June 2021. Lotus Natural Foods posted

40% growth in the second quarter, which was also the best quarter result it had ever achieved in its history. All brands and concepts have seen strong growth in recent months.

This strong, rapid recovery after the COVID-19 pandemic supports the belief that the strategy for Lotus Natural Foods is the right one. This is a strategy based, on the one hand, on the development of market-leading brands in the UK and, on the other hand, on the accelerated international growth of brands outside the UK. *Kiddylicious*, for example, became the market leader in the Baby Snacking category in the UK for the first time in June, with international Lotus Natural Foods business growing by 20% in the first half of the year.

The third pillar of the Lotus Bakeries strategy is the focus on **Lotus Local Heroes** in the home markets in Belgium, the Netherlands, France and Sweden.

In Belgium and France, Lotus posted good growth in the first half of the year with its "hero" products in the waffle and pastry range. These products were again also supported by targeted media campaigns.

In the Netherlands, the market share of *Peijnenburg* remained stable in the first half of the year. The on-the-go gingerbread brand *Snelle Jelle* continued to be adversely affected by the impact of the lockdowns in the first quarter, but has seen solid growth again in recent months.

### 2.2 Recurring EBITDA up by more than 15%

Recurring operating profit REBIT (EUR 64.5 million or 17.6% in relation to turnover) and recurring operating cash flow REBITDA (EUR 77.3 million or 21.2% in relation to turnover) rose by EUR 9.4 million and 10.3 million respectively compared to last year.

Turnover and volume growth is accompanied by a positive commercial and operating margin contribution. In addition, the Group also continues to invest in the organisation and employees. The growth targets and expansion plans can only be achieved by strengthening and expanding sales teams, operational teams and the supporting functions, which must evolve with the growing and increasingly international Group. Earlier this year, for example, an announcement was made about setting up a new Lotus Natural Foods International headquarters in Switzerland, where all international operations, brands and Global Accounts will be centralised. This new office is up and running and already has 25 staff at the moment.

Certain media campaigns were relaunched in the second half of 2020. The level of media support is maintained in a disciplined and selective manner and is currently still below pre-COVID levels.

The non-recurring operating profit is EUR -1.3 million. This was EUR -4 million last year and mainly included then direct COVID-19 costs for ensuring operational continuity and safety in the factories. This year's costs mainly cover the costs for supporting capacity expansions in the US for Lotus Biscoff® and BEAR and one-off costs following the relocation and merger of two Natural Foods offices in the UK.

The financial result of EUR -1.5 million consists mainly of interest payments. Unrealised exchange rate results on balance sheet items in foreign currencies are limited and were negative last year.

The tax burden accounted for EUR 13.9 million, or 22.5% of the pre-tax profit. The lower tax burden last year was positively influenced by the last nominal rate reduction in Belgium to 25%. In addition, there was a one-off positive effect from the exemption applied from double taxation. As a one-off result, the effective tax burden was also lower last year.

Net profit rose by almost EUR 10 million compared to the first half of 2020, or by more than 25% to EUR 47.8 million. Recurring net profit increased by 18% to EUR 48.8 million or 13.4% in relation to turnover. The recurring net result consists of the reported net result without non-recurring costs.

### 2.3 Decrease in net financial debt by EUR 41 million compared to the 2020 half-year period

Lotus Bakeries generated a new record operating cash flow of EUR 142.6 million over the past 12 months. Net financial liabilities fell to EUR 130 million at the end of June 2021, down EUR 41 million compared to the end of June 2020. The ratio of net financial debt to REBITDA has therefore fallen to 0.9 compared to 1.4 at the end of June 2020.

In addition, the reported net financial debt of EUR 137 million includes EUR 7 million in additional debt to be expressed through the application of the IFRS 16 "Leasing" standard.

### 2.4 Lotus Biscoff® becomes one of the largest cookie brands in the world

Lotus Biscoff® has seen double-digit growth in recent years. All the concepts have contributed to this: the cookie, the spread and, in recent years, also the ice cream. Growth was also accelerated by the innovations made in 2020. Last year, for example, the new Lotus Biscoff® Sandwich cookie was introduced, which has seen rapid growth. After a successful launch of Lotus Biscoff® Chocolate in Belgium in 2020, preparation for an international launch in the second half of 2021 is already in full swing.

The healthy growth experienced by Lotus Biscoff® is based on the "Biscoff® repeatable model". The penetration of Lotus Biscoff® in a given country determines the strategy. Penetration is defined as "how many families purchase a Lotus Biscoff® product at least once a year". There are four phases which countries go through according to the degree of penetration: create, build, accelerate and, last of all, expand. Each phase has a detailed playbook with activation levers such as channel, range, pricing, cooperation with out-of-home partners or leading A-brands in retail, media activation, etc.

The whole setup is supported by an organisational and operating model.

The growth achieved in terms of penetration in large and small consumer markets where Lotus Bakeries is already active, combined with the ability to increase that penetration further, supports the belief that Lotus Biscoff® will become one of the largest cookie brands in the world.

In the medium term, the ambition is to continue to achieve double-digit growth with Lotus Biscoff®. To support this ambition and growth, a great deal of investment is being made in production capacity, as well as in employees and the organisation.

For example, Lotus Bakeries has decided to continue investing in Lotus Biscoff® capacity in both Belgium and the US. New lines will be started up on both continents in 2022. These expansions will create additional employment in Belgium and the United States. In addition, international investments are also being made in the Lotus Biscoff® sales and marketing teams.

The current HQ in Lembeke will be expanded with the new "House of Biscoff". All the commercial teams operating internationally and at group level for Lotus Biscoff® will be brought together in this new office. Construction has already started and the "House of Biscoff" will be put into operation in the second quarter of 2022.

### 2.5 Successful implementation of the Lotus Natural Foods growth strategy

In 2020, the foundations of the growth strategy for Lotus Natural Foods were reinforced further. The main strands of the Lotus Natural Foods strategy are as follows:

- Building and consolidating market leadership in the UK with a portfolio of strong brands combined with accelerating innovations in existing and adjacent categories;
- Accelerating globalisation both through the Lotus Bakeries network of sales offices and through commercial partners in other countries;
- Further growth through acquisitions or full integration of brands from the FF2032 corporate venture fund.

The organisation was strengthened by bringing together all the international brands and activities in the new international Lotus Natural Foods office in Baar, Switzerland. In addition, it was also decided to open a new Lotus Natural Foods headquarters in the northwest of London, St Albans, specifically for the UK. The brands retain their individual identity and strategic independence while facilitating synergy for support activities.

The benefits of these reorganisations will be reaped as early as 2021, both globally and in the UK. In addition, there is a clear strategy to expand distribution further internationally and to consolidate growth in the UK of the core range, supplemented by the launch of new products in existing but also new segments. An innovation strategy and funnel have been defined for all brands from which many new references have

already been launched in 2021, such as nākd Chocolish, TREK Power, BEAR Giants and BEAR ice lollies. The Kiddylicious range was expanded with a completely new range for children aged +3 years, with Fruity Drops, Popped Hoops and Veggie Buttons.

## 2.6 E-commerce already accounts for 8% of group turnover and is growing strongly

In recent years, e-commerce, both through e-tailers among which Amazon and through online platforms operated by traditional retailers, has evolved into an important sales channel. E-commerce opens up new opportunities for achieving incremental growth and penetration for both Lotus Biscoff® and the Lotus Natural Foods brands. Nowadays, e-commerce already accounts for 8% of group turnover and is growing strongly.

Lotus Bakeries has used an internal and external strategic working group during the past year to determine the strands of the future e-commerce strategy. This organisation is further strengthened in order to provide the necessary focus and develop expertise further both in the commercial teams of the countries and at group level.

## 2.7 FF2032 invests in direct-to-consumer concept Oot

FF2032, the corporate venture fund of Lotus Bakeries, acquired in May 2021 a minority stake in the Dutch brand Oot, which markets fresh, organic and gluten-free granolas that are low in sugars. The interest in Oot is motivated by its purely online “direct-to-consumer” concept.

By acquiring this stake, FF2032 has added a fourth promising growth company to its portfolio, along with UK’s Peter’s Yard (sourdough crackers and crispbreads) and US companies Love Corn (crunchy corn snacks) and Partake Foods (allergen and gluten-free cookies).

Each of these holdings is inspired by the innovative products, technologies or market approaches which these companies bring to the food sector. In addition, they all come under the “Better-for-you Food & Drinks” segment. In time, certain holdings could possibly be integrated within Lotus Natural Foods, thereby creating an attractive growth opportunity as part of the Lotus Natural Foods strategy.

## 2.8 Conclusion and outlook

Lotus Bakeries has again achieved strong growth in the first half of the year with a level of profitability which rises even more proportionally at both the level of recurring operating profit and net profit. Net profit has risen by 25% or almost EUR 10 million.

The strategic growth pillars Lotus Biscoff® and Lotus Natural Foods have both contributed to that growth and profitability.

Lotus Biscoff® has achieved significant growth of 20% in the first half of the year, including through the reopening of the out-of-home channels and the further internationalisation of the Lotus Biscoff® Sandwich Cookie. The solid and geographically diverse growth

strengthens confidence in the ambition to make Lotus Biscoff® one of the largest cookie brands in the world. Similarly, the target is to continue to achieve double-digit growth with Lotus Biscoff® in the years ahead. Lotus Biscoff® innovations will definitely make a positive contribution to this. As will the announced investments in additional capacity, which have already started both in the Lembeke plant, Belgium and in Mebane, the US.

In 2020, the foundations of the growth strategy for Lotus Natural Foods were reinforced further. The benefits of these investments are being reaped as early as 2021. The second quarter was the best quarter result ever achieved in the history of Lotus Natural Foods, with a growth rate 40% higher than the second quarter in 2020.

CEO Jan Boone looks back on the first half of 2021:

“It gives me great pride to announce these impressive growth figures for the first half of 2021. But the best part of the Lotus Bakeries story has yet to be written as we have only just begun to conquer the world with our two international growth leaders, Lotus Biscoff® and Lotus Natural Foods. Every year, millions of families are putting our products in their shopping basket for the first time. And yet, if you look at the trajectory we can follow in all these countries, the potential is still huge. So yes, we’re proud of the result achieved in the past six months but, above all, we’re ready and really fired up to conquer the world.”

Lotus Bakeries has achieved significant growth in recent years. The globalisation of Lotus Biscoff®, the strategic investments in the US and the successful acquisitions and globalisation of the British Natural Foods brands have raised the profile and aroused interest in the Lotus Bakeries story. All of this has also grabbed the attention of a wider and more international community of investors. More analysts, both domestic and international, have also recently started monitoring the stock. To meet this increased interest, Lotus Bakeries will step up its investor relations activity, in relation to both present and future investors, and publish an ‘investor relations’ information deck. In this way, Lotus Bakeries also wants to increase the velocity of the stock and attract a more diversified share ownership.

# CONSOLIDATED FINANCIAL STATEMENTS

## 3.1 Consolidated income statement

IN THOUSANDS OF EUR	JAN-JUNE 2021	JAN-JUNE 2020
<b>TURNOVER</b>	<b>365,248</b>	<b>323,271</b>
Raw materials, consumables and goods for resale	(106,888)	(102,639)
Services and other goods	(94,266)	(86,278)
Employee benefit expense	(75,507)	(67,695)
Depreciation and amortisation on intangible and tangible assets	(10,912)	(10,377)
Impairment on inventories, contracts in progress and trade debtors	(1,771)	(1,274)
Other operating charges	(3,533)	(3,472)
Other operating income	(7,911)	3,494
<b>RECURRENT OPERATING RESULT (REBIT) <sup>(1)</sup></b>	<b>64,460</b>	<b>55,030</b>
Non-recurrent operating result	(1,294)	(4,007)
<b>OPERATING RESULT (EBIT) <sup>(2)</sup></b>	<b>63,166</b>	<b>51,023</b>
Financial result	(1,506)	(2,547)
Interest income (expense)	(1,342)	(1,313)
Foreign exchange gains (losses)	94	(998)
Other financial income (expense)	(258)	(236)
<b>PROFIT FOR THE YEAR BEFORE TAXES</b>	<b>61,660</b>	<b>48,476</b>
Taxes	(13,890)	(10,295)
<b>RESULT AFTER TAXES</b>	<b>47,770</b>	<b>38,181</b>
<b>NET RESULT – attributable to:</b>	<b>47,770</b>	<b>38,181</b>
Non-controlling interests	5	6
Equity holders of Lotus Bakeries	47,765	38,175
<b>OTHER COMPREHENSIVE INCOME</b>		
<b>Items that may be subsequently reclassified to profit and loss</b>	<b>15,760</b>	<b>(24,476)</b>
Currency translation differences	15,626	(24,498)
Gain/(Loss) on cash flow hedges, net of tax	134	22
<b>Items that will not be reclassified to profit and loss</b>	<b>-</b>	<b>(47)</b>
Remeasurement gains/(losses) on defined benefit plans	-	(47)
<b>Other comprehensive income</b>	<b>15,760</b>	<b>(24,523)</b>
<b>Total comprehensive income – attributable to:</b>	<b>63,530</b>	<b>13,658</b>
Non-controlling interests	42	(50)
Equity holders of Lotus Bakeries	63,488	13,708



IN THOUSANDS OF EUR	JAN-JUNE 2021	JAN-JUNE 2020
<b>EARNINGS PER SHARE</b>		
Weighted average number of shares	811,208	808,914
<b>Basic earnings per share (EUR) – attributable to:</b>		
Non-controlling interests	0.01	0.01
Equity holders of Lotus Bakeries	58.88	47.19
Weighted average number of shares after effect of dilution	813,078	810,115
<b>Diluted earnings per share (EUR) – attributable to:</b>		
Non-controlling interests	0.01	0.01
Equity holders of Lotus Bakeries	58.75	47.12
Total number of shares <sup>(3)</sup>	816,013	816,013
<b>Earnings per share (EUR) – attributable to:</b>		
Non-controlling interests	0.01	0.01
Equity holders of Lotus Bakeries	58.53	46.78

(1) REBIT is defined as the recurrent operating result, consisting of all the proceeds and costs relating to normal business.

(2) EBIT is defined as recurrent operating result + non-recurrent operating result.

(3) Total number of shares including treasury shares.

### 3.2 Consolidated balance sheet

IN THOUSANDS OF EUR	30-06-2021	31-12-2020
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>	<b>643,468</b>	<b>622,840</b>
Property, plant and equipment	264,861	258,182
Goodwill	224,745	216,485
Intangible assets	143,601	139,966
Investment in other companies	7,102	4,403
Deferred tax assets	2,671	3,351
Other non-current assets	488	453
<b>CURRENT ASSETS</b>	<b>268,051</b>	<b>221,387</b>
Inventories	57,152	46,827
Trade receivables	105,751	82,856
VAT receivables	6,300	5,930
Income tax receivables	3,760	3,142
Other amounts receivable	531	256
Cash and cash equivalents	91,237	81,261
Deferred charges and accrued income	3,320	1,115
<b>TOTAL ASSETS</b>	<b>911,519</b>	<b>844,227</b>
<b>EQUITY AND LIABILITIES</b>		
Equity	471,226	433,744
Share Capital	16,388	16,388
Retained earnings	496,698	476,724
Treasury shares	(9,623)	(11,474)
Other reserves	(32,237)	(47,961)
Non-controlling interests	-	67
<b>NON-CURRENT LIABILITIES</b>	<b>285,806</b>	<b>261,841</b>
Interest-bearing loans and borrowings	222,006	198,156
Deferred tax liabilities	57,447	57,195
Pension liabilities	3,717	3,748
Provisions	271	282
Derivative financial instruments	539	717
Other non-current liabilities	1,826	1,743
<b>CURRENT LIABILITIES</b>	<b>154,487</b>	<b>148,642</b>
Interest-bearing loans and borrowings	15,769	12,552
Pension liabilities	317	317
Provisions	21	21
Trade payables	91,044	87,370
Employee benefit expenses and social security	25,187	26,508
VAT payables	1,225	145
Tax payables	8,469	12,701
Other current liabilities	6,539	4,624
Accrued charges and deferred income	5,916	4,404
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>911,519</b>	<b>844,227</b>

### 3.3 Consolidated cash flow statement

IN THOUSANDS OF EUR	JAN-JUNE 2021	JAN-JUNE 2020
<b>Operating activities</b>		
Net result (Group)	47,765	38,175
Depreciation and amortisation of (in)tangible assets	10,912	10,384
Net valuation allowances current assets	1,771	1,274
Provisions	-	95
Disposal of fixed assets	15	-
Financial result	1,506	2,547
Taxes	13,890	10,295
Employee share-based compensation expense	208	284
Non-controlling interests	5	6
<b>Gross cash provided by operating activities</b>	<b>76,072</b>	<b>63,060</b>
Decrease/(Increase) in inventories	(11,226)	(10,907)
Decrease/(Increase) in trade accounts receivable	(21,760)	(4,831)
Decrease/(Increase) in other assets	(2,279)	(3,592)
Increase/(Decrease) in trade accounts payable	1,282	(9,473)
Increase/(Decrease) in other liabilities	379	5,362
<b>Change in operating working capital</b>	<b>(33,604)</b>	<b>(23,441)</b>
Income tax paid	(17,827)	(13,410)
Interest paid	(1,445)	(2,888)
Other financial income and charges received/(paid)	615	(1,005)
<b>Net cash provided by operating activities</b>	<b>23,811</b>	<b>22,316</b>
<b>Investing activities</b>		
(In)tangible assets - acquisitions	(12,978)	(7,745)
(In)tangible assets - other changes	-	(25)
Acquisition of subsidiaries	(274)	(26,108)
Financial assets - other changes	(2,700)	-
<b>Net cash used in investing activities</b>	<b>(15,952)</b>	<b>(33,876)</b>
<b>Net cash flow before financing activities</b>	<b>7,859</b>	<b>(11,560)</b>
<b>Financing activities</b>		
Dividends paid	(27,557)	(25,920)
Treasury shares	2,969	5,692
Proceeds / (Reimbursement) of long-term borrowings	23,000	75,500
Proceeds / (Reimbursement) of short-term borrowings	4,480	6,799
Lease liabilities	(1,687)	(1,602)
Short term investments	-	(15,000)
Proceeds / (Reimbursement) of long-term receivables	(42)	(28)
<b>Cash flow from financing activities</b>	<b>1,163</b>	<b>45,441</b>
<b>Net change in cash and cash equivalents</b>	<b>9,022</b>	<b>33,881</b>
Cash and cash equivalents on January 1	81,261	40,093
Effect of exchange rate fluctuations	954	(3,500)
Cash and cash equivalents on June 30	91,237	70,474
<b>Net change in cash and cash equivalents</b>	<b>9,022</b>	<b>33,881</b>

### 3.4 Consolidated statement of changes in equity

IN THOUSANDS OF EUR	ISSUED CAPITAL	SHARE PREMIUM	SHARE CAPITAL	RETAINED EARNINGS
<b>Equity as on 1 January 2021</b>	<b>3,591</b>	<b>12,797</b>	<b>16,388</b>	<b>476,724</b>
Net result of the Financial Year	-	-	-	47,765
Currency translation differences	-	-	-	-
Cash flow hedge reserves	-	-	-	-
Taxes on items taken directly to or transferred from equity	-	-	-	-
Net income/(expense) for the period recognised directly in equity	-	-	-	-
<b>Total comprehensive income/(expense) for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>47,765</b>
Dividend to shareholders	-	-	-	(28,968)
Acquisition/sale own shares	-	-	-	-
Employee share-based compensation expense	-	-	-	208
Non-controlling interests resulting from business combinations	-	-	-	(207)
Impact written put options on Non-controlling interests	-	-	-	42
Other	-	-	-	1,134
<b>Equity as on 30 June 2021</b>	<b>3,591</b>	<b>12,797</b>	<b>16,388</b>	<b>496,698</b>
<b>Equity as on 1 January 2020</b>	<b>3,591</b>	<b>12,797</b>	<b>16,388</b>	<b>422,724</b>
Net result of the Financial Year	-	-	-	38,175
Currency translation differences	-	-	-	-
Remeasurement gains/(losses) on defined benefit plans	-	-	-	-
Cash flow hedge reserves	-	-	-	-
Taxes on items taken directly to or transferred from equity	-	-	-	-
Net income/(expense) for the period recognised directly in equity	-	-	-	-
<b>Total comprehensive income/(expense) for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>38,175</b>
Dividend to shareholders	-	-	-	(26,112)
Acquisition/sale own shares	-	-	-	-
Employee share-based compensation expense	-	-	-	284
Impact written put options on Non-controlling interests	-	-	-	(4,533)
Other	-	-	-	1,656
<b>Equity as on 30 June 2020</b>	<b>3,591</b>	<b>12,797</b>	<b>16,388</b>	<b>432,194</b>

TREASURY SHARES	TRANSLATION DIFFERENCES	REMEASUREMENT GAINS/(LOSSES) ON DEFINED BENEFIT PLANS	CASH FLOW HEDGE RESERVES	OTHER RESERVES	EQUITY - PART OF THE GROUP	NON-CONTROLLING INTERESTS	TOTAL EQUITY
<b>(11,474)</b>	<b>(47,143)</b>	<b>(280)</b>	<b>(538)</b>	<b>(47,961)</b>	<b>433,677</b>	<b>67</b>	<b>433,744</b>
-	-	-	-	-	47,765	5	47,770
-	15,590	-	-	15,590	15,590	37	15,627
-	-	-	179	179	179	-	179
-	-	-	(45)	(45)	(45)	-	(45)
-	15,590	-	134	15,724	15,724	37	15,761
-	<b>15,590</b>	-	<b>134</b>	<b>15,724</b>	<b>63,489</b>	<b>42</b>	<b>63,531</b>
-	-	-	-	-	(28,968)	-	(28,968)
1,851	-	-	-	-	1,851	-	1,851
-	-	-	-	-	208	-	208
-	-	-	-	-	(207)	(67)	(274)
-	-	-	-	-	42	(42)	-
-	-	-	-	-	1,134	-	1,134
<b>(9,623)</b>	<b>(31,553)</b>	<b>(280)</b>	<b>(404)</b>	<b>(32,237)</b>	<b>471,226</b>	<b>-</b>	<b>471,226</b>
<b>(15,866)</b>	<b>(19,900)</b>	<b>(302)</b>	<b>(646)</b>	<b>(20,848)</b>	<b>402,398</b>	<b>79</b>	<b>402,477</b>
-	-	-	-	-	38,175	6	38,181
-	(24,442)	-	-	(24,442)	(24,442)	(56)	(24,498)
-	-	(70)	-	(70)	(70)	-	(70)
-	-	-	29	29	29	-	29
-	-	23	(7)	16	16	-	16
-	(24,442)	(47)	22	(24,467)	(24,467)	(56)	(24,523)
-	<b>(24,442)</b>	<b>(47)</b>	<b>22</b>	<b>(24,467)</b>	<b>13,708</b>	<b>(50)</b>	<b>13,658</b>
-	-	-	-	-	(26,112)	-	(26,112)
4,094	-	-	-	-	4,094	-	4,094
-	-	-	-	-	284	-	284
-	-	-	-	-	(4,533)	31	(4,502)
-	-	-	-	-	1,656	-	1,656
<b>(11,772)</b>	<b>(44,342)</b>	<b>(349)</b>	<b>(624)</b>	<b>(45,315)</b>	<b>391,495</b>	<b>60</b>	<b>391,555</b>



YEAR ENDED 30 JUNE 2021	CONTINUING OPERATIONS							
IN THOUSANDS OF EUR	BELGIUM	FRANCE	NETHERLANDS	UK	OTHER	ELIMINATIONS + CORPORATE COMPANIES	TOTAL	
<b>Assets and liabilities</b>								
Non-current assets	149,467	8,540	100,728	244,421	102,281	35,360	643,468	
Segment assets	149,467	8,540	100,728	244,421	102,281	35,360	640,797	
Unallocated assets:							2,671	
Deferred tax assets							2,671	
Current assets	44,580	17,087	14,909	46,351	35,312	8,515	268,051	
Segment assets	44,580	17,087	14,909	46,351	35,312	8,515	166,754	
Unallocated assets:							101,297	
VAT receivables							6,300	
Income tax receivables							3,760	
Cash and cash equivalents							91,237	
<b>Total assets</b>	<b>194,047</b>	<b>25,627</b>	<b>115,637</b>	<b>290,773</b>	<b>137,593</b>	<b>43,875</b>	<b>911,519</b>	
Non-current liabilities	1,671	786	517	-	645	908	285,806	
Segment liabilities	1,671	786	517	-	645	908	4,527	
Unallocated liabilities:							281,279	
Deferred tax liabilities							57,447	
Interest-bearing loans and borrowings							222,006	
Other non-current liabilities							1,826	
Current liabilities	34,751	16,245	8,702	28,547	21,531	19,247	154,487	
Segment liabilities	34,751	16,245	8,702	28,547	21,531	19,247	129,024	
Unallocated liabilities:							25,463	
VAT payables							1,225	
Tax payables							8,469	
Interest-bearing loans and borrowings							15,769	
<b>Total liabilities</b>	<b>36,422</b>	<b>17,031</b>	<b>9,219</b>	<b>28,547</b>	<b>22,176</b>	<b>20,154</b>	<b>440,292</b>	
<b>OTHER SEGMENT INFORMATION</b>								
Capital expenditure:								
Tangible fixed assets	5,423	136	544	1,617	4,829	750	13,299	
Intangible fixed assets					11	1,243	1,254	
Depreciation	5,042	603	1,428	324	2,450	1,065	10,912	
Increase/(decrease) in amounts written off stocks, contracts in progress and trade debtors	422	(43)	151	705	503	33	1,771	





YEAR ENDED 30 JUNE 2020		CONTINUING OPERATIONS					
IN THOUSANDS OF EUR	BELGIUM	FRANCE	NETHERLANDS	UK	OTHER	ELIMINATIONS + CORPORATE COMPANIES	TOTAL
<b>ASSETS AND LIABILITIES</b>							
Non-current assets							613,947
Segment assets	144,742	8,433	101,080	229,587	97,400	29,230	610,472
Unallocated assets:							3,475
Deferred tax assets							3,475
Current assets							234,539
Segment assets	38,739	16,609	16,524	38,710	24,077	5,908	140,566
Unallocated assets:							93,972
VAT receivables							4,706
Income tax receivables							3,792
Short term investments							15,000
Cash and cash equivalents							70,474
<b>Total assets</b>							<b>848,486</b>
Non-current liabilities							292,986
Segment liabilities	1,674	783	762	-	596	1,165	4,980
Unallocated liabilities:							288,006
Deferred tax liabilities							52,052
Interest-bearing loans and borrowings							234,237
Other non-current liabilities							1,717
Current liabilities							163,945
Segment liabilities	36,586	13,822	8,307	23,417	14,572	14,355	111,059
Unallocated liabilities:							52,886
VAT payables							885
Tax payables							9,825
Interest-bearing loans and borrowings							42,176
<b>Total liabilities</b>							<b>456,931</b>
<b>OTHER SEGMENT INFORMATION</b>							
Capital expenditure							
Tangible fixed assets	2,595	161	274	251	636	519	4,436
Intangible fixed assets	-	-	-	-	50	475	525
Depreciation	4,715	547	1,397	440	2,308	971	10,377
Increase/(decrease) in amounts written off stocks, contracts in progress and trade debtors	443	113	153	272	231	63	1,274

### 4.3 Treasury shares

On 31 December 2020, Lotus Bakeries owned 5,542 out of the 816,013 total issued shares.

On 30 June 2021, Lotus Bakeries owned 4,176 out of the 816,013 total issued shares. Such treasury shares, which have been purchased under the option plans programme for senior staff members and group management, have been deducted from equity.

### 4.4 Dividends

On 18 May 2021, EUR 28,968,462 of gross dividends in respect of the financial year 2020 became payable.

On 22 May 2020, EUR 26,112,416 of gross dividends in respect of the financial year 2019 became payable.

### 4.5 Commitments to acquire tangible fixed assets

On 30 June 2021, the Group had obligations up to EUR 38.9 million (EUR 6.3 million as of 31 December 2020) as a result of commitments to the purchase of tangible fixed assets.

## RISKS AND UNCERTAINTIES

There are no material changes related to the risks and uncertainties for the Group as explained in the 'Report of the Board of Directors' of the 2020 annual report.

The information on risks and uncertainties has been listed in the annual report of 2020 (Chapter 4 - Report of the Board of Directors).

## TRANSACTIONS WITH RELATED PARTIES

The related party transactions with shareholders and parties related to the shareholders have not substantially changed in nature and impact compared to the year ended 31 December 2020 and hence no updated information is included in this interim reporting.

The remuneration of the members of the Board of Directors and key management is determined on an annual basis, for which reason no further details are included in this interim report.



## AUDITOR'S REPORT

Statutory auditor's report on review of consolidated condensed  
Financial information for the period ended 30 June 2021.

### Introduction

We have reviewed the accompanying consolidated balance sheet of Lotus Bakeries NV and its subsidiaries as of 30 June 2021 and the related consolidated income statement, the consolidated statement of changes in equity and consolidated cash flow statement for the six-month period then ended, as well as the explanatory notes. The board of directors is responsible for the preparation and presentation of the consolidated condensed financial information in accordance with IAS 34, as adopted by the European Union. Our responsibility is to express a conclusion on this consolidated condensed financial information based on our review.

### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." 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 International Standards on Auditing 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.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated condensed financial information is not prepared, in all material respects, in accordance with IAS 34, as adopted by the European Union.

Ghent, 16 August 2021  
PwC Bedrijfsrevisoren BV  
represented by  
Lien Winne,  
Registered auditor

## DECLARATION BY THE PERSONS RESPONSIBLE FOR THE HALF-YEAR FINANCIAL REPORT

We hereby certify that, to the best of our knowledge, the condensed consolidated financial statements for the six-months period ended 30 June 2021, which have been prepared in accordance with the IAS 34 'Interim Financial Reporting' as adopted by the European Union, give us a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the scope of consolidation, and that the Half-Year Financial Report includes a fair review of the important events that have occurred during the first six months of the financial year and of the major transactions with related parties, and their impact on the condensed consolidated financial statements, together with a description of the principal risks and uncertainties.

In the name of and for the account of the Board of Directors,

A handwritten signature in black ink, appearing to be 'Jan Boone', with a long horizontal stroke extending to the right.

Jan Boone  
CEO

Lembeke, 16 August 2021





[www.lotusbakeries.com](http://www.lotusbakeries.com)