Annual Report

2020/2021

To make lives healthier by helping people enjoy fruit and vegetables at any moment, in an easy, fast and pleasurable way, whilst fostering nature.

Contents

Message from the co-CEOs 4

Highlights 8

Agility in times of great need 13

Safety as our first priority 14

Healthy choices 18

A unique business model 21

Adding value throughout the entire chain 22
Operational review divisions 24
Seven pillars for growth 26
Helping our customers stand out from the crowd 28
The road to better sourcing 30
Where health and convenience meet 34
Building for growth 38
Improving life step by step 42

Greenyard at a glance 47

Financial report 51

Message from the CFO 52
Key financial information 59
Report of the board of directors 65
Consolidated financial statements 123
Notes to the consolidated financial statements 131
Statement of responsible persons 197
Statutory auditor's report on the consolidated financial statements 199
Condensed statutory accounts of the parent company Greenyard NV, according to Belgian accounting standards 209
Financial definitions 217

A year like no other

Message from the co-CEOs

To all our customers, growers, employees, business partners and shareholders,

2020 has been a year like no other. Both inside and outside our company. The COVID-19 pandemic added a new dimension to daily life, and it reminded us of the role we as individuals, but also as a company, should play in contributing towards a healthy society. For Greenyard, it was also the year we completed our Transformation Plan and continued accelerating towards our ultimate ambition – to become a driving force for healthier lifestyles and more sustainable food supply chains.

In March 2020, the world woke up to a whole new reality. Suddenly, our lives and our economy seemed to come to a virtual standstill. In a joint global effort to beat the coronavirus, and with the safety of family, friends and colleagues as the number one priority, a lot of people were confined to their homes.

But not everyone. The emergency services and medical personnel were on the front line, protecting us and taking care of us. But also, many of our colleagues working in distribution centres and our production facilities, growers and truck drivers, left their homes to ensure healthy food remained available throughout the year. Our colleagues have shown resilience, commitment and open minds, adapting to a new way of working in a very short time to assure business continuity, and this in a rapidly changing context.

The lockdown changed people's consumption patterns, with demand shifting from restaurants and food service to the aisles of supermarkets. At the same time, growers were faced with short-term labour complications and customers found themselves faced with higher demand. But along with our customers and growers, we rose to these logistical and organisational challenges and harnessed our creativity to safeguard supplies of healthy food when and where people expected it.

"If we want to make a real impact, we need to collaborate strongly throughout the entire value chain. The long-term integrated relationships we have built with many of our customers and growers are crucial in this respect."
Hein Deprez, co-CEO Greenyard

2020 has also been a remarkable year for Greenyard in another very different respect, since it marked the completion of our Transformation Plan turning Greenyard into a more agile and efficient organisation, allowing us to further increase focus on our purpose.

Most notably, we accelerated the organisation's shift to an integrated customer model, successfully developing and growing long-term relationships with some of Europe's major retailers. We also made considerable progress rationalising our operations and creating economies of scale across countries, departments, and divisions. Continuous improvement and a relentless customer focus became core elements and a permanent mindset for everyone in our organisation.

Today, we are already reaping the benefits of our hard work. The financial results for AY 20/21 speak for themselves. Net sales increased by 8,7% to reach € 4 416,2m while adjusted EBITDA (post-IFRS 16) increased from € 133,4m to € 156,9m, up € 23,5m (+17,6%). Adjusted EBITDA (pre-IFRS 16) amounted to € 116,6m, a 21,8% increase compared to the previous financial year. These results came in well above expectations and had a positive impact on our leverage ratio (net debt/LTM adjusted EBITDA, pre-IFRS 16) which improved from 4,4x last year to 2,9x on 31 March 2021.

At the end of March, the final piece of the puzzle fell into place. We secured new, long-term financing with our trusted relationship banks, and we attracted new long-term investors for a total capital increase of € 50,0m.

Today, Greenyard is a stronger, leaner and a financially more robust company, with a unique position in the marketplace. And the future is looking healthier than ever. More people than ever before have come to realise we need to change the way we consume and produce food. COVID-19 has made us even more aware of the importance of health and the vulnerability of our current way of living. As one of the largest suppliers of fruit and vegetables in the world, we are in a pivotal position and fully embrace our responsibility to drive the transition to healthier lifestyles and more sustainable food supply chains.

By making fruit and vegetables more accessible, more convenient and more affordable, we want as much people as possible to enjoy their many benefits. Our aim has always been to provide people with great and healthy products for every lifestyle and every moment of the day. Because of their lower environmental impact, increasing consumption of fruit and vegetables can also fulfil the growing global demand for food, without exhausting our planet. We need to work on both sides of that equation.

Greenyard cannot do this alone. If we want to make a real impact, we need strong collaboration throughout the entire value chain. The long-term integrated relationships we have built with many of our most important customers and growers are critical in this respect. By working in a transparent, open and integrated manner, we can create shorter and more efficient supply chains, to the benefit of everyone involved, from grower to consumer.

This year's performance, and our unique position in the food value chain, will allow us to continue along our sustainable growth path and live up to our ambition to improve life. The life of everyone consuming our healthy products, the life of all our employees and the people we team up with in our food value chain and of course also life on earth, as we must make sure the way we operate is sustainable and we foster and protect nature.

To achieve this ultimate goal, we know we can count on our passionate employees, an extensive and solid network of devoted growers, a powerful base of business partners and increasing support from within society as a whole.

With this report, we want to embark you on a journey, sharing our ambition and our passion, for you to discover the unrivalled potential of fruit and vegetables to create a healthier and more sustainable future.

Hein Deprez, Marc Zwaaneveld,
co-CEOs Greenyard

"We are reaping the benefits of our hard work and the future is looking healthier than ever. We are in a pivotal position to drive the transition to healthier lifestyles and more sustainable food supply chains, and we embrace this responsibility."

Marc Zwaaneveld, co-CEO Greenyard

Highlights

2020

March-June

Greenyard responds swiftly and decisively to the **COVID-19 pandemic** immediately implementing group-wide measures to guarantee safe working conditions for all its employees. Close collaboration with customers, growers and partners ensures the uninterrupted supply of healthy food.

16 June

Greenyard publishes its annual report for the AY 19/20, which was a year of recovery, driven by a successful transformation. The **Transformation Plan** was announced early 2019 and focused on the company's commercial relationships, continued operational excellence and the rationalisation of its footprint.

17 April

Greenyard reports on COVID-19 effects and notes a **shift in volumes** from foodservice to retailers, as consumers cook more frequently at home, combining Fresh and Long Fresh solutions. Despite additional complexities in the supply chain, Greenyard continues to supply its customers, without any disruption.

30 June

Greenyard finalises an agreement for the **divestment of Greenyard Logistics Portugal** through a management buyout. The company has been active since 2001 in the Portuguese transport and logistics market for food products.

14 August

The first truckload of fresh fruit and vegetables rolls into Bakker Barendrecht's **new 30,000m^2 distribution centre**. The new facility was specially designed and built to warehouse and package soft fruits, leafy vegetables, and citrus for one of the largest retailers in the Benelux.

1 October

Greenyard Frozen introduces a **new range of frozen pulses**, bringing extra convenience to consumers preparing vegetarian and vegan meals. With no need for cleaning, soaking, or drying, the ready-to-use products retain all their nutritional benefits.

17 September

Greenyard returns to **profitable growth** and raises its guidance for adjusted EBITDA. The announcement follows a firm increase in both sales volumes and margin for the first quarter of the 2020/2021 financial year. The sustained growth reaffirms the company's regained strength.

5 November

The third edition of Greenyard's **Sustainability Report** is published. It sets out the company's vision and ambitions for a fully integrated sustainability strategy, with specific commitments in four areas: climate action, water stewardship, responsible sourcing and achieving zero waste.

17 November

A **clear improvement** in both sales and adjusted EBITDA is announced for the first half of the 2020/2021 financial year. Net financial debt and leverage had continued to decline over the same period at a much faster pace than anticipated.

2021

25 February

Greenyard continues its **double-digit growth** in the third quarter of the 2020/2021 financial year. The company also reveals its ambitious long-term plans based on seven pillars, including further deepening its long-term relationships with customers and a new sustainability roadmap.

9 March

Cementing its commitment to the **Sustainability Initiative Fruit and Vegetables (SIFAV)**, Greenyard launches its new collaborative sustainability strategy for 2025. Five Greenyard companies are involved: Bakker Belgium, Bakker Barendrecht, Fresh Solutions, Greenyard Fresh Belgium, and Greenyard Fresh Germany.

26 March

Greenyard **successfully refinances** its outstanding debt which is committed for a tenor of three years. At the same time, a capital increase of € 50 million is completed, with the net proceeds going to strengthen shareholders equity in line with its 2021-2025 ambitions.

30 March

Greenyard Prepared upgrades its **cooling tower** in Bree, Belgium, resulting in an annual saving of over 50 million litres of water. The upgrade is part of the company's continuous efforts to improve the sustainability of its production processes.

Agility in times of great need

Safety as our first priority

"When the first wave of COVID-19 hit Europe, we immediately knew we needed to take drastic measures to guarantee the safety of all our employees", says Alexander Verbist, Group Legal & HR Director. "As we are active in a vital sector, we could not simply shut down our activities. Despite difficult circumstances, it was amazing to see how fast our people adapted to the new situation, enabling us to take up our role and responsibility in society."

Alexander Verbist,
Group Legal & HR Director

In March 2020, COVID-19 started its rapid spread through Europe. Italy was the first European country to be hit by the corona wave. In very challenging circumstances and in an extremely short timeframe, Greenyard Fresh Italy was able to implement measures to keep our employees safe. At the same time, they ensured the undisrupted supply of fruit and vegetables to the market, products people were increasingly looking for. In this way, we set the standard for the entire group.

As a group, Greenyard immediately issued the necessary guidelines and preventive measures to limit the risks of contamination. Measures for office workers included working from home whenever possible and severe restrictions on physical meetings, business travel and external visitors.

Joke Silkens, Machine Operator,
Greenyard Prepared

"We were able to work in a safe environment from the start of the pandemic and that was really reassuring. Contributing to a better and healthier lifestyle is really important to me, so wearing a face mask to protect myself and my colleagues is just a small effort and it made me really happy to do my bit."

Reorganised for social distancing

"Warehouses, production units and reception desks that are essential to our business were completely reorganised to ensure social distancing", says Alexander Verbist. "Measures included the placement of plexiglass screens and hand sanitisers, arrows indicating walking directions, and so on. We also organised people to work in clusters to limit the number of contacts."

A corona taskforce, consisting of both local and group employees, was established to coordinate all efforts within Greenyard. "Swift communication was key, with direct newsflashes in different languages to keep everyone informed. It was also important to keep a close eye on the different measures that were taken in different countries, taking into account varying confinement regulations depending on the local and regional evolution of the pandemic."

"The safety and wellbeing of our employees has always been our first priority. During the COVID-19 pandemic, it became an absolute necessity."
Alexander Verbist

Working apart together

Later on in the year, Greenyard maintained its vigilance and proceeded with caution. “Better safe than sorry was our motto. The strict measures in our warehouses and production plants largely remained in place and office workers were encouraged to work from home and keep time spent at the office to a strict minimum. Our efforts paid off: we were spared any major COVID-19 outbreaks within our workforce.”

Working from home certainly had its challenges, especially during the first lockdown when many people had to combine their work with childcare because of school closures. But people soon found out that homeworking also has its benefits: they spent much less time in traffic and as they became more familiar with digital tools, online meetings proved to be just as efficient – if not more – than live meetings. Our people were also supported through best practice sharing regarding the organisation of virtual meetings and a complete working from home guide.

“The quick adoption of digital tools had a positive effect on collaboration between colleagues, divisions and countries.”
Alexander Verbist

The quick adoption of digital tools had a positive effect on collaboration within Greenyard, as they facilitate the sharing of documents, information and knowledge. Online meetings break down barriers between colleagues working in different locations, divisions and countries. “There are many lessons to be learned from this crisis. I’m pretty sure virtual meetings are here to stay as we evolve towards more hybrid ways of working. Although I have to say that I am looking forward to see many of my colleagues again in person in the coming months. And I am sure I am not the only one”, says Alexander Verbist.

Joely Fonteyne, Service Center Assistant Convenience, Greenyard Frozen

“Working from home presented a number of challenges. It took a while to find the right work-life balance, especially when my children were home. But working remotely also opened up a new world of possibilities to organise meetings in a more efficient manner and improve collaboration with colleagues. Although I do hope to chat with my colleagues in real life again soon.”

Rising to the challenge

Along with our growers, partners and suppliers, we rose to the challenge and helped our retail customers cope with the sudden increase in demand. Using the basic principles of our long-term relationships – agility, transparency and close collaboration – we spared no effort to make sure shelves were stocked with healthy food at all times.

We are grateful to all our employees, growers, partners and customers for their commitment and their hard work during exceptional times. They are true #foodheroes!

Thank you to our #foodheroes

The closure of restaurants and canteens suddenly changed consumption patterns and led to an unexpected and strong growth in supermarket sales. During the first weeks of lockdown, the situation was further complicated by hoarding, which put a severe pressure on logistics and supply chains. It immediately demonstrated just how vital our sector is to society.

Healthy choices

COVID-19 had a profound impact on consumer habits and purchasing behaviour, as many people spent a lot more time at home. But the pandemic also reminded us of the vulnerability of our health and the importance of a healthy lifestyle.

As the pandemic unfolded, many people rediscovered the benefits of physical exercise and took up the habit of walking outdoors. This trend also extended to the way we consume and prepare food. Cooking from scratch became more popular as people took more time to cook and eat together at home. It led to a remarkable growth in the total sales of fruit and vegetables, the latter in particular. Convenience solutions such as our mealkits benefited as well.

The long shelf life of produce from our Long Fresh segment was particularly valued in periods of confinement with many shoppers stocking up on several weeks' supply as back-up leading them to discover the convenience benefits of the segment.

It is still too early to predict whether these trends will turn out to be permanent and have a lasting impact on our habits, but one thing is clear. COVID-19 has reminded us of what matters most: our health.

"The COVID-19 pandemic has reminded us of what matters most: our health."

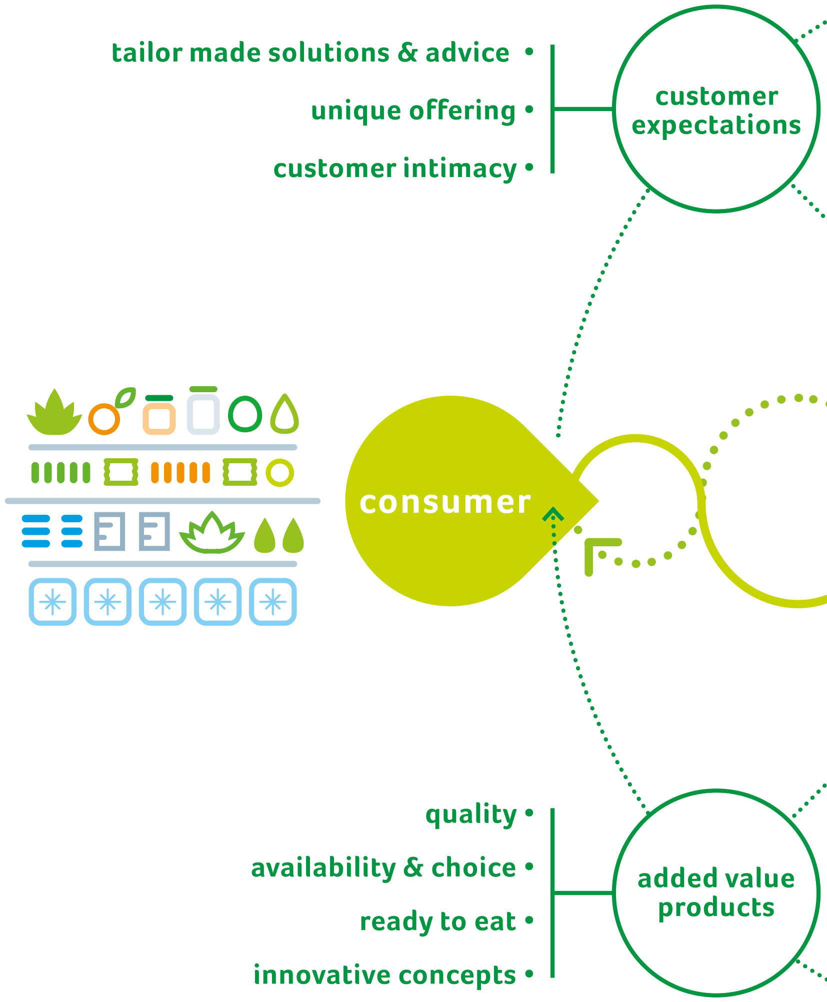
A unique business model

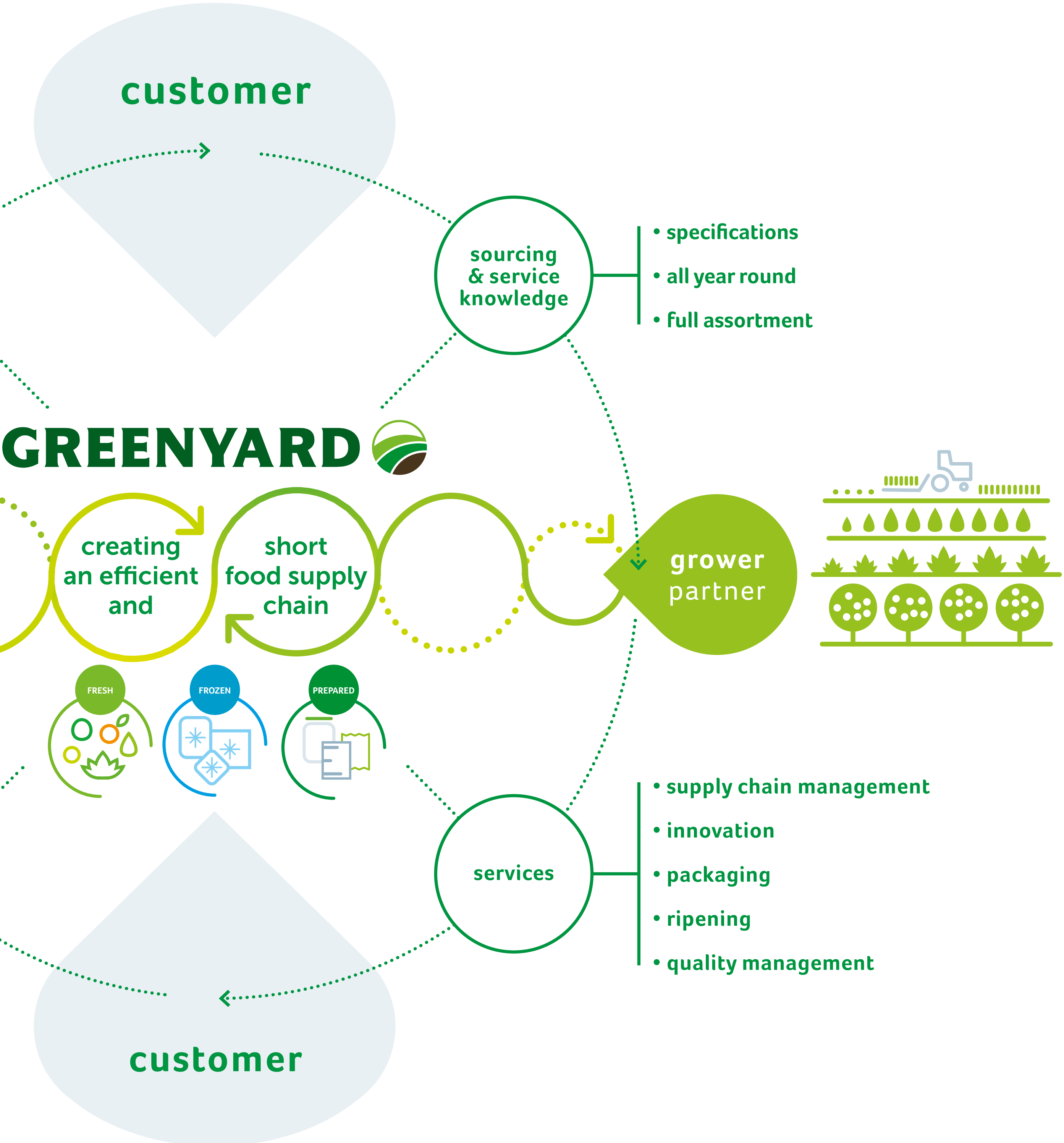
Adding value throughout the entire chain

The power of Greenyard is in the connections the company makes. Connecting the farms where the produce grows to the supermarkets or restaurants where consumers enjoy healthy fruits and vegetables.

Because of its scale, and the solid and extensive network of dedicated growers and long-term relationships with customers, Greenyard can offer a comprehensive and well-designed range of high-quality products which reflects modern day demands and makes fruit and vegetables more accessible, more convenient, and more affordable for everyone.

This unique position in the food supply chain, has enabled Greenyard to broaden its (service) portfolio, shifting away from a classical trading company to a company with high added-value services, from new product development over ripening to logistics and packaging, while ensuring the shortest possible food supply chain. And this, to the benefit of all partners in that chain.




customer
sourcing & service knowledge
• specifications
• all year round
• full assortment
GREENYARD
creating an efficient and
short food supply chain
grower partner
FRESH
FROZEN
PREPARED
services
• supply chain management
• innovation
• packaging
• ripening
• quality management
customer

Operational review divisions

What we do

Many of the world's largest food retailers and food service companies count on us, every day, for a steady and high-quality supply of fruit and vegetables to their stores.

Through strong and long-term relationships with our customers, we put our expertise, scale and knowledge at their service to jointly develop a product offer that enhances their business, and answers consumer needs.

At Greenyard, we have a unique and complementary mix of three divisions: Fresh, Frozen and Prepared. This allows us to respond to the needs of every consumer, every lifestyle, every age group, and every occasion. An afternoon snack, a quick and healthy meal tomorrow, or dinner with friends next week.

This arrangement also contributes to a healthier planet. We supply our produce to a range of different markets with their own size and taste preferences, meaning that nature can provide us with her bounty at her own rhythm. Additionally, we can also make use of carefully sourced products for our Frozen or Prepared ranges, to meet other types of consumer need.

Because we firmly believe that a healthy choice, should always be an accessible and an easy choice, for people and for our planet.

FRESH

27
Distribution sites

2m
tons/year supply

Approx. **5 600**
employees

FROZEN

9
Facilities

450 000
tons/year production

Approx. **2 200**
employees

PREPARED

3
Facilities

330 000
tons/year production

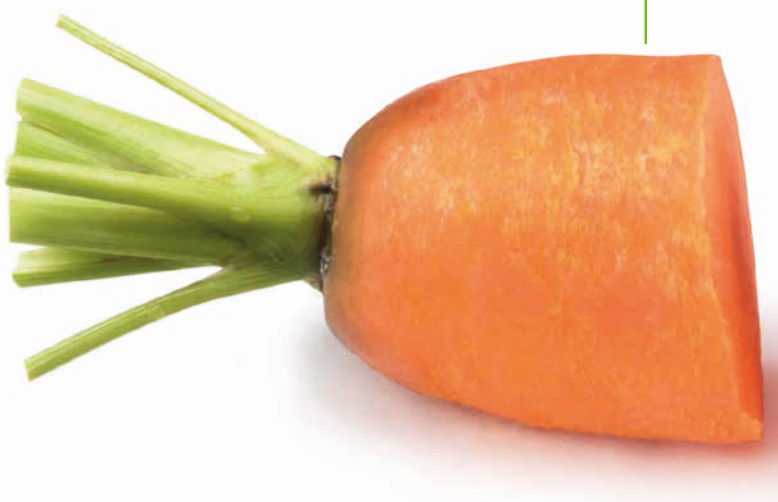
Approx. **1 200**
employees

Seven pillars for growth

As a guiding compass, Greenyard announced a revised and ambitious plan for the next four years, underpinned by seven pillars.

- Deepening Greenyard's **unique long-term relationships** with customers to provide more added-value services.
- Further development of Greenyard's **asset base and production capabilities**, including automation, capacity extension, quality and increased efficiency.
- A **smart sourcing strategy** to attract new growers and retain important growers. Closer collaboration will further secure availability and supply of the most sought-after categories and be a catalyst in the further professionalisation of the agricultural sector.
- A roadmap with tangible **sustainability commitments** to further reduce the environmental footprint of the company, ensure an environmentally and socially sustainable food value chain and promote healthy and sustainable food concepts.
- Increased **resilience to external factors** such as infection, poor weather conditions, and crises, through adopting a more robust company profile, processes and structures.
- Continuously strengthening the group's **internal organisation**, leveraging Greenyard's global scale and at the same time maintaining an agile organisation.
- **Strong corporate governance**, to support and ensure the ambitions and further growth of Greenyard.

Deepening Greenyard's unique long-term relationships



Develop asset base and logistic/ production capabilities

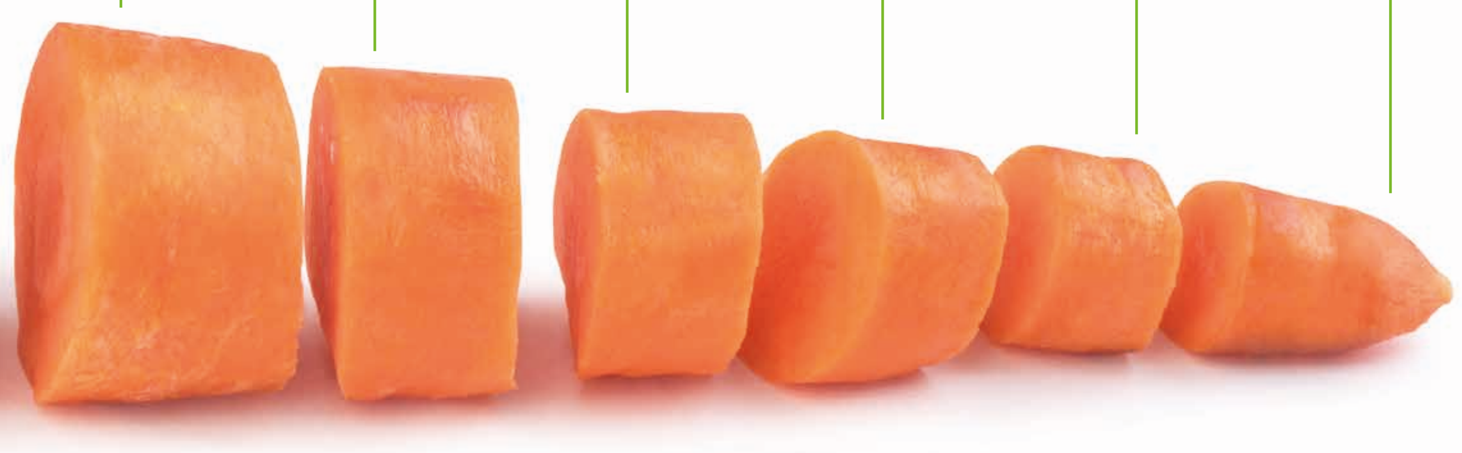
Smart sourcing strategy

Sustainable roadmap: economics and sustainability go hand in hand

Secure growth at robust profitable margins

Strenghtening agile organisation

Strong corporate governance



Helping our customers stand out from the crowd

Working for the long term in a rapidly evolving world

Charles-Henri Deprez,
Managing Director Greenyard Fresh

Greenyard focuses on deepened, long-term and integrated relationships with some of Europe's biggest retailers. But what exactly do these relationships entail and why are they so important for Greenyard's future? Charles-Henri Deprez, Managing Director Fresh division explains.

1 2020 has been a successful year for Greenyard's long-term relationships with customers. What do you think is the key to their success?

It's important to understand that the retail world is evolving rapidly, and competition is getting fiercer. Consumers are increasingly in control: they choose what they want to buy, where they buy it, when they buy it, and how they buy it. This means retailers need to find ways to differentiate themselves. The fruit and vegetables category lends itself perfectly for this. Not only is this category growing in popularity with increasingly health-conscious consumers, but its sheer diversity provides endless possibilities to make a difference.

2 Why is Greenyard the ideal partner to help retailers develop their fruit and vegetables category?

As one of the largest providers of fruit and vegetables in all its forms, we have the product expertise and the wide range needed to create a tailor-made offering. For example, some retailers may want to focus on locally grown produce. We then use our scale and our extended network to help realise this goal and systematically increase the quantities of locally sourced produce on the shelves. Other retailers may want to differentiate themselves by offering maximum convenience to consumers. In this case, we will focus on the joint development of convenience solutions, such as our mealkits.

3 How does it work in practice?

Simply put, we make sure that the shelves of our customers are filled with a wide variety of high-quality fruit and vegetables, all year round. We have the ability to completely unburden our customers in the fruit and vegetables category. We can take care of the entire supply chain, including sourcing, quality control, transport, logistics, traceability and packaging. This enables us to optimise operations, for example by combining transports and deliveries. It means a shift from daily discussions on prices of individual products to end-to-end value chain optimisations.

4 Why are long-term relationships beneficial for all parties involved in the chain?

They are a win-win for everyone, as this unique way of working allows us to actually improve life together, and throughout the chain. Consumers get to enjoy a wide variety of high-quality fruit and vegetables all year round, at good prices and in line with evolving tastes and demand. Growers have a greater guarantee that their produce will be sold and that they will receive a fair price for it. Waste is reduced, because production is more in line with the actual demand in the market, which is beneficial for the planet. Retailers are unburdened and able to focus more on the consumer. And as for Greenyard, we can grow our business in a more stable and sustainable manner, allowing us to deepen the range and grow our market share over time. At the same time, we stay away from the volatility of transactional trading, and continue adding value in every step.

5 If these long-term relationships are so great, why is no one else doing this?

Greenyard has been advocating this model for more than 20 years. But more importantly, we have already put this model into practice with several European retailers, where we have been able to grow the fruit and vegetables category significantly. But we are certainly not the only supplier to apply this model. Many other companies are thinking along the same lines, and not just in the fruit and vegetables category. We expect that in ten years' time it will have become common practice for many suppliers.

This however is easier said than done. To really maximise the benefits of this approach, there are quite some – critical – elements you need to fully control. And that is the advantage we have: we have a lot of experience with this innovative business model, we have the scale, the knowhow and the network to make it work, and equally important: we have an unparalleled, and extensive product portfolio of fruit and vegetables.

The road to better sourcing

The best of nature,
available all year round

Sander Moret,
Category Manager for Mango

Greenyard sources its fruit and vegetables from a very extensive network of highly dedicated growers around the world. "To ensure that some of our most popular and in-demand categories are available all year round, we are strengthening our strategic co-operations with the world's greatest growers", says Sander Moret, Category Manager for Mango.

Greenyard has been working with many of its growers on a permanent basis for many years, in some cases even decades. These long-standing collaborations can take on many forms, from guaranteed volumes and contract growing to full-blown joint ventures. "They can also include training programs on more efficient and more sustainable agricultural practices. By stimulating technological innovation and investing in long-term relationships, many of our growers have had the opportunity to build a healthy and stable business. For Greenyard, the long-term relationships improve efficiency of supplies, availability of produce and transparency for customers."

Building on experience

As we are moving into long-term, more strategic relationships with our customers, it becomes increasingly important to invest in equally strong relationships with our growers. "Trading on a day-to-day basis and buying the cheapest product available is simply not an option. Supplying

our customers all year round implies so much more than simply picking up the phone to Peru."

"Greenyard's responsibility is to secure quality and ensure availability of products for our markets and customers. In addition, we have a responsibility towards our suppliers to sell their products in the best possible way. Through our strategic partnerships we are better able to predict what volumes will be requested by our clients. It allows our growers to better plan their productions. This is important for all the products we buy and sell, but even more for categories that are in high demand, such as mangos or avocados."

Greenyard has been working in this way for several years and many initiatives have already been taken. There are extensive sourcing programs in place for citrus, Pink Lady apples and avocados. "We are now building on these positive experiences to turn them into a more systematic approach and take our sourcing strategy to the next level", says Sander Moret.

“Through our strong ties with some of the world’s greatest growers, we secure year-round availability of our products. These strategic alliances also have a positive impact on the sustainability of our supply chain: reducing waste and ensuring a stable financial income for growers.”

Sander Moret

One important aspect is the sharing of knowledge within our company. “As a category manager, I am in close daily contact with the product managers in our entities to discuss their needs”, says Sander Moret. “We organise weekly meetings to discuss market developments, quality feedback and product availability. We also involve our local sourcing connections. This internal alignment provides a big advantage for our growers: they get one clear message from the group. Using consumer insight and forecasting, we are also able to better predict what volumes will be needed, allowing growers to plan ahead.”

The whole tree

Fruit and vegetables are products of nature. They come in different sizes and different qualities and their availability depends on many unpredictable elements such as weather conditions. “It means growers always run the risk to get stuck with parts of their harvest”, explains Sander Moret. “Because Greenyard is a large supplier of fruit and vegetables, we sell our fruit and vegetables in different markets with different preferences. Therefore, we can offer our growers a complete solution for the whole tree and not just one specific size or quality. Thanks to our unique combination of Fresh, Frozen and Prepared divisions, we even have solutions for products that cannot be sold fresh but are perfect for other applications, such as deep-frozen mango parts. It allows us to significantly reduce waste throughout the entire supply chain.”

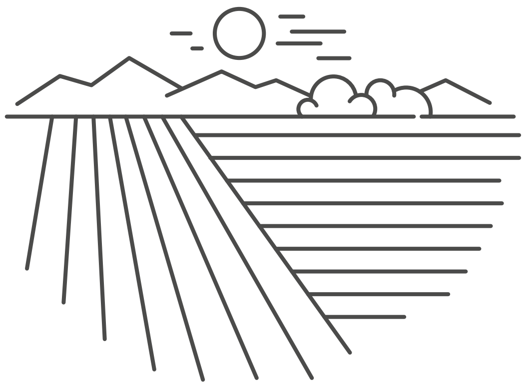
Offering more transparency

Long-term partnerships with growers enable Greenyard to meet another increasingly relevant requirement in today's markets. "There is a clear need for more transparency throughout the chain", says Sander Moret. "And it is more than just the regulatory aspect. People genuinely want to know where the fruit and vegetables they are buying come from. This means it's important to be transparent on how products are grown, how they were transported and how farmers were compensated for their work. Thanks to the stable and direct connection with our growers, it becomes a lot easier to answer these questions quickly and faithfully."

"We have started our smart sourcing program with a clear focus on overseas sourcing and a number of in-demand categories. The goal is to extend our approach to all sourcing efforts within Greenyard, including domestic sourcing. By doing so, we will set a new standard in the market, I'm sure", concludes Sander Moret.

IN A NUTSHELL

The Greenyard sourcing strategy



Smart sourcing
Strengthen relationships with key growers and attract new ones

Improved efficiency
Better economic terms, as well as a more stable supply

Sustainable supply chain
Reduced waste, smart use of logistics and balanced supply and demand

Future proof
Secure availability and supply of the most sought-after categories and become a catalyst in the further professionalisation of the agricultural sector

Collaboration across Greenyard
Bundle group expertise and create alignment

Socially responsible sourcing
Ensuring a sustainable food supply chain (on environmental and social aspects) and requiring full compliance of our growers and suppliers to all relevant and applicable standards.

Where health and convenience meet

Time-saving solutions for health-conscious consumers

Dominiek Stinckens,
Managing Director Greenyard Prepared

Product innovation has always been key to the success of Greenyard's Long Fresh segment. "It is all about listening to our customers and working together with them to develop new products that meet the growing demand for healthier and more convenient food products", says Dominiek Stinckens, Managing Director of Greenyard Prepared.

Convenience foods have clearly developed into a trend and growth area these past years. There is an increasing interest in healthy and high-quality foods, but consumers might sometimes lack the time to create a dish from scratch. "People may have less time to cook, but that doesn't mean they want to compromise on health or taste", explains Dominiek Stinckens. "Convenience products that combine healthy ingredients, high nutritional value and great taste are in greater demand than ever before."

Product innovation is key

"It's been a long time since we were a bulk producer of standard products like canned peas and carrots", says Dominiek Stinckens. "Today, we are a company specialised in developing and producing innovative convenience products that cater to the needs of modern, health-conscious consumers who are looking for time-saving solutions. We are not simply creating food products; we are providing leisure time."

Greenyard offers a wide range of convenience products, including soups, sauces, salsas, dips, bean dishes, pastas and ready meals. "On top of that, we are rapidly expanding our organic and vegan product offerings and we have developed a range of mushroom and pulse products specifically for people who want to diversify their diet with meat alternatives", adds Dominiek Stinckens.

Innovative packaging and adapted portions improve life by making it easier. "The time when only cans and glass jars left our production plants is long gone. Today, we offer products in a wide range of packaging, including pouches, cups and jugs, in sizes suitable for every type of family. We also keep a close eye on the recyclability of our packaging, while gradually reducing the use of materials", says Dominiek Stinckens.

This undeniable drive for innovation is also reflected in the sales numbers of Greenyard's Prepared division. "About 30% of our sales come from innovations and recipes that were developed in the last five years. If we go back another five years, this number reaches well above 50%."

Focus on R&D and co-creation

Close collaboration with customers is important for all new product developments. "As their partner for a high-growth category, we co-create new products that help them gain market share and new customers."

"Developing new products and recipes is a highly complex innovation process. It is completely different from combining some ingredients in your own kitchen at home", emphasises Dominiek Stinckens. "Our Research & Development team combines different disciplines and includes food technologists, quality managers, culinary advisors and even a renowned former chef. They work closely together with our customers' experts and marketeers at every stage, from the initial intake from consumer panels to the transfer of all data on the ingredients used. The flexibility and expertise of our team has made us the go-to-partner for many of our customers in the retail and food service industry."

IN A NUTSHELL

Secure growth at robust profitable margins

The Long Fresh segment comprises Prepared and Frozen divisions, aiming to further develop:

- Diversified base: retail and food service clients all over the world
- Increased market share: extend production and sales in high-growth, high-margin segments
- Customer intimacy: intensive relationships with key accounts by co-developing client-specific and innovative product offering
- Product innovation: focus on convenience concepts and health-conscious consumers
- Operational excellence: efficient production, cost reduction and balanced product portfolio

Building for growth

Technology for better and healthier lifestyles

Maarten van Hamburg, Managing Director of Greenyard's Bakker division

Greenyard built two new high-tech distribution centres to service one of the largest retail groups in the Netherlands and Belgium. Both warehouses became fully operational over the course of 2020. "Not only do they enable us to meet growing demand for our products, but they also significantly improve the quality, cost-efficiency and sustainability of our services", says Maarten van Hamburg, Managing Director of Greenyard's Bakker division.

The Bakker division within Greenyard Fresh focuses on a long-term partnership with one of the largest retail groups in Europe. "Bakker has a long history with a major Dutch retailer going back more than 60 years", explains Maarten van Hamburg. "Today, we are a strategic partner for the entire group, which now also includes a retail network in the Czech Republic and – since the 2019 merger – another major retailer in Belgium. We take care of a wide range of aspects that concern the fruit and vegetables category: sourcing, quality control, logistic services, ripening, packaging, marketing, R&D, packaging and transport."

Extra space for a growing business

The partnership is a great success and business continues to grow. "The time was right to invest in extra, dedicated warehouse space to service our customer", says Maarten van Hamburg. Two strategic locations were selected: Ridderkerk, the Netherlands, which is close to the port of Rotterdam, one of the biggest entry points of fruit and

"The logistics of fruit and vegetables is a highly specialised business. Every product has its own requirements in terms of cooling, humidity, storage and packaging."
Maarten van Hamburg

vegetables in Europe, and Boom, Belgium, right in the center of the Belgian market.

"Building these dedicated distribution centres from scratch was an enormous opportunity for us", says Maarten van Hamburg. "The logistics for fruit and vegetables is a highly specialised business. We service our customer with more than 400 different types of fruit and vegetables. Every one of them has its own demands in terms of temperature, climate and humidity and needs to be treated specifically to guarantee optimal quality." The new warehouses have different climate zones, which are easily expanded or reduced depending on the season or changing customer demands. There are specialised ripening cells for bananas, separate rooms with higher humidity for leafy vegetables and dedicated spaces for added value packaging.

New citrus line

Next level of chain specialisation

Among the many eyecatchers in the new Ridderkerk Distribution Centre is a brand new, automated citrus line. "It is one of the most advanced installations of its kind in Europe and takes quality control and fruit processing to the next level", states Maarten van Hamburg, Managing Director of Greenyard's Bakker division.

Citrus fruit – including lemons, oranges and tangerines – is a mature and high-volume product group, for which there is a constant consumer demand. Our overseas supply – from Africa and South-America – comes by boat and is delivered in bulk, so everything needs to be checked, packed and labelled."

Enormous amount of data

The new citrus line automates the entire process, from initial quality control to packaging and palletisation, using more than 150 seamlessly integrated machines. "At the entry point, quality is monitored using infrared lasers and camera inspection, which allows us to control and treat each individual product separately and automated. All data – more than 100 items for every piece of fruit – are sent to the Manufacturing Executing System (MES) software. It provides us with valuable information to give detailed feedback to growers for each batch we receive."

Subsequent steps in the process are fully automated: the products are sorted, packed in crates, palletised and then loaded in trucks. "The new citrus line obviously brings many advantages for our company and our customers: better quality, improved efficiency, lower costs and reduced waste. It's exciting to see how we can use advanced technology to take our chain specialisation to the next level", concludes Maarten van Hamburg.

Co-creation with the customer

The warehouses were developed in co-creation with our customer. "This was the ideal moment to sit down and talk about the next steps in our collaboration. We may have the product expertise and technical know-how, but it is equally important to take into account market trends and consumer insights. Through continuous dialogue, we developed a common vision for our future logistics: the capacity that will be needed, service levels for delivery, new and sustainable packaging, product innovation, and so on."

Safety and sustainability

Both distribution centres use the latest technology to optimise energy efficiency, maximum isolation and advanced cooling systems. "These are investments that enable us to reduce both our costs and our environmental impact. Last but not least, our focus was also on creating a safe and comfortable working environment for our people. We are in a 24/7 business and it can be hard work sometimes. So we think it's our duty to provide our colleagues with modern and efficient workspaces that guarantee their safety."

Ridderkerk, the Netherlands

- Surface of 30,000 m^2
- 150 employees
- Dedicated automated line for citrus processing and packaging
- Operational since September 2020

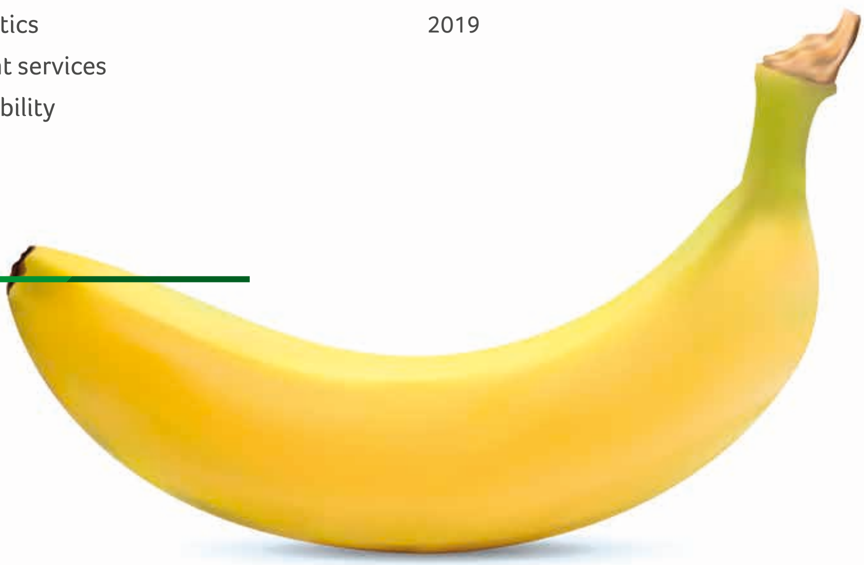
Boom, Belgium

- Surface of 23,000 m^2
- 90 employees
- 28 banana ripening rooms
- Operational since November 2019

IN A NUTSHELL

Investing in the asset base, and logistics and production capabilities

- Developing asset base structure
- State-of-the-art production and logistics
- Delivering optimised and cost-efficient services
- Improving quality, safety and sustainability
- Expanding added-value services
- Broadening the product specialism



Improving life step by step

How sustainability creates value for every link in the chain

Florens Slob,
Group Sustainability Director

Sustainability has always been at the heart of our company, from our origins as a family business to the multinational we are today. As a major supplier of healthy food products, we improve life by contributing to healthier lifestyles and a more sustainable way of feeding the world's growing population. "We are a connecting partner in the food supply chain, which means we bear a great responsibility towards our growers and towards nature itself to create ever more sustainable food value chains", says Florens Slob, Group Sustainability Director.

The fruit and vegetables industry depends like no other on natural resources, healthy soils, biodiversity and favourable climate conditions. "We consider it our duty to limit the impact of our activities and to secure access to fruit and vegetables for future generations", says Florens Slob. "Mere compliance with basic regulations and ticking boxes is not good enough. Our sustainability ambition is not just designed to make us look good. We genuinely want to improve life: stimulate healthier lifestyles, create more sustainable food supply chains and enable growers to receive a fair share for their efforts."

Creating economic value

Sustainability efforts often go hand in hand with creating economic value. "Some of this is quite obvious", says Florens Slob. "Reducing the consumption of water, energy, packaging or waste inevitably leads to costs. Moreover, we are operating within a complex and global value chain which still contains inefficiencies. While we have harvested the low hanging fruits already, there are still opportunities to reduce waste and limit our environmental impact by streamlining logistics, optimising storage and creating a better balance between supply and demand."

"Sustainability is essential to the very core of our business and the future growth of our company."
Florens Slob

Greenyard is in the perfect position to realise this transition. "We have a thorough knowledge of the entire chain and our unique business model connects growers closer to our customers, creating a shorter, more efficient and more sustainable food supply chain. Moreover, we annually supply about three million tonnes of fruit and vegetables all over the world. The sheer size of our business means even the smallest steps we are taking have a real and tangible impact."

Working with the entire chain

All the ingredients are there, positioning Greenyard as the connecting partner in the middle of the food supply chain. But it is obvious that we can not realise this transition on its own. "We team up with our customers to define where we want to go together and how we can create added value. Together we need to build awareness and involve consumers, tell them the story behind our products, about the growers, their farms and their hard work and think also about the challenges they face. Making the right choices implies that you have sufficient knowledge. For us, and for the retailer and their consumers also. This is a journey, which should lead to making the choice for healthy the easy one and the choice for sustainable solutions a logical part of the same equation."

Four commitments

50%
reduction in greenhouse gas emissions

Water risk mapped for
100%
of our grower base

100%
recyclable consumer packaging

100%
of our grower base in risk origins certified for social compliance by 2025

Discover the full results for the 2020/2021 financial year in our upcoming Sustainability Report.

Our Sustainability Roadmap

- **Responsible sourcing** to ensure a food supply chain that is both environmentally and socially sustainable.
- **Reducing the environmental footprint** of our operations with a focus on energy, water, packaging and waste.
- **Teaming up with our customers** to develop and promote healthy and sustainable food concepts.

Building on our achievements from the past years, Greenyard is now ready to accelerate on our sustainability journey. Our roadmap will be presented in more detail in our upcoming Sustainability Report, along with updated results for our commitments.

Greenyard at a glance

Sales

€ 4 416,2m

Adjusted EBITDA-margin (post-IFRS 16)

3,6%

Adjusted EBITDA (post-IFRS 16)

€ 156,9m

Approx.

9 000

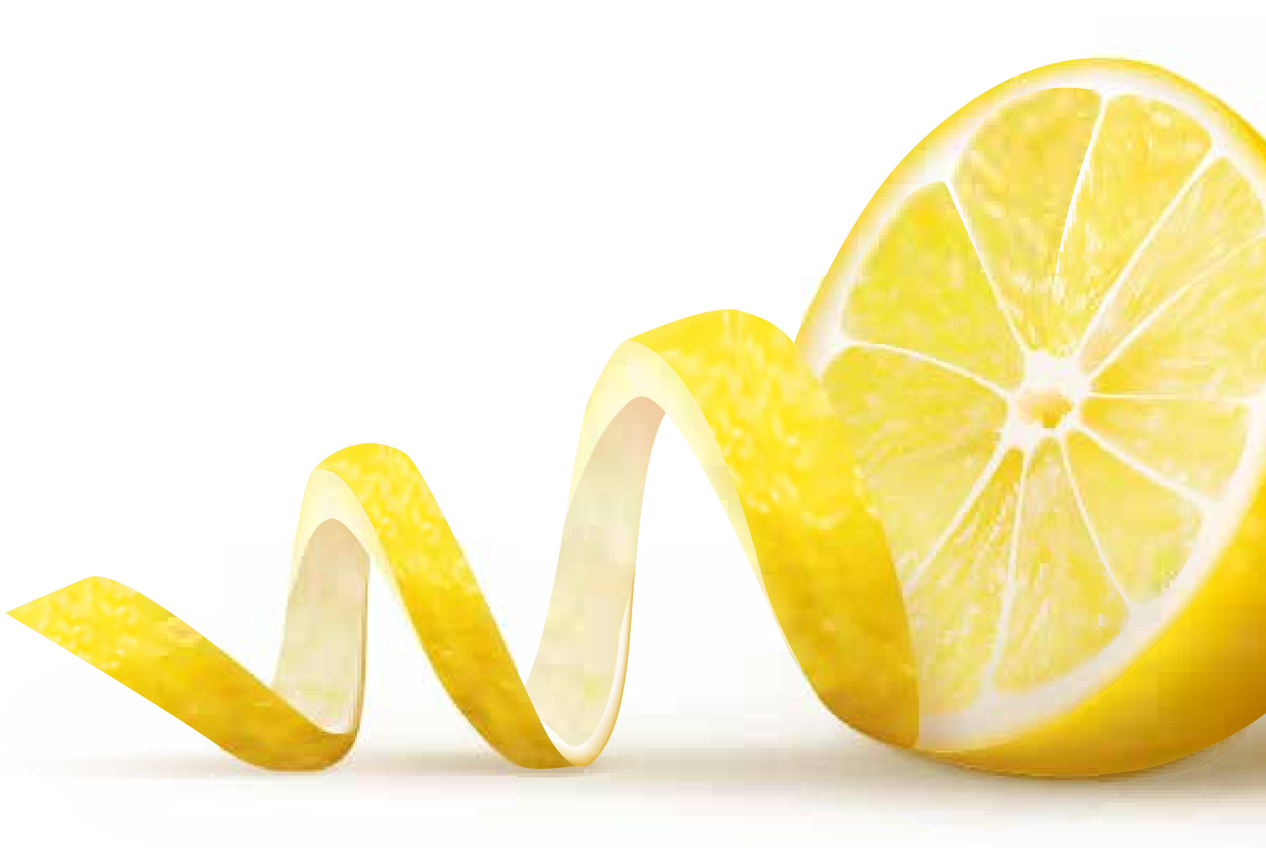
employees

12

production sites (Frozen and Prepared)

27

distribution centres (Fresh)



Profit

€ 1,2m

Net Financial Debt

€ 339,9m

Leverage

2,9x

Approx.

2 780

kton sales volume

> 80

sales countries

Customers

19

out of eu top-20 retailers

Financial report

In good health

Message from the CFO

"Combining short and cost-efficient supply chains with the best possible fruit and vegetables offering in fresh, frozen and prepared form, has proven to be a winning model."

Geert Peeters, CFO Greenyard

The message of the co-CEOs highlights Greenyard's ambitions for the future and makes it clear we are turning the transformation page. How does that translate into the financial results?

As demand for healthy food – and fruit and vegetables in particular – structurally increases, we help our customers to offer consumers the best possible categories, varieties, origins and tastes, whether in fresh, frozen or prepared form. At the same time, we are streamlining and aligning our entire supply chain to the needs of our customers, allowing us to manage and organise our broad offering in an increasingly cost-efficient way.

This combination proves to be a winning model, with an increase in our sales of 8,7% compared to last year. We expect to further grow in the coming years, although we will probably see a temporary 'flattening out' when leaving the COVID-19 period, which stimulated volumes at retailers.

Meanwhile, the Transformation Plan has made us more agile and efficient. We are building on this momentum with several continuous improvement initiatives in domains such as transport, sourcing and production. Some of these initiatives will also be strengthened by strategic investments. This year we realised a margin of 3,6%, landing at an adjusted EBITDA € 156,9m compared to € 133,4m last year. We expect our adjusted EBITDA to continue to grow next year and exceed € 165,0m.

In addition, I am very pleased that our focus on financial results and cash generation has allowed us to decrease our nominal debt significantly. Our operational cash generation was complemented by a € 50,0m capital increase, which led us – much sooner than expected – to reduce leverage to 2,9x, down from above 4,4x last year. Based on our new three-year financing, we have a strong financial basis to support our promising strategy and business growth. Thanks to a decreasing financing cost on top of increasing operating results, the net result of € 1,2m will prove to have significant upside potential as well.

More than ever, people are making very conscious choices for a healthy lifestyle. Consumers are looking for healthy, tasty and convenient food solutions. This results in a higher spending on fruit and vegetables per person. At the same time, consumers more frequently combine different categories of fruit and vegetables, where they can benefit from our complementary offering in fresh, frozen and prepared products.

We have also seen clear volume increases from our integrated long-term customer relationships, proving that customers do care about service level, close collaboration, aligned ambitions and short supply chains. Today, around 60% of group sales and more than 70% of Fresh sales already come from customers with whom we have a formal collaboration.

COVID-19 has once again proven the importance of robust supply chains. Robust meaning limited in the number of middlemen and product stops. Managing our supply chain to keep it as short as possible – and at the same increase its sustainability – remains our ultimate goal.

Contents Financial report

Key financial information 59

Sales and adjusted EBITDA per operating segment 62

Report of the board of directors 65

Comments on the consolidated financial statements 66

1. Consolidated income statement 66

2. Consolidated statement of financial position 67

3. Consolidated statement of cash flows 68

Dividends 69

Position of the company: risks and uncertainties 70

Sustainability and Research & Development 77

1. Sustainability 77
   - 1.1. Promoting people's well-being (PEOPLE) 77
   - 1.2. Fostering responsible resource use (PLANET) 79
   - 1.3. Assuring food availability (PROSPERITY) 80
   - 1.4. Stimulating sustainable trade (PEACE) 81
   - 1.5. Strengthening collaboration in the chain (PARTNERSHIP) 82

2. Research & development 82

Important events after balance sheet date 83

Corporate governance statement 84

1. Board of Directors 85
   - 1.1. Composition of the Board of Directors 85
   - 1.2. Role and responsibilities of the Board of Directors 89
   - 1.3. Evaluation of the Board of Directors – self-assessment 90

2. Advisory Committees to the Board of Directors 91
   - 2.1. Audit Committee 91
   - 2.2. Nomination and Remuneration Committee 93

3. Attendance at Board of Directors and Advisory Committees meetings 94

4. Executive Management 95
   - 4.1. Composition of the Executive Management 95
   - 4.2. Role and responsibilities of the Executive Management 96
   - 4.3. The Leadership Team 98
   - 4.4. Diversity in the Executive Management and Leadership Team 99

5. Statutory auditor 100

6. Rules for preventing conflicts of interest 100
   - 6.1. Principles 100
   - 6.2. Application of the conflict of interest procedure in accordance with article 7:96 BCAC 100
   - 6.3. Application of the conflict of interest procedure in accordance with article 7:97 BCAC 102

6.4. Policy concerning transactions with directors or Leadership Team members not covered by article 7:96 BCAC 102

7. Internal governance rules: Dealing Code – Code of Conduct 103

8. Remuneration report 103

8.1. Statement on the remuneration policy for directors and members of the Leadership Team with respect to AY 20/21 103

8.2. Remuneration of the non-executive directors 104

8.2.1. Introduction 104

8.2.2. Remuneration in AY 20/21 105

8.3. Remuneration of the members of the Leadership Team 105

8.3.1. Introduction 105

8.3.2. Remuneration of the co-CEOS in AY 20/21 107

8.3.3. Remuneration of the other members of the Leadership Team in AY 20/21 108

8.3.4. Annual short-term incentive components and targets for AY 20/21 109

8.3.5. Long-term incentive plans 110

8.4. Evolution of the remuneration and pay-gap information 111

8.5. Severance pay for members of the Leadership Team 112

8.6. Claw-back 112

8.7. Information on shareholder vote 113

9. Other information to be communicated pursuant to article 3:6 (§1) BCAC and article 34 of the Royal Decree of 14 November 2007 on the obligations of issuers of financial instruments admitted to trading on a regulated market 113

10. Internal control and risk management 116

10.1. Control environment 116

10.1.1. General 116

10.1.2. Audit Committee 116

10.1.3. Internal audit 116

10.2. Risk management systems and internal control 117

10.3. Financial reporting and communication 117

10.4. Oversight and monitoring 117

Information for shareholders **118**

1. Shares 118

2. Share trading evolution 118

3. Capital structure 119

4. Shareholder structure 120

5. Major changes in shareholder structure 121

6. Contacts 121

7. Financial calendar 121

Consolidated financial statements **123**

Consolidatedincome statement **124**

Consolidated statement of comprehensive income **125**

Consolidated statement of financial position **126**

Consolidated statement of changes in equity **127**

Consolidated statement of cash flows **128**

Notes to the consolidated financial statements 131

1. General information 132

2. Significant accounting policies 132

2.1. Basis of preparation 132

2.2. Changes in accounting policies and disclosures 132

2.3. Basis of consolidation 133

2.4. Summary of significant accounting policies 135

3. Critical accounting judgements and key sources of estimation uncertainty 144

3.1. Critical judgments in applying the entity's accounting policies 144

3.2. Key sources of estimation uncertainty 144

4. Segment information 146

4.1. Information about major customers 147

4.2. Geographical information 147

5. Notes to the consolidated income statement 148

5.1. Sales 148

5.2. Operating expenses 149

5.3. Personnel expenses 150

5.4. Other operating income/expense 150

5.5. Net finance income/cost 151

5.6. Income tax expense/income 152

5.7. Earnings per share 153

6. Notes to the consolidated statement of financial position 154

6.1. Property, plant & equipment 154

6.2. Goodwill 156

6.3. Other intangible assets 157

6.4. Leases 159

6.5. Investments accounted for using equity method 160

6.6. Other financial assets and liabilities 161

6.7. Deferred tax assets and liabilities 161

6.8. Inventories 162

6.9. Trade and other receivables 163

6.10. Cash & cash equivalents and bank overdrafts 165

6.11. Financial instruments by category 166

6.12. Issued capital, share premium and other capital instruments 166

6.13. Share based compensation 167

6.14. Pension and other employee benefit liabilities 169

6.15. Provisions 173

6.16. Interest-bearing loans 174

6.17. Trade and other payables 177

6.18. Risk management policy 178

6.18.1. Market risk 178

6.18.2. Credit risk 182

6.18.3. Liquidity risk 183

6.18.4. Financial assets and liabilities – fair value 185

6.18.5. Capital structure 185

6.18.6. Fair value hierarchy included in the statement of financial position 186

7. Other elements 187

7.1. Subsidiaries, associates, joint ventures and investments recorded at cost 187

7.2. Main disputes 190

7.3. Off-balance sheet commitments 192

7.3.1. Commitments concerning purchases of property, plant and equipment and fresh vegetables 192

7.3.2. Factoring 192

7.3.3. Bank and bond covenants and undertakings 192

7.3.4. Contingent liabilities 194

7.4. Related parties 194

7.5. Events after balance sheet date 195

7.6. Fees group auditor 195

Statement of responsible persons 197

Statutory auditor's report on the consolidated financial statements 199

Condensed statutory accounts of the parent companyGreenyard NV, according to Belgian accounting standards 209

Financial definitions 217


GREENYARD
On the road for

Key financial information

Key financials (in €'000 000)	AY 20/21	AY 19/20	Difference
Post-IFRS 16 key financials			
Sales	4 416,2	4 061,0	8,7%
Adjusted EBITDA (post-IFRS 16)	156,9	133,4	17,6%
Adjusted EBITDA-margin % (post-IFRS 16)	3,6%	3,3%	
Net result continuing operations	1,2	-68,0	
EPS continuing operations (in €)	0,01	-1,59	
NFD (post-IFRS 16)	572,9	660,1	-13,2%
Pre-IFRS 16 key financials			
Adjusted EBITDA	116,6	95,7	21,8%
Adjusted EBITDA-margin %	2,6%	2,4%	
NFD	339,9	425,6	-20,1%
Leverage	2,9	4,4	

Sales increased by 8,7% to € 4 416,2m in AY 20/21. The growth in sales is coming from both the Fresh and Long Fresh segments. The increasing volumes linked to the intensification and ramp-up of the integrated customer models are the main driver of this growth. At the same time, thanks to increased consumer awareness to maintain a healthier lifestyle, and a shift to at-home cooking, due to lockdowns consequent to COVID-19, the retail volumes increased. This was however at the expense of the food service sector which significantly slowed down.

Organic growth amounted to 9,9%, slightly counterbalanced by foreign exchange headwinds (-0,8%) and the effect of the recent divestitures and divestments (-0,4%).

Also adjusted EBITDA (post-IFRS 16) shows a strong increase by 17,6% to € 156,9m, (for reference, pre-IFRS 16: increase by 21,8% to € 116,6m) directly linked to the growing volumes under the integrated customer models, positive price and mix variances as well as the full year impact of transformation initiatives initiated last year and new continuous improvement actions being implemented mainly in the domains of sourcing, transport and procurement. Greenyard did not record any EBITDA adjustments in relation to COVID-19, as margins from extra volumes were more or less compensated by extra costs incurred to secure sourcing and operations.

Net result from continued operations shows the return to profit of € 1,2m versus a loss of € -68,0m last year. This improvement is mainly driven by the operational and commercial transformation, moreover, last year was highly impacted by impairments/losses on sale of subsidiaries and non-recurring transformation costs.

Without leasing debt, net financial debt decreased further by € 85,7m to € 339,9m at 31 March 2021. This translates into a leverage of 2,9x, down from 4,4x last year. The decrease is driven by an increase in operating profit and an active group-wide working capital management, whilst continuing to invest into the operations and long-term commercial relationships. As to indebtedness and leverage, Greenyard succeeded in securing a stable financing for the coming years by refinancing its bank debt in March 2021, including a capital increase of € 50,0m and a reserved tranche of € 125,0m for the repayment of its outstanding convertible bond, maturing in December 2021. Further information is provided under note 6.16. *Interest-bearing loans*.

Post-IFRS 16, at 31 March 2021 Net financial debt amounted to € 572,9m of which € 232,9m lease liabilities.

[1] Please refer to *Financial definitions* for the definition.

EBIT - Adjusted EBITDA	AY 20/21				AY 19/20			
	Fresh	Long Fresh	Unallocated	TOTAL	Fresh	Long Fresh	Unallocated	TOTAL
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
EBIT	**28 632**	**25 564**	**-2 711**	**51 485**	**-8 813**	**12 918**	**-6 681**	**-2 576**
Depreciation and amortisation	62 390	33 818	1 383	97 591	57 313	37 382	1 181	95 876
Impairment goodwill	-	-	-	-	-	-	-	-
Impairment property, plant & equipment	-1	1 414	-	1 413	-	7 566	-	7 566
Impairment other	101	420	-	521	-	-	-	-
EBITDA	**91 121**	**61 215**	**-1 327**	**151 009**	**48 500**	**57 866**	**-5 500**	**100 866**
Reorganisation costs and reversal of provision for reorganisation costs (-)	4 280	335	-237	4 377	57	-998	401	-540
Disposal project costs	-	789	-117	673	144	1 186	211	1 541
Financing project costs	-	-	251	251	456	170	3 114	3 741
Costs related to legal claims	3 233	1 695	-	4 927	2 463	494	81	3 038
Impairment long-term receivables	-	-	-	-	780	-	-	780
Result on change in control of equity accounted investments	-	-	-	-	1 375	-	-	1 375
Result on sale of subsidiaries	-2 889	-	-	-2 889	22 538	-	-	22 538
Result on sale of assets	-622	-	4	-618	-3 814	81	-	-3 733
Listeria related net result	-	-1 367	707	-660	-	-1 746	-	-1 746
Other	-473	-119	13	-580	773	223	443	1 439
Adjustments	**3 528**	**1 332**	**621**	**5 481**	**24 774**	**-589**	**4 249**	**28 435**
Divestitures (not in IFRS 5 scope)	**415**	**14**	-	**429**	**3 030**	**1 112**	-	**4 141**
Adjusted EBITDA (post-IFRS 16)	**95 064**	**62 562**	**-706**	**156 919**	**76 303**	**58 389**	**-1 250**	**133 442**
IFRS 16 impact	**-35 423**	**-4 573**	**-371**	**-40 367**	**-32 902**	**-4 470**	**-369**	**-37 741**
Adjusted EBITDA	**59 641**	**57 989**	**-1 077**	**116 552**	**43 401**	**53 919**	**-1 619**	**95 701**

EBIT from continuing operations amounted to a positive € 51,5m compared to a loss of € -2,6m last year. In AY 20/21 impairment and non-recurring adjustments were far more limited than last year.

As to Property, plant & equipment (and other) impairments, last year we accounted for € -7,6m of impairments, while this year it was limited to € -1,9m. This mainly relates to bringing the equipment of Greenyard Prepared Netherlands to its fair value.

As to non-recurring adjustments, these decreased from € -28,4m last year to € -5,5m this year. Last year was mainly impacted by the accounting loss on biological assets triggered by the sale of Greenyard Flowers UK. Moreover, disposal and financing project costs were incurred relating to several corporate finance processes aiming to deleverage and stabilize our bank financing as part of the Transformation Plan.

The adjustments this year benefit on one hand from the gain on the sale of Logistics Portugal (included in the result on sale of subsidiaries), on the other hand, non-recurring costs occurred to make the organisation fit for the future and for settlements or provisions for legal disputes.

Reconciliation net financial debt	31 March 2021 €'000	31 March 2020 €'000
Cash and cash equivalents	-81 250	-132 709
Restricted cash	-	-
Interest-bearing loans (non-current/current)	413 792	550 107
Lease liabilities (non-current/current)	235 445	235 191
As reported	**567 986**	**652 588**
Net capitalised transaction costs related to the refinancing	2 864	2 889
Net value of the conversion option at inception after amortisation	2 008	4 613
Net financial debt (post-IFRS 16)	**572 857**	**660 090**
IFRS 16 impact	-232 911	-234 509
Net financial debt	**339 946**	**425 581**

Sales and adjusted EBITDA per operating segment

We present our segment information based on adjusted EBITDA pre-IFRS 16 and post-IFRS 16, in transition to a full post-IFRS 16 EBITDA segment reporting in 21/22.

Key segment figures – FRESH in €'000 000	AY 20/21	AY 19/20	Difference
Post-IFRS 16 segment figures			
Sales	3 592,7	3 263,4	10,1%
Adjusted EBITDA (post-IFRS 16)	95,1	76,3	24,6%
Adjusted EBITDA-margin % (post-IFRS 16)	2,6%	2,3%	
Pre-IFRS 16 segment figures			
Adjusted EBITDA	59,6	43,4	37,4%
Adjusted EBITDA-margin %	1,7%	1,3%	

Fresh sales increased by +10,1% YoY, whereby sales within the integrated customer model increased by 22,3%, including the ramp-up of some of these long-term relationships. Retail sales growth was in most geographies stimulated by COVID-19 induced measures of different local authorities, resulting in a shift to at-home cooking, in parallel to increased consumer awareness to maintain healthy lifestyles.

The segment showed an organic growth of +11,2%, with slight foreign exchange headwinds of -0,6%, and M&A and divestitures impact of -0,5%.

Greenyard was able to accelerate the positive trend in its adjusted EBITDA by realising efficiency gains on the back of strong topline growth, reinforced by the full year impact of the transformation initiatives initiated in the previous year as well as newly defined continuous improvement actions in the reporting year. Together with volume growth, this has resulted in a clear recovery of the margin from 2,3% to 2,6%. The adjusted EBITDA (post-IFRS 16) increased by +24,6% YoY.

Greenyard managed to make the Fresh operating margin more stable and robust towards the future as a growing share of sales is being generated in the integrated customer models which are long-term oriented and based on a cost-plus or target-margin logic. At 31 March 2021, more than 70% of its Fresh sales were generated within these long-term agreements.

Key segment figures - LONG FRESH in €'000 000	AY 20/21	AY 19/20	Difference
Post-IFRS 16 segment figures			
Sales	823,5	797,6	3,2%
Adjusted EBITDA (post-IFRS 16)	62,6	58,4	7,1%
Adjusted EBITDA-margin % (post-IFRS 16)	7,6%	7,3%	
Pre-IFRS 16 segment figures			
Adjusted EBITDA	58,0	53,9	7,5%
Adjusted EBITDA-margin %	7,0%	6,8%	

In its Long Fresh segment, Greenyard was able to generate an important volume increase in retail, while at the same time suffering from the temporary loss of volumes in food service (from 20% share of sales in AY 19/20 to 13% in AY 20/21). As of the last weeks of the previous fiscal year, the COVID-19 induced quarantine measures resulted in a shift from out-of-home consumption to at-home consumption.

At the same time, new sales contracts and an increasing share of sales in higher priced products a.o. convenience and fruit, resulted into a total 3,2% growth, proving a continued strengthening of the business.

The segment showed an organic growth of +4,9%, slightly countered by -1,4% foreign exchange and -0,3% M&A and divestitures impact.

The Long Fresh segment was able to improve its adjusted EBITDA-margin thanks to a a relentless focus on efficiency improvements, a positive impact of new sales and purchase contracts and an increasing share of sales in higher-end products. This allowed the Long Fresh segment to offset the extra costs for COVID-19 in the operations as well as extra costs related to produce availability issues (e.g. peas) over summer.

Report of the board of directors

Comments on the consolidated financial statements

These comments relate to the consolidated financial statements of Greenyard NV ('the Company') and its subsidiaries (together, 'the Group') for the year ended on 31 March 2021.

1. Consolidated income statement

Sales

Sales increased by 8,7% to € 4 416,2m in AY 20/21. The growth in sales is coming from both the Fresh and Long Fresh segments. The increasing volumes due to intensification and ramp-up of the long-term commercial relationships are the main driver of this growth. At the same time, thanks to increased consumer awareness to maintain a healthier lifestyle, and a shift to at-home cooking due to lockdowns consequent to COVID-19, the consumption at retail was stimulated. This was however at the expense of the food service sector which significantly slowed down.

Organic growth amounted to 9,9%, slightly counterbalanced by foreign exchange headwinds (-0,8%) and the effect of the recent divestitures and divestments (-0,4%).

Fresh represents 81,4% of consolidated sales, while Long Fresh represents 18,6%.

Gross profit

Gross profit has increased by € 49,6m from € 247,7m to € 297,3m (+20,0%), following the continued top line growth. Moreover, the gross profit margin improved by 63bps (from 6,1% to 6,7%). In Fresh, the margin increase is driven by efficiency increases following a strong topline evolution, further revision of the profitability of our product/service portfolio, and transformation efficiency achievements in the domains of transport and sourcing. The margin increase in Long Fresh is driven by a relentless focus on efficiency improvements, a positive impact of new sales and purchase contracts and an increasing share of sales in higher-end products. The % margin improvement in both segments was realised despite the fact that extra operating costs due to COVID-19 could not be recharged to clients.

Earnings before interest and tax (EBIT)

EBIT has improved significantly by € 54,1m from € -2,6m to € 51,5m given the increased gross profit for AY 20/21. Moreover, selling, general and administrative expenses slightly decreased to 5,8% of sale compared to 6,0% in AY 19/20 thanks to the important sales growth and economies of scale across countries, departments and divisions. As mentioned in the section on non-recurring adjustments, last year's EBIT also suffered from a PP&E impairment and a loss on sale of subsidiaries.

Net finance income / cost

Net finance cost decreased by € 13,6m YoY to € 47,2m mainly thanks to lower interest rates on bank borrowings because of steadily decreasing debt usage and lower grid following an improved leverage ratio, as well as lower costs on additional funding, such as the factoring and leasing debt (respectively € 0,5m and € 1,1m).

The bank and other financial costs in AY 20/21 mainly relate to write-offs of financial assets for an amount of € 1,9m (€ 1,8m in AY 19/20). Furthermore, exchange rate losses impacted these costs by € 1,6m (€ -3,1m in AY 19/20). Last year also included fees in relation to the bank waiver process.

Income tax expense / income

The income tax expense for AY 20/21 amounted to € 3,1m versus € 4,6m last year. This implies a consolidated effective tax rate of 72,19% (AY 19/20 -7,25%). The effective tax rate for last year, AY 19/20, was highly impacted by non-recognition of deferred tax assets on tax losses, the loss on the sale of subsidiaries and the adjustments in the rates used to calculate deferred taxes resulting from the evolution in local tax rates

The effective tax rate for AY 20/21 was positively impacted by the recognition and use of deferred tax assets which were previously not recognised. The current tax accruals result from the improved/increased profit before tax positions of several legal entities within the Group thus increasing the effective tax rate. In addition, tax losses have been fully utilised by a number of legal entities in several jurisdictions for which no deferred tax assets on losses had been recognised previously. Lastly, IFRS 16 had an impact of € 1,0m on the tax position.

2. Consolidated statement of financial position

Non-current assets

Non-current assets decreased by € 9,7m to € 1 255,1m, primarily by a decrease of € 10,7m in Other intangible assets and a decrease of € 6,5m in rights-of-use assets, partially offset by an increase in Property, plant and equipment of € 5,6m and Deferred tax assets of € 2,5m.

The decrease in Other intangible assets is mainly driven by further amortization of the customer relationships for € 13,3m, while the decrease in right-of-use assets by € 6,5 results from depreciations exceeding the additions over AY 20/21.

Property, plant & equipment increased by € 5,6m during AY 20/21, which is the combined effect of € 51,1m additions, offset by (i) € 42,5m depreciation, (ii) € 2,6m decrease related to the sale of Greenyard Logistics Portugal, (iii) € 1,4m increase from foreign exchange rate fluctuations and (iv) the additional impairment in Greenyard Prepared Netherlands ad € 1,4m to bring the equipment to its fair value.

Current assets

Current assets decreased by € 13,1m to € 687,0m. The decrease is clarified by the combination of (i) an increase in inventory for € 47,6m, almost fully in Long Fresh, to rebuild inventory after an historically low inventory level end March 20 following a strong hoarding impact at the start of the first lock-down to secure the supply for projected sales, (ii) a decrease in cash and cash equivalents for € 51,5m back to normalized levels, and (iii) a decrease of the trade and other receivables position by € 7,5m thanks to active working capital management.

Equity

Total equity amounts to € 451,1m and represents 23,2% of total equity and liabilities at 31 March 2021 versus 20,7% last year. The increase by € 45,0m compared with 31 March 2020 mainly results from the € 50,0m capital increase in March 2021.

Non-current liabilities

Non-current liabilities decreased by € 196,7m to € 554,0m, primarily following the refinancing of the interest-bearing loans before the end of the financial year, in combination with the € 50,0m capital increase and the € 125,0m convertible bond moving from its classification as non-current liabilities to current liabilities, given its maturity in December 2021. A separate tranche of the Facilities Agreement (foreseen to remain undrawn until the maturity of the convertible bond) is reserved for the refinancing of this instrument.

Current liabilities

Current liabilities amount to € 937,0m, representing a € 128,9m increase compared 31 March 2020. This increase is driven by an increase in interest-bearing loans (€ 54,2m) and an increase in trade and other payables (€ 70,8m).

The increase in interest-bearing loans is mainly the result of the shift in classification from non-current liability of the convertible bond to current liability.

The significant increase in trade and other payables is apart from the business growth thanks to the strengthening of the financial situation of Greenyard and active working capital management.

There are no changes in valuation rules with a significant impact on the Group's reported results or financial position, apart from those included in note 2.3. *Basis of consolidation*.

3. Consolidated statement of cash flows

The net decrease in cash and cash equivalents for AY 20/21 amounted to € -51,9m to a Cash and Bank overdraft level of € 79,3m. Operating and investing activities contributed € 117,3m as compared to € 110,1m last year.

Cash flow from operating activities

The cash inflow from operating activities amounts to € 158,8m in AY 20/21, compared to a cash inflow from operating activities of € 126,6m in AY 19/20, or an increase of € 32,2m.

This improvement is mainly the result of a higher EBIT corrected for mainly non-cash EBIT adjustments i.e. € 38,7m, from € 112,9m in AY 19/20 to € 151,6m in AY 20/21, as explained by the successful transformation of the Group.

The Group continues its efforts in further improving its working capital, albeit the improvement slowed down for an amount of € 9,2m from € 19,9m in AY 19/20 to € 10,6m in AY 20/21. Main reason is that inventories increase substantially thanks to the growth of the business and good production volumes, and build-up of inventories after an historically low inventory level end March 2020 due to COVID-19 hoarding. Receivable and payable improvement is significant thanks to active working capital management and strengthening of the financial position of Greenyard.

Tax cash out is € 2,7m lower than last year as Greenyard revised its tax prepayment policy. In AY 20/21 Greenyard still benefited to an important extent from the use of tax losses carried forward.

Cash flow from investing activities

The cash outflow from investing activities amounts to € 41,6m, which is € 25,0m higher than in AY 19/20.

The main explanation is the difference in disposal proceeds being € 6,7m in AY 20/21 as compared to € 20,7m in AY 19/20. Last year's proceeds were higher due to the sale of Greenyard Flowers UK, the plant of Frozen Hungary and several German DC's, versus the sale of Logistics Portugal and some limited assets this financial year.

Acquisitions of Property, plant and equipment and subsidiaries have increased by € 11,0m (from € 37,3m in AY 19/20 to € 48,3m in AY 20/21) as we have intensified our investment program as well replacements as improvements/expansion.

Cash flow from financing activities

The cash outflow from financing activities has increased by € 124,2m to € 169,2m. This is mainly the result of the refinancing of the outstanding debt in a new Facilities Agreement, resulting in the repayment of € 432,0m and new drawings of € 290,8m.

Positively, in AY 20/21 a capital increase net of transaction costs of € 49,3m has been realized. In addition, net interests have reduced by € 7,1m from € 48,4m in AY 19/20 to € 41,3m in AY 20/21 thanks to lower debt and better margin conditions.

Dividends

The Board of Directors is proposing not to pay a dividend for the current accounting year AY 20/21, given that this year is considered the company's final year of its continued recovery.

Position of the company: risks and uncertainties

The Group is required to disclose the key risks and uncertainties which have affected or may impact its financial position and results. Together with their associated mitigating actions, these risks are described below. The list does not, however, rank the risks by priority; nor is it an exhaustive description of all risks currently faced.

Availability and prices produce and consumables

The results of the Group may be adversely affected by shortages in produce and consumables.

Fresh obtains most of its supply directly from a solid and extensive network of third-party growers. For all its business models, sourcing is done at market prices or price ranges negotiated in advance. In general, growers are compensated based on the prices obtained from the customers, occasionally with a minimum guaranteed price (through well monitored pre-season advances to growers) or based on a fixed price or agreed price ranges.

With regard to the production of frozen fruit and vegetables, Long Fresh obtains fresh supplies from 800 farmers in Belgium, France and Poland. The UK supplies are secured by agricultural cooperatives and various dealers. For canned fruit and vegetable production, on the other hand, the supply of fresh produce is sourced from approximately 4,500 ha of agricultural land within a radius of 100 km of the main processing sites in Belgium and the Netherlands. Long Fresh sources with pre-season fixed-price annual contracts. Possible shortfalls can be compensated for by purchasing raw materials on the spot market. Depending on the type of fresh produce, the number of hectares and the expected yield (tons per hectare) are set.

Despite the attention and efforts dedicated to these aspects and active supplier relationship management, the Group is also greatly exposed to temporary weather phenomena, while climate and soil conditions can also influence supplies and raw materials prices (see below).

Energy prices

Due to the high energy intensity of the production, cooling, ripening and storage processes, the Group is affected by trends in energy prices (mainly gas, electricity and oil prices). The majority of these costs are secured through mid- to long-term contracts.

Sales prices

While price increases in produce and consumables may allow the Group to renegotiate contracts with its customers or pass on the cost increase to them, in certain cases price increases cannot be passed on, in whole or in part. This is due to the bargaining power of certain key customers, such as large retail distribution chains, which affects the Group's margins. In some cases, in the interest of greater flexibility and responsiveness, the Group applies a decentralised pricing policy, leaving it up to its local management to set product prices taking into account local demand and market characteristics.

Additionally, changing climate conditions, the internationalisation of the market and the competitive environment have an important influence on pricing and profitability.

Customer dependence

The Group faces a high customer concentration, i.e. its top ten customers, primarily retailers, represent approximately 73% of its total sales. The Group believes its customers make purchase decisions based on, among other things, price, product quality, consumer demand, customer service performance and desired inventory levels. Changes in customer strategies or purchasing patterns may adversely affect the operating profit, as the Group may not be in a position to sell surplus produce or hedge its position given long-term obligations towards certain growers. Customers may also reduce their purchases in response to (i) any price increase implemented by the Group, (ii) a decision to switch to another supplier or begin sourcing (or to source a greater amount of) fresh produce directly from growers and through own purchase organisations, and/or (iii) changing trends in the industry.

The Group believes its customer intimacy strategy is key to its pursuit of margin and volume stability. At all levels, the Group's management increasingly focuses on innovation and customer preferences. The Group aims to continue developing its integrated customer model, further building long-term relationships by meeting customer needs through innovative solutions in areas such as logistics and product ranges. In this context, the Group has been focusing on customer and portfolio management in order to achieve a profitable rate of growth. Its portfolio management includes a strong focus on countries, customers and products.

Integrated customer model

The Group's strategy of establishing holistic partnerships with major retailers and vertically integrating with them may not be successful. The Group is pursuing a transition from a trading model to long-term, integrated customer relationships (implying, among other things, a change from transaction-based purchasing to category purchasing agreements). Such a relationship allows the Group to provide an assortment of products and services to its customers creating an interdependence between the Group and its customers, and making it more difficult for the relevant customers to switch supplier.

Certain frictions have arisen in the course of the Group's transition from a trading to integrated long-term customer relationships, which is proceeding at a slow pace: this transition temporarily combines high service levels with margin vulnerability, allowing adverse market conditions to generate disappointing short-term results. In addition, it cannot be guaranteed that a new long-term integrated customer relationship (post-transition) will be as profitable as the existing ones.

Climate conditions

From time to time, the Group's growers experience crop disease, insect infestation, severe weather conditions (such as floods, droughts, windstorms and hurricanes), natural disasters (such as earthquakes) and other adverse environmental conditions. Severe weather conditions can be further exacerbated due to the impacts of climate change. These adverse environmental conditions, and more specifically unpredictable weather patterns, can result in production and price volatility. As far as possible, is the Group seeks to mitigate this risk by expanding the geographical spread of its sourcing through an extensive and global network of growers.

Concerning produce from growers, the Fresh segment may work to some extent on a free consignment basis, in practice, it often shares the risk of adverse environmental conditions given its long-term relationship with growers. In addition, the Fresh segment may occasionally finance crop production of some growers and suppliers and can be adversely affected if it is not repaid or repayment is postponed due to adverse environmental conditions affecting those growers and suppliers.

Where the Long Fresh segment is concerned, notwithstanding the large majority of its raw materials for processing are contracted, adverse environmental conditions may cause raw material shortages forcing the Group to buy additional volumes at higher prices on the spot market.

Along with other elements, such as soil fatigue in fields for specific crops, weather conditions are a compelling reason for the Group to reduce its dependence on the harvest in a specific region as much as possible. This risk is mitigated by the geographical spread of the activities and by sustainable relations with the growers.

Seasonality and working capital

Seasonality is a key issue for the Group. Opposing underlying trends exist across the operating segments. Long Fresh has a production peak in the period from July to November with a corresponding inventory build-up, whereas demand is relatively stable throughout the year. This gives rise to high swings in working capital in the last two quarters of the calendar year. On the other hand, Fresh achieves a greater portion of its sales during the first two quarters of the calendar year, whereas the third and fourth calendar quarters typically have slightly lower sales and less homogenous sales patterns than the first half of the calendar year. As Fresh reports a negative working capital figure, the positive working capital of Long Fresh is partly offset at Group level.

Due to high seasonality, the reduction of production capacity can greatly influence the Group's results during high season and large inventories have to be held and financed. The Group actively manages and closely monitors working capital and liquidity, in order to cope with large swings in working capital and continuously aims at securing its funds and resources accordingly.

Geopolitical changes

Governmental measures to curb inflation and speculation about possible future governmental measures have contributed to the negative economic impact of inflation and created general economic uncertainty. Depreciation of local currencies relative to the euro may also create additional inflationary pressures in local jurisdictions that may negatively affect the Group as depreciation generally curtails access to foreign financial markets and may prompt government intervention, including recessionary governmental policies. In the past few years, the US, the EU and the UN have increased their imposition of various sanctions and embargoes on trade with countries such as Iran, Syria, Sudan and others. Similar sanctions were taken by the US and EU against the Russian Federation and subsequently by the Russian Federation against the US and the EU. As the activities and operations of the Group are worldwide, the Group and its competitors, distributors, suppliers and customers may have difficulties complying with or may suffer from such trade sanctions and embargoes.

The Group's management monitors global geopolitical trends and promptly takes the appropriate measures, where required. The geographical spread of operations and sourcing channels also partly mitigates the geopolitical risks.

Product liability

Should produce sourced by the Group be alleged to or proven to contain contaminants or bacteria affecting the safety or quality of its products, the Group may need to find alternative produce, delay the production of its products, or discard or otherwise dispose of its products. Taking any of these actions can adversely affect the results of its operations. Additionally, if the presence of these contaminants or bacteria is not alleged or discovered until after the product in question has been distributed, the Group may need to withdraw or recall the product and thus may experience adverse publicity and product liability claims.

The Group may also be exposed to product recalls, including voluntary recalls or withdrawals, and adverse public relations if its products are alleged to cause injury or illness, or if the Group is alleged to have mislabelled or misbranded its products or otherwise violated governmental regulations. The Group may also voluntarily recall or withdraw products that it considers below its standards, whether for taste, appearance or other reasons, in order to protect its (brand) reputation. Consumer or customer concerns (whether justified or not) regarding the safety of the Group's products can adversely affect its business. A product recall or withdrawal can result in substantial and unexpected expenditure, the destruction of product inventory, and lost sales due to the unavailability of the product for a period of time, all of which can reduce profitability and cash flow.

The Group applies HACCP and ISO standards and Group and segment management actively monitor quality and compliance with these standards. Long-standing relationships have been developed with key growers who offer the required commitment and compliance with the Group's quality standards and requirements.

Changes in legislation and regulations

The Group's activities are subject to extensive regulation in the countries in which it operates, including corporate governance, labour, tax, competition, environmental and health and safety legislation. Failure to comply with existing laws and regulations could result in damages, fines and criminal sanctions being levied on the Group or the loss of its operating licenses and could adversely affect its reputation. Compliance with future material changes in food safety or health-related regulations and increased governmental regulation of the food industry (such as proposed requirements designed to enhance food safety, impose health-protection requirements or to regulate imported ingredients) could result in material increases in operating costs and could require interruptions in the Group's operations to implement such regulatory changes, thereby affecting its profitability.

There has been a broad range of regulations aimed at reducing the effects of climate change which have been proposed and adopted at national and international level. Such regulations apply or could apply in countries where the Group has or could have interests in the future. The Group reviews the impact of any changes on a regular basis, and seeks to ensure it budgets appropriately for future capital and operating expenditures to maintain compliance with environmental and health and safety regulations.

Talent attraction and retention

The Group's future success depends on its ability to attract, retain and motivate qualified and talented employees. Being unable to do so would compromise its ability to fulfil its strategic ambitions. To enhance its recruitment pool, it has initiated a global employer brand, supporting its recruitment activities and communication with potential candidates. Furthermore, attractive development and training programmes, adequate remuneration and incentive schemes, and a safe and healthy work environment, also mitigate this risk.

Human rights and anti-corruption

Risks from the improper behaviour of employees and business partners, breaching fundamental human rights, could adversely affect the Group's reputation and its business prospects, operating results and financial situation. It could thus be liable under human rights, corruption, environmental, health and safety laws or regulations, or fines, penalties or other sanctions. Therefore, high ethical standards are maintained throughout the entire Group at all levels with zero tolerance for corruption or bribery and any conduct which inappropriately or unreasonably interferes with work performance, diminishes the dignity of any person or creates an intimidating, hostile, exclusionary or otherwise offensive working environment. This includes discrimination, harassment, bullying or exclusion based on race, colour, religion, gender, age, national origin, sexual orientation, marital status or disability.

Exchange rate risk

The Group operates internationally and is exposed to foreign exchange risk in relation to various currencies. The US dollar and the British pound are the most important non-euro currencies. Of lesser importance are the Polish zloty and the Czech koruna. The Group's management has introduced guidelines requiring subsidiaries to manage their foreign exchange risk against their functional currency. These guidelines require subsidiaries to hedge their entire foreign exchange risk exposure with Corporate Treasury. To manage its foreign exchange risk arising from future commercial transactions, the Group uses foreign exchange forward contracts. Although the Group engages in natural and transactional hedging, there can be no assurance that the Group will be able to successfully mitigate foreign exchange exposure, particularly over the long term. A case in point are concerns regarding the Eurozone sovereign debt crisis which could result in the increased volatility of euro exchange rates. Further reference is made in note 6.18. *Risk management policy*.

Interest rate risk

The Group's financing positions are exposed to both fixed and floating interest rates. The Group issued a convertible bond with a fixed interest rate of 3,75%. The Group is also exposed to floating interest rates through a revolving credit facility, factoring programmes and term loans. The Group partly hedges floating interest rate exposure through interest rate swaps. Further reference is made to this in note 6.18. *Risk management policy*.

Credit risk

The Group is exposed to the risks associated with their counterparties being unable to perform their contractual obligations. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Group's customers have varying degrees of creditworthiness, exposing it to the risk of non-payment or other forms of default of its contracts and other arrangements with them. To protect itself against customer defaults and bankruptcies, the Group uses the services of international credit insurance companies and also applies internal customer credit limits.

Credit insurance is mandatory for all trade receivables sold to the factor company. For entities excluded from the factoring programme, the receivables are included in the credit insurance.

The Group also makes advances to key suppliers, generally to secure produce in key categories. Advances made are generally interest-bearing and recovered by deductions from the payments made in respect of the produce delivered by the counterparty. Further reference is made to this in note 6.18. *Risk management policy*.

Financing, liquidity risk and covenant compliance

The Group is financed by syndicated term and revolving credit facilities which have been successfully amended and extended for 3 years on 29 March 2021. Furthermore, this refinancing has been complemented by a capital increase of € 50m. Consequently Greenyard secured sufficient financial means to a) finance the working capital and investment needs of the business, b) repay the convertible bond that matures on 22 December 2021 and c) settle semi-annual term loan repayments from March 2022 onwards. The size of the credit facilities has been aligned based on the Group's business plan and liquidity forecasts taking into account sufficient headroom. Moreover, financials covenants i.e. leverage ratio and interest cover, have been agreed in line with this.

A continuous increase in cash generation and liquidity has been foreseen based on further sales growth and improvement of profitability margins, which has been underpinned by a 5-year business plan up to 24/25. Significant investments have been included in the plan to support this growth and further strengthen the position of the Group. Furthermore, liquidity is also dependent on the working capital conditions with suppliers and customers. At customer side the Group relies on factoring of outgoing invoices and partially on reversed factoring. At supplier side credit limits granted by credit insurers for the Group are important. Management expects working capital, factoring and credit limits to grow normally in line with the business.

Brexit

On 23 June 2016, the UK held a referendum in which a majority of voters approved the country's exit from the EU, commonly referred to as Brexit. Subsequently, the British government began negotiating the terms of the UK's withdrawal from the EU (referred to as the Article 50 procedure). The announcement of Brexit caused significant volatility in global stock markets and currency exchange fluctuations, including a sharp decline in the value of the pound sterling and the euro compared with the US dollar and other currencies.

After extensive negotiations between the European Council and the United Kingdom, and two consecutive extensions of the two-year extension period provided for by Article 50 of the Treaty on European Union, a third and final extension until 31 January 2020 was granted to the UK on 28 October 2019. On 24 January, the Withdrawal Agreement between the UK and The European Union was signed and subsequently ratified on 30 January 2020, resulting in the withdrawal of the UK from the European Union on 31 January 2020. At that point in time, the United Kingdom has become a third country.

The Group trades with and supplies the UK. The majority of the sales to the UK market are driven by the Group's UK subsidiaries. These subsidiaries have good relationships with their local UK growers, strengthening the position of the Group in the UK. Based on recent experiences, the Group considers a short-term negative impact associated with importing goods (fruit and vegetables) into the UK and / or sales from the mainland subsidiaries to the UK, to be limited. Brexit might therefore (in time) also have positive effects on the UK subsidiaries' sales since import tariffs will increase.

The Group has therefore identified and acted upon a number of initiatives that need to be taken to prepare for and mitigate the effects of a (hard) Brexit. These initiatives include setting up the necessary customs and VAT procedures, as well as applying for certifications, such as AEO certification, checking regulatory requirements for specific products, preliminary movements of stock, etc. In addition, clients and suppliers had been contacted, where required, to discuss the next steps as well as the supply and incoterms to be applied. On 24 December 2020, the negotiators of the European Union and the United Kingdom reached a new agreement, indicating the new rules applicable as of 1 January 2021, including on travel and border control, trade of goods, including food products, and cooperation in the field of terrorism and international crime.

So far, the group experienced limited operational issues, and – a few months into the Brexit – no material commercial impact has been incurred or remains estimated. Furthermore, additional costs (duties, …) have remained immaterial up to this point. It is not possible to determine the precise long-term impact that the referendum, the UK's departure from the EU and/or any related matters will have on the Group. ;

COVID-19 pandemic

In the period March to May 2020, the Group has been suddenly confronted with locking down of economies in its countries of operation and of produce origin consequent to government measures to slow down the COVID-19 pandemic. With the safety of its employees as a first priority, the Group immediately issued all necessary guidelines and the safety measures to protect its workforce. On one hand, for workers that needed to be physically present in the warehouses, distribution centers and production facilities, and on the other hand for most of the administrative staff through home-working measures. As a result, the Group was able to ensure business continuity and COVID-19 related absence rates remained low apart from a brief, temporary hike.

As the Group is mainly selling to retailers and this distribution channel boosted due to closure of the catering industry and the hoarding reflex of many consumers, this stimulated volumes but triggered also significant extra costs that could not be recharged. Only part of the food service related to catering, in which Long Fresh is to a limited extent active, was scaled down. The Group decided to continue full operations in all countries and was able to secure the vital fresh and long fresh F&V produce supply. To fulfil this mission, the Group proved to be agile in tackling numerous operational challenges.

Secondly, the Group encountered unexpected extra work due to increased volumes consequent to a shift from out-of-home to at-home consumption and due to more complex operations, which put most pressure on Prepared but also on some Fresh operations, while availability of temporary staffing in the market was low. Despite extra costs, the Group managed to cope with the additional work thanks to an exceptional effort and flexibility of its employees. Also, the Group managed additional complexities in relation to availability and transport of produce. This was also thanks to effective actions from government, the food industry and organisations to secure the flow of food transport and harvest of produce. Moreover, the Group has a diversified and extensive grower and supply country base which enables it to draw from several alternatives. Apart from some temporary and limited issues, the Group managed well to fulfil the increased demand of its customers and supplied with good service levels.

In the period June to September the business rapidly normalized, at the same time, the Group kept on conforming with the strictest health safety measures. As to the Fresh segment, the increased sales to retailers stabilized but also our higher cost to supply. Retailers gradually reintroduced their 'old way of working' such as promotions, etc. As to the Long Fresh segment, the retail business remained strong, of course at a lower level than during the hoarding period but higher than last year. Furthermore, we replenished our Prepared and Frozen produce stocks over summer to secure sufficient product availability over the coming periods.

In the period October 2020 to May 2021, economies throughout Europe have one after another been locked down again. However, the impact of the second lock-down on our activities was less substantial because it did not come unexpected and thus our business was much better prepared. The operational and logistics capabilities of Greenyard and its partners were fully accustomed to the lock-down way of working thanks to the deep experience built in the period March to June and the continued attention in the period thereafter. Different also to the first lock-down was that consumer behaviour became currently more stable, and no hoarding was noticed anymore. Of course, out-of-home consumption declined again in favour of at-home-consumption due to the closure of restaurants.

From June 2021 onwards we notice that vaccination programs are ongoing in full speed with an expected full implementation during summer, and the vaccines prove to be effective. Consequently, the economies are gradually reopening. Probably in the first months retailer volumes will temporarily slow down in favour of food service which is starting up again. However, we believe that the long lasting trend towards consuming more healthy food has only been further stimulated by the COVID period. And, thus, that fresh and long fresh produce will remain the major cornerstone in a healthy alimentation package and retailers will be key in fruit and vegetable distribution, which makes our business model COVID-solid and strengthens our strategy. The main remaining risk is the financial health of our food service clients which could lead to some bad debt and loss of sales. To date, we have no indications that there are serious problems that would have any significant impact on our financial prospects.

ICT systems and cyber security

In our business it is of utmost importance to meet very high service levels in order to secure a constant high quality and availability of our products to our customers. To execute and follow up seamlessly large numbers of different transactions, we rely on information systems and technology both on premise and in the cloud. Availability of these systems is key to run the day-to-day operations. Greenyard therefor constantly strives to comply with high standards and adapt to new evolutions in relation to applications, hardware platforms and cyber security. As the applications, we are currently upgrading our ERP systems in different entities in order to improve efficiency, simplify and harmonise. Typically, the go-live of a new application might lead in a transition phase to operational inefficiencies and risk of internal control deficiencies. As to cyber security, this is a major attention area which has been embedded in our management processes and is reviewed, monitored and improved on a permanent basis. As to hardware, we a.o. take care of regular upgrades, replacements, redundancy and back-ups and actively screen our suppliers and systems.

Sustainability and Research & Development

1. Sustainability

Sustainability is an important pillar of the Group's strategy. It is integrated within the Group's vision and mission and is supported by a clear commitment to supply its markets in the most sustainable way possible with healthy and safely produced fruits and vegetables. The Group has the ambition to improve life. This implies that it does not only want to contribute to healthier lifestyles, but it wants to do so through an even more sustainable food value chain.

The Group has prepared a sustainability report for AY 20/21 which complies with the requirements of Directive 2014/95/EU with regard to the disclosure of non-financial and diversity information by certain large undertakings and groups. The EU's reporting requirement directly affects listed companies such as Greenyard with more than 500 employees and/or a balance sheet total of over € 20,0m and/or a net turnover of over € 40,0m. The report includes information on the Group's efforts with regards to the environment, society, employees, human rights, anti-corruption and diversity.

By publishing a dedicated sustainability report, the Group aims to provide a more comprehensive overview of its sustainability efforts at local level and how these can help to solve the global challenges in the food sector. The Group's strategy is guided by the United Nations Sustainable Development Goals (SDGs). The United Nations 2030 Agenda for Sustainable Development is a plan of action for our planet centred around people and their prosperity, and for peace and justice. The 17 SDGs define global sustainable development priorities and aspirations for 2030 and seek to mobilise global efforts around a common set of goals and targets. As one of the largest suppliers of fruit and vegetables in the world, the Group is deeply committed to the implementation of the 2030 Agenda. The five pillars – People, Planet, Prosperity, Peace and Partnership – of the 2030 Agenda provide the framework to gain insight in the Group's sustainability efforts.

1.1. Promoting people's well-being (PEOPLE)

Greenyard's ambition

The Group's mission is to strive for a '*healthier future*', especially when considering the current global challenges such as the increase in obesity and the lack of physical activity. Promoting and supporting the well-being of employees, customers and final consumers is therefore one of its key ambitions.

Greenyard's approach

The Group encourages people around the world to follow healthy diets by offering a broad range of healthy fruit & vegetables as well as convenience products based on fruit & vegetables that are available throughout the year. This is backed up by ensuring that stringent food safety standards to protect people's health are at the top of the Group's priorities. The Group is also fully committed to safeguarding the well- being, health and safety of its employees. This pillar aims to empower everyone working for the Group and to encourage and support them in developing their knowledge, skills and talents.

Greenyard's impact

A. Enabling a healthy & sustainable diet for everyone

Fruit and vegetables form the basis of any healthy and balanced diet. They contain fibres, minerals and vitamins that are essential to our well-being. However, research shows that on average people still only eat 60% to 70 % of recommended daily allowances. The Group sees it as its mission to contribute to healthier and more sustainable eating habits for everyone.

The Group works closely with its customers to provide people with an attractive and varied assortment of fresh produce year-round. It jointly develops innovative concepts to promote and boost consumption of fruit and vegetables. The Long Fresh segment turns fruit and vegetables into convenience products that are always available, independent of the season.

Additionally, the Group takes into account the nutritional value, by reducing salt and sugar content in prepared products without compromising the unique taste of the products.

B. Ensuring food safety

The Group shares a fundamental responsibility in ensuring that consumers can trust the safety and quality of all its products. Therefore, all the Group sites comply with the most stringent international food quality standards (e.g. IFS, QS, BRC).

In order to comply with these standards, the Group's focus on food safety and quality covers the entire production chain, starting in the fields with the raw materials. All growers and suppliers must comply with clear and strict product specifications. From that point on, the Group assures quality using advanced control systems and inspection equipment, combined with visual inspections by experienced quality specialists.

C. Providing a safe and healthy work environment

The Group values its employees as its most important asset. Thanks to the commitment of its more than 9.000 employees, the Group has been able to become the thriving company it is today. The Group is therefore deeply committed to providing a safe and healthy working environment for every single one of them.

The Group creates a safe working environment by actively preventing workplace accidents and fatalities. The Group also inspires its employees to take initiative and improve the safety of the organisation in any way they can. In AY 20/21, the Group recorded 304 working accidents resulting in lost time. The Group aims to continuously reduce this number.

By encouraging all its employees to maintain a healthy diet and take regular exercise, the Group seeks to make its own people's lives healthier, both at work and at home.

D. Developing our talent

Learning is crucial to promoting people's well-being. The Group invests in its employees by bringing them together and encouraging everyone to work on their personal development. To support this, the Group offers several formal and informal training and development programmes. In AY 20/21, the Group provided on average 9,5 hours of training per employee.

The Group's workforce is a reflection of social diversity with more than 80 different nationalities working at the various locations. Recruiting the right people with the right skills and mindset is a key priority of its human resources strategy. The Group recognises its role in society and therefore wants to be an active provider of social employment.

1.2. Fostering responsible resource use (PLANET)

Greenyard's ambition

The Group's most valuable supplier is nature, our Planet. Without nature; healthy soil, good biodiversity and fresh water the Group would not be able to conduct its business. Therefore the Group is always conscious of its vision of '*fostering nature*'. Greenyard believes in the responsible and sustainable production of food and agricultural products. This is only possible if the Group teams up with its growers and suppliers and deals with its resources in a responsible way.

Greenyard's approach

The drivers in this pillar focus on climate action and water stewardship throughout the supply chain, closing the loop through an effective waste policy, the responsible use of land, and maintaining biodiversity.

Greenyard's impact

A. Climate action

Fruit and vegetables have an exceptionally low carbon footprint when compared to other food categories. Nonetheless, the Group is constantly striving to reduce its greenhouse gas emissions along the value chain.

Energy use is the prime source of greenhouse gas emissions in the Group's operations. In AY 20/21, the Group used 624.251 MWh of energy (excl. transport fuel). Scope 1 emissions amounted to 81,557 tonnes CO_2-eq, whereas Scope 2 emissions amounted to 87,081 tonnes CO_2-eq. The energy intensity for processed products decreased by 2% LFL due to continuous efforts to reduce energy use. Emission generating activities include cold storage and transport in the Fresh division, processing, freezing and cold storage in the Frozen division, and processing and preserving in the Prepared division. These represent the focus areas to reduce our emissions. Greenyard has committed to reduce its greenhouse gas emissions by 50% by the end of 2025 compared to 2019.

The Group fully recognises its responsibility to also reduce greenhouse gas emissions beyond its direct influence. Analysis of Scope 3 emissions clearly confirms the significance of these emissions in the Group's total footprint when compared to Scope 1 and 2 emissions. Greenyard intends to set science-based reduction targets for its scope 1, 2 and 3 emissions in line with limiting the global temperature rise to 1.5°C. It has joined the Science Based Targets initiative (SBTi) and aims to submit its proposal by the end of 2021.

The Group discloses its climate-related risks and impact under the terms of the CDP (2020 score B-), ensuring consistency in the information provided to stakeholders in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

B. Water Stewardship

Water is a critical resource for the Group's core activities. It is a vital resource for growing fruit and vegetables and a crucial element in many of its processes. As such, the Group is very conscious about the preciousness of water and strives to reduce consumption and mitigate risks every way it can – not just in its own operations, but all through the value chain.

In AY 20/21, Greenyard consumed 4.78 million m^3 water in its own operations. The water intensity for processed products decreased by 2% LFL due to continuous efforts to reduce water use. The main water consuming activities include washing vegetables and cooling in the Fresh division, processing and cooling in the Frozen division, and processing and preserving in the Prepared division. These activities are also the focus areas to reduce the Group's water consumption.

The Group has committed to map the water risk for its entire grower base by 2025. The Group uses the WWF Water Risk Filter to identify basic risks. Thus far 46% of the grower base has been evaluated. The Group discloses its water-related risks and impact under the terms of the CDP, it received the score B- in 2020.

C. Zero waste

The Group recognises various waste streams related to its business. The Group sees it as its duty to manage its resources in a responsible manner, with as much food and nutritional value and as little waste as possible. It is committed to reduce waste to an absolute minimum in all its activities, from the processing of fruit and vegetables to the use of packaging materials. As a food producer, the Group also has a direct impact on the prevention of food waste, both during production and at the consumer end.

Greenyard generated a little over 200,000 tonnes of waste in AY 20/21. The lion's share of the waste generated in the Group originates from processing activities in the Long Fresh segment and food losses in the Fresh segment. These represent the focus areas to reduce the Group's waste streams. Presently close to 60% of the waste streams are re-used (e.g. animal feed, sludge) and 38% is recycled.

The Group seeks to reduce its packaging use every year and is committed to have 100% of its consumer packaging recyclable by 2025. Key metrics for the business are absolute primary packaging volumes and the share of recyclable packaging. In AY 20/21, the Group used about 83,000 tonnes of primary packaging for its products of which more than 98% is recyclable.

D. Biodiversity and responsible land use

The process of delivering high-quality fruit and vegetables to consumers starts in the field as does the focus on responsible resource use. The Group is committed to taking good care of the land so that it can keep on producing healthy food without exhausting its future potential. It has therefore taken measures in its operations to safeguard the natural balance and biodiversity. These measures include educating the growers and supporting them to work in more efficient ways.

1.3. Assuring food availability (PROSPERITY)

Greenyard's ambition

One of the main challenges for global agriculture is the rising demand for products. Driven by a growing world population, a higher average life expectancy and land scarcity, agriculture needs to find solutions to ensure that enough high-quality food is accessible for everyone. The Group's ambition is to support new alternatives, such as innovative techniques, technologies and infrastructure, which will be key enablers of future food security.

Greenyard's approach

As a global market leader of fresh, frozen and prepared fruit and vegetables, the Group stimulates efforts that lead to innovative techniques and products. It supports research and development, aligned with circular economy models, so it can lead to a prosperous progress in harmony with nature and the limits of our planet.

Greenyard's impact

The Group focuses on innovative growing methods such as vertical farming which help ensure quality fresh products all year round without having to rely on skilled labour, favourable weather, pesticides, high soil fertility or heavy water usage. Moreover, with R&D, the Group explores new varieties of fruit and vegetables that can be more resilient to the external environment as well as post-harvest techniques that can provide a longer shelf life and ensure better quality for fresh products.

1.4. Stimulating sustainable trade (PEACE)

Greenyard's ambition

Worldwide, food chains are becoming more complex, due to a growing demand for food, scarcity of land and available labour, the impact of climate change and geopolitical influences. The Group sees this as an incentive to generate social, economic and environmental benefits throughout the entire chain and is also committed to the highest standards of business ethics and compliance.

Greenyard's approach

On the supply side, the Group actively focuses on social standards, responsibility, transparency and traceability by working closely with its growers and suppliers. Internally, the Group is taking measures to maintain an ethical business spirit through its Code of Conduct.

Greenyard's impact

A. Responsible sourcing

Throughout the value chain, ensuring a sustainable food chain (on environmental and social aspects) and requiring full compliance of growers and suppliers to all relevant applicable standards is of utmost importance for the Group. For this reason, the Group has established the ambition to conduct business with suppliers that can prove their compliance with international and national employment legislation, particularly in risk regions. By 2025, the Group wants to have 100% of its grower base in risk regions certified for social compliance.

Greenyard sources more than 2.7 million tonnes of fruit and vegetables worldwide each year. In AY 20/21, 24% of its volumes originated from risk countries and regions, driven largely by overseas volumes from the Fresh segment. At present, about 81% of our grower base is assessed or certified for social compliance.

B. Diversity & ethical business behaviour

The basis of sustainable trade is present in the Group's own operations. Through its Code of Conduct, the Group has a set of rules outlining the unified social norms and responsibilities for all its operations. It explains and details the commitment in respect to diversity, human rights, fair employment, fraud, anti-corruption, environment, health and safety and privacy issues.

Every person working at the Group is subject to the Code. It provides the employees with guidance and solid principles to follow, even in complex situations. The Group has made a special effort to reach all employees by translating the Code into 12 languages.

Diversity (cultural, inter-generational, linguistic, between men and women, etc.) and equal opportunities are also important values for the Group. Greenyard focuses on moving towards a gender balance at all levels and retaining older, experienced employees, by providing a supportive work environment. Female employees represent 34% of our workforce, while 28% of the employees were older than 50.

This year, the Group has not recorded any lawsuits regarding non-compliance with human right, anti-corruption and fraud regulations.

1.5. Strengthening collaboration in the chain (PARTNERSHIP)

Greenyard's ambition

The Group recognises that for achieving its ambition to be a responsible supplier of high-quality, healthy and sustainable products, it needs to have strong collaboration with several partners.

Greenyard's approach

Since the very beginning, the Group has always worked closely together with its food suppliers and growers. This close collaboration has allowed the Group to give sustainability a central focus. Several entities collaborate with other business partners, both in food and non-food sectors, who share similar belief. In addition to this, Greenyard is working to develop partnerships with customers and end-consumers. The Group's ambition is to develop product ranges that appeal to modern consumers and inspire them to live a healthier life while ensuring the responsible and sustainable sourcing of these products.

The Group's engagement for partnerships goes beyond the supply chain by supporting several local and social engagement projects.

Greenyard's impact

A. Strong partnerships with growers and suppliers

The Group sources its fruit and vegetables from a worldwide network of growers and suppliers. All products are largely the result of their hard work. The Group believes that by providing training, and by building strong, long-term partnerships with this network of growers and suppliers, it can work together with them and constantly improve efficiency, availability, sustainability and working conditions. The Group's training includes optimising cultivation, reducing environmental impacts, transitioning to organic cultivation, and conserving nature.

B. Strong partnerships with customers

The Group actively partners with its customers and shares expertise and know-how to ensure that its products are ideally suited to their needs. In working closely with customers, the Group mainly focuses on optimising its product range and on innovative packaging. The collaboration also allows Greenyard to optimally tailor production and logistics to customers and, as a result, work more efficiently and time-effectively.

2. Research & development

The Group has a consumer-centric approach to product development which involves taking into account consumer needs such as health, convenience, pleasure, affordability and sustainability with the goal of driving forward product innovation in each division. In the past accounting year, as well as in previous years, many new products, product varieties, dishes and packaging have been developed and successfully marketed. Some of these products have also been recognised for their innovative character and nominated for industry awards.

Development quality and the circulation of information throughout the organisation are monitored throughout the process by the internal research and development (R&D) departments. Fresh and Long Fresh employ respectively 20 and 10 dedicated permanent staff in order to develop new products and engage in research partnerships. There are currently a number of R&D programmes in place, which are co-financed by external national and international institutions. The Group's R&D budget amounts to € 3,0m.

The Group's food processing operations continue to invest in the best-performing and innovative machinery and installations, allowing them to develop products at a rapid pace, in step with market trends and consumer expectations.

Important events after balance sheet date

On 11 June 2021, Greenyard and Cornerstone Investment Management have signed a Share Purchase Agreement pursuant to which Cornerstone Investment Management, a Polish private equity investment firm, will acquire 100% of the shares of Greenyard Prepared Netherlands, specialised in the supply of high quality, freshly harvested mushrooms in cans and jars to a worldwide customer base, subject to customer regulatory approvals and closing conditions.

There are no other major events subsequent to the balance sheet date which have a major impact on the further evolution of the Group.

Corporate governance statement

Governance principles

Greenyard applies the Belgian Code on Corporate Governance which came into force on 1 January 2020 (*the 2020 Code*), replacing the 2009 Code, and uses it as a reference code in accordance with article 3:6 (§2) of the Belgian Companies and Associations Code (*BCAC*). The BCAC has been fully applicable to Greenyard since 17 October 2019, the date Greenyard's articles of association as amended in accordance with the BCAC, were published in the Belgian Official Gazette.

The most important aspects relating to Greenyard's governance policy - in particular the role, responsibilities, composition and functioning of the Board of Directors, its advisory Committees, the Executive Management and the Leadership Team - are set out in Greenyard's Corporate Governance Charter. The Board of Directors revises the Corporate Governance Charter regularly and, where needed, makes modifications. The Charter, adopted by the Board of Directors on 2 July 2015, was amended on 26 March 2020 to comply with the 2020 Code. The most recent version of the Corporate Governance Charter may be consulted on the Company's website, under the heading Investor Relations: Corporate Governance (www.greenyard.group).

The Corporate Governance Charter and its annexes include the terms of reference of the Board of Directors, its advisory Committees, the Executive Management and the Leadership Team respectively, as well as the Code of Conduct and the Dealing Code (see 7., below). These internal policy documents are available on the Greenyard website and give an overview of Greenyard's governance.

2020 Corporate Governance Code

The Company meets the provisions provided for by the 2020 Code, except as explicitly otherwise stated and justified in this Corporate Governance Statement. The 2020 Code applies the 'comply or explain' principle, meaning that any deviations from the recommendations must be justified.

As at the date of this financial report, Greenyard fully complies with the provisions of the 2020 Code, except for a limited number of deviations in relation to executive and non-executive remuneration as set out in provisions 7.6 and 7.9 of the 2020 Code. During AY 20/21 the Company also temporarily deviated from provision 3.11. The deviations are indicated and explained in more detail in the relevant sections of this Corporate Governance Statement.

The 2020 Code is available online at www.corporategovernancecommittee.be.

Governance structure

Greenyard has opted to maintain a one-tier governance structure, as referred to in articles 7:85 *et seq*. BCAC. At least every five years, the Board of Directors will evaluate whether the chosen governance structure is still appropriate.

The Board of Directors - as a collegial management body - is therefore empowered to carry out all acts necessary or useful to accomplish Greenyard's aims, except those reserved, by law or articles of association, for the Shareholders' Meeting. The Board of Directors has delegated specific management powers to Greenyard's co-Chief Executive Officers who, together with the Chief Financial Officer, act within the framework of an Executive Management.

1. Board of Directors

1.1. Composition of the Board of Directors

Principles

In accordance with Greenyard's articles of association, the Board of Directors consists of at least three directors. The Corporate Governance Charter stipulates that at least half of the directors are non-executive and at least three are independent within the meaning of article 7:87 (§1) BCAC, and therefore meet the criteria as set out in provision 3(5) of the 2020 Code. Directors are appointed for no more than four years and may be re-elected.

The composition of the Board of Directors is such that:
- there is sufficient expertise in the various activities of Greenyard, and sufficient diversity in competencies, background, age and gender, for the Board of Directors to be able to fulfil its role in the best possible way;
- each director meets the specific qualitative requirements set out in the Corporate Governance Charter;
- the directors do not execute more than five mandates as director of a listed company; and
- the directors' mandate will end at the Annual Shareholders' Meeting in the calendar year in which the director turns 70 years of age, unless the Board of Directors decides otherwise, on the recommendation of the Nomination and Remuneration Committee.

Membership of the Board of Directors as at 31 March 2021

As at 31 March 2021, the Board of Directors is composed of nine members as follows:
- one executive director;
- eight non-executive directors, of whom four are independent directors meeting the criteria set out in article 7:87 (§1) BCAC and provision 3(5) of the 2020 Code;
- one third of the directors are of a different gender than the other directors in accordance with article 7:86 BCAC;
- one director reaches the age of 70 years during calendar year 2021 and pursuant to the decision of the Board of Directors, will remain in office as a director for the remaining term of his mandate which expires at the end of the Annual Shareholders' Meeting with respect to AY 22/23.

Moreover, the Board of Directors meets the diversity requirements in respect of educational background, professional experience, knowledge and expertise (see below).

Changes in the composition of the Board of Directors during AY 20/21

The mandates of all directors, with the exception of Ahok BV (permanently represented by Mr Koen Hoffman) and Aalt Dijkhuizen B.V. (permanently represented by Mr Aalt Dijkhuizen), expire at the end of the Annual Shareholders' Meeting with respect to AY 22/23.

The directorship of Aalt Dijkhuizen B.V. (permanently represented by Mr Aalt Dijkhuizen) as independent director expired at the end of the Annual Shareholders' Meeting of 18 September 2020. The same Annual Shareholders' Meeting renewed the mandate of Aalt Dijkhuizen B.V. (permanently represented by Mr Aalt Dijkhuizen) for a further term of four years, expiring at the end of the Annual Shareholders' Meeting with respect to AY 23/24.

At its meeting of 18 February 2021, the Board of Directors noted the resignation of Omorphia Invest BV (permanently represented by Ms Valentine Deprez) and co-opted Galuciel BV (permanently represented by Ms Valentine Deprez) as director, as a replacement for Omorphia Invest BV, effective from 18 February 2021.

Following the completion of the capital increase in the framework of the authorized capital within Greenyard on 26 March 2021, the Board of Directors decided to appoint Alychlo NV (permanently represented by Mr Marc Coucke) by co-optation as director, in replacement of resigning director Intal BV (permanently represented by Mr Johan Vanovenberghe), effective from 1 April 2021.

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors will propose to the Annual Shareholders' Meeting of 17 September 2021 that the mandate of the co-opted directors Galuciel BV (permanently represented by Ms Valentine Deprez) and Alychlo NV (permanently represented by Mr Marc Coucke) be confirmed for the remaining term of the mandate of the director who is being replaced, expiring at the end of the Annual Shareholders' Meeting with respect to AY 22/23.

Composition of the Board of Directors as at 31 March 2021

Director's name	Appointment Date	Re-appointed at	End of term
Deprez Invest NV, rep. by Mr Hein Deprez[2]	6/19/2015	9/20/2019	AGM 2023
Ahok BV, rep. by Mr Koen Hoffman[1] and [3]	10/4/2017	-	AGM 2022
Ms Hilde Laga[1]	11/25/2014	9/20/2019	AGM 2023
Gescon BV, rep. by Mr Dirk Van Vlaenderen[1]	7/5/2016	9/20/2019	AGM 2023
Aalt Dijkhuizen B.V., rep. by Mr Aalt Dijkhuizen[1]	2/21/2017	9/18/2020	AGM 2024
Management Deprez BV, rep. by Ms Veerle Deprez	6/19/2015	9/20/2019	AGM 2023
Galuciel BV, rep. by Ms Valentine Deprez[4]	2/18/2021	-	AGM 2023[5]
Bonem Beheer BV, rep. by Mr Marc Ooms	6/19/2015	9/20/2019	AGM 2023
Intal BV, rep. by Mr Johan Vanovenberghe[6]	6/19/2015	9/20/2019	4/1/2021

(1) Independent director within the meaning of article 7:87 (§1) BCAC.

(2) The Board of Directors delegated the daily management of Greenyard to director Mr Hein Deprez (as permanent representative of Deprez Invest NV) for an indefinite period from 1 February 2018. He bears the title of co-Chief Executive Director and Managing Executive Director.

(3) Chairman of the Board of Directors.

(4) Galuciel BV (permanently represented by Ms Valentine Deprez) is appointed by co-optation as a director in replacement of resigning director Omorphia Invest BV (permanently represented by Ms Valentine Deprez), with effect as of 18 February 2021.

(5) Subject to confirmation of the co-optation by the Annual Shareholders' Meeting of 17 September 2021.

(6) Alychlo NV (permanently represented by Mr Marc Coucke) is appointed by co-optation as a director in replacement of resigning director Intal BV (permanently represented by Mr Johan Vanovenberghe), with effect as of 1 April 2021.

Biographies

The following paragraphs set out the biographical information of the members of the Board of Directors as of 31 March 2021, and the member(s) whose appointment will be submitted to the next Annual Shareholders' Meeting:

Hein Deprez (as permanent representative of Deprez Invest NV) –
co-Chief Executive Officer and Managing Executive Director (°1961)
Please refer to the *Composition of the Executive Management* for Mr Hein Deprez's biography.

Koen Hoffman (as permanent representative of Ahok BV) –
independent director and Chairman of the Board of Directors (°1968)
Mr Koen Hoffman obtained a master's in Applied Economics and an MBA at Vlerick Business School. Between 1992 and July 2016, he was active at KBC Group where he began his career in the corporate finance department becoming CEO of KBC Securities in October 2012. Since August 2016, he has been the CEO of the asset management company Value Square. Mr Koen Hoffman serves also as an independent board member at listed companies Fagron (Chairman), MDxHealth (Chairman) and SnowWorld (Chairman).

Hilde Laga – independent director (°1956)
Holding a Ph.D. in Law, Ms Hilde Laga is founding partner of Laga, the law firm which she led as Managing Partner, and where she was head of the corporate M&A practice until 2013. Until 2014 she served as a member of the supervisory board of the Financial Services and Markets Authority. She is a member of the Belgian Corporate Governance Committee and serves as an independent board member at listed companies Barco, Gimv (Chairman) and Agfa-Gevaert.

Aalt Dijkhuizen (as permanent representative of Aalt Dijkhuizen B.V.) – independent director (°1953)
Mr Aalt Dijkhuizen has a Ph.D. in Animal Health Economics and a master's degree in Agricultural Economics. He is a former Managing Director of the Agri Northern-Europe Business Group of Nutreco and, from 2002 to 2014, served as President and CEO of Wageningen University & Research. From 2014 to 2020, he was President of Topsector Agri & Food in the Netherlands. He is currently a supervisory board member at Royal De Heus, Hendrix Genetics and Ploeger Oxbo Group (Chairman) and co-director of the Holland Center in China. Formerly, he served as Chairman of the Food & Beverage Innovation Forum in Shanghai and acted as high-level expert to the European Commission in Brussels. Mr Dijkhuizen was awarded Honorary Citizen of Fujian Province in 2008, and Commander of the Order of Orange-Nassau in the Netherlands in 2014.

Dirk Van Vlaenderen (as permanent representative of Gescon BV) – independent director (°1959)
Mr Dirk Van Vlaenderen has a master's degree in Applied Economics. He was an Arthur Andersen LLP partner from 1993 and a member of the audit management committee and Managing Partner at Deloitte from 2002 until 2016. He has served a wide range of national and international companies as statutory auditor. He was also a lecturer at the Universities of Brussels and Leuven in IFRS Basics and Reporting in an International Context. He serves as a board member at other companies including at listed companies Accentis SA and IEP Invest NV.

Veerle Deprez (as permanent representative of Management Deprez BV) – non-executive director (°1960)
Ms Veerle Deprez started her career with Alcatel Bell in 1980. In 1987, with her brother, Mr Hein Deprez, she laid the foundations of Univeg, which would later become the Greenyard Fresh segment. Ms Deprez also serves as a board member at listed companies Fagron and Tessenderlo Group, as well as at various companies belonging to the Group and De Weide Blik group.

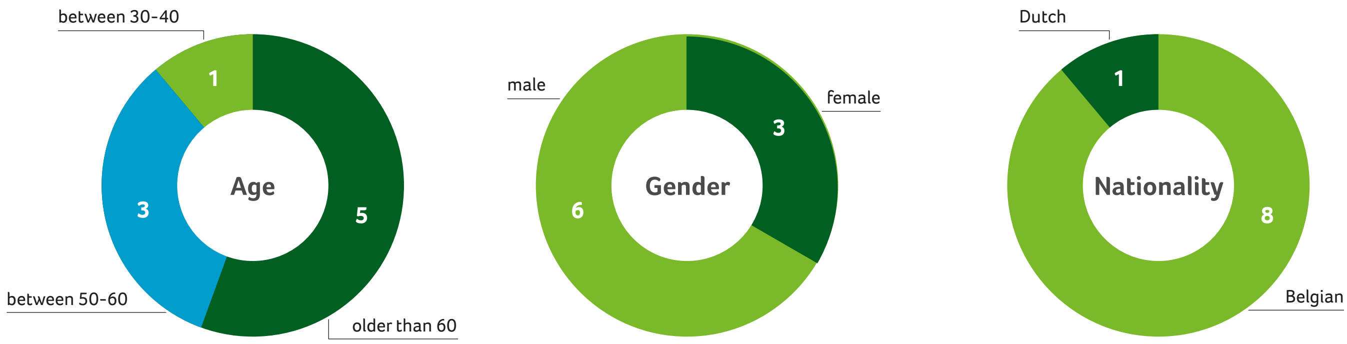
Valentine Deprez (as permanent representative of Galuciel BV) – non-executive director (°1989)
Ms Valentine Deprez holds an MA in Art History from the Catholic University of Leuven. She studied at Vlerick Business School and holds a postgraduate Diploma in Hospitality from the Glion Institute of Higher Education in Switzerland. Born into the Company's founding family, Ms Deprez has been involved with the business from a very early stage. In addition to her mandate as director, she manages historical real estate projects.

Marc Ooms (as permanent representative of Bonem Beheer BV) – non-executive director (°1951)
Mr Marc Ooms was General Partner of the Petercam group, a Benelux Investment Bank, and Chairman of Petercam Bank Nederland until 2011. He is currently a private equity investor and on the board of several companies including SEA-invest Corporation, Baltisse, BMT, Universal Partners and De Weide Blik.

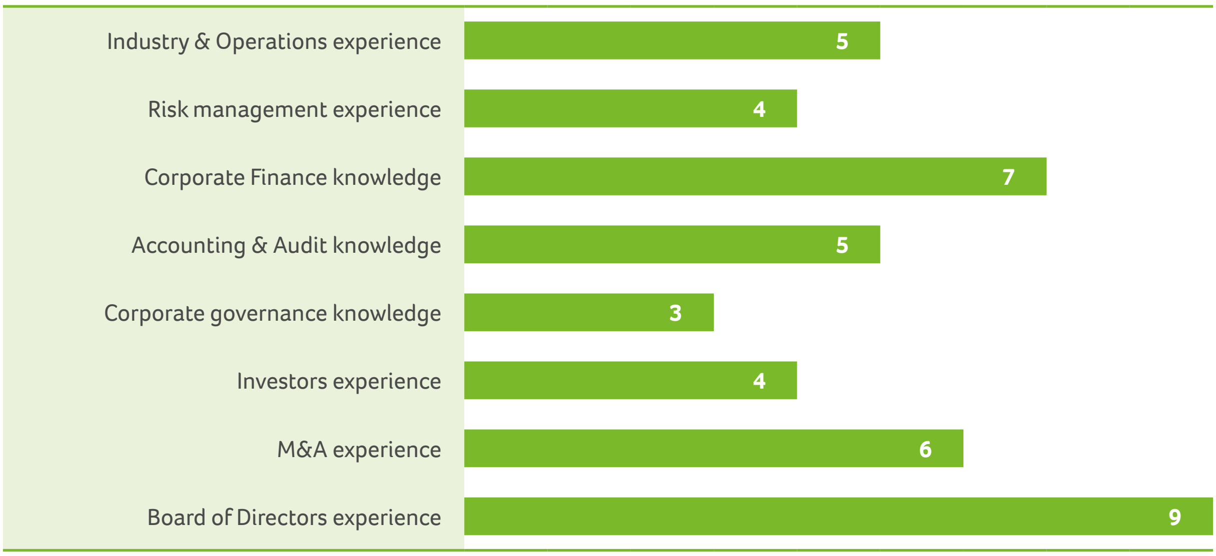
Marc Coucke (as permanent representative of Aychlo NV) – non-executive director (°1965)
Mr Marc Coucke graduated as a pharmacist from the University of Ghent and obtained an MBA at Vlerick Business School. He is the founder and former CEO of Omega Pharma. Following the sale of Omega Pharma, Mr Coucke currently invests through Alychlo NV, in several listed and non-listed companies and technologies. He serves as a board member of Fagron, Smartphoto Group, Animalcare Group and a number of private companies.

Johan Vanovenberghe (as permanent representative of Intal BV) – non-executive director (°1963)
Mr Johan Vanovenberghe began his career in 1987 at the audit firm Grant Thornton where he became a Partner in 1995. From 2006 to 2009, he was Chief Financial Officer at the Univeg group. He then acted as advisor to the companies which would become Greenyard in 2015. Since 2015, in addition to his mandate as director, he has provided consultancy services to Greenyard. In February 2018, Mr Vanovenberghe became a board member of the listed company Resilux, and member of its audit committee and its remuneration and nomination committee.

Diversity in the Board of Directors



Expertise



Greenyard strives for diversity within the Board of Directors, creating a mix of executive, non-executive and independent directors.

Greenyard has put in place a procedure in the context of the appointment and renewal of mandates of the members of the Board of Directors and the appointment of the members of its Committees, which is designed to foster a complementarity of skills, experience, knowledge, age diversity and educational and professional background in the composition of the Board of Directors and its specialized committees, in addition to the expertise and professional integrity required to exercise their duties. The procedure is set out in the Corporate Governance Charter. In the context of the self-assessment exercise, particular attention is also given to ensuring complementarity and diversity in the composition of the Board of Directors and its Committees.

The successful effects thereof are reflected and realized in the Board of Directors' composition, which, as at 31 March 2021, comprises three female directors out of a total of nine, thereby ensuring compliance with the requirements on gender diversity as laid down in article 7:86 BCAC. The Board has representatives of two nationalities and from different age categories, and the directors have complementary experience and knowledge and come from diverse educational and professional backgrounds, as evidenced in their biographies (see above).

1.2. Role and responsibilities of the Board of Directors

Role of the Board of Directors

The role of the Board of Directors is to define a value-based strategy to achieve sustainable long-term success for Greenyard. As a collegial body, the Board of Directors oversees the performance of the Company and strives to create sustainable value creation by establishing and assuring effective, responsible and ethical leadership as well as an efficient risk management and control.

It determines, following proposals from Executive Management, the Company's strategic direction over the medium and long term, and regularly reviews and evaluates the implementation of this strategy.

The Board evaluates the levels of risk Greenyard is willing to take to achieve its strategic objectives and assures the necessary financial and human resources for Greenyard to achieve its goals.

The Board of Directors further supports and monitors the Executive Management in the fulfillment of its duties and constructively challenges its members whenever appropriate.

Role of the Chairman of the Board of Directors

Independent director Mr Koen Hoffman (as permanent representative of Ahok BV) has been Chairman of the Board of Directors since 1 February 2018. He is appointed Chairman for the duration of his term of office as director.

The Chairman presides over the meetings of the Board of Directors to ensure that decision-making is carried out in the most constructive and efficient way, in an open and respectful atmosphere. He chairs the Shareholders' Meetings, ensures

effective communication with shareholders and has the prime liaison role with shareholders for all matters falling within the Board of Directors' competence. He seeks to develop effective interaction between the Board of Directors and the Executive Management.

Activities of the Board of Directors in AY 20/21

The Board of Directors convenes as often as the interest of the Company requires, sufficiently regularly to perform its duties and responsibilities effectively, and in any case at least six times a year on predefined dates. In principle, the decisions are taken by a simple majority of votes. However, the Board of Directors strives to take the resolutions by consensus. The functioning of the Board of Directors is regulated by the articles of association and by its terms of reference as included in the Corporate Governance Charter.

The Board of Directors met eleven times during AY 20/21. Given the government-imposed safety measures in the context of the COVID-19 pandemic, and with a view to safeguard the health and safety of its participants, all directors participated in these meetings of the Board of Directors by video conference. All meetings were attended by the Company Secretary, Ms Fran Ooms, legal counsel.

In AY 20/21, the Board of Directors has engaged in the following:
- Following-up on the impact of the ongoing COVID-19 pandemic on Greenyard and the measures taken to protect Greenyard employees to safeguard the supply of fruit and vegetables, and to mitigate the effects on the business and forecasts;
- Preparation and convening of the General Shareholders' Meetings;
- Approving the appointment by co-optation of new directors, subject to confirmation by the Annual Shareholders' Meeting of 17 September 2021;
- Assessing and approving the 2020-2025 long-range plan, as elaborated under the leadership of and proposed by the Executive Management;

- Reviewing the sustainability performance of Greenyard, including as set forth in the sustainability report 2020;
- Approving, upon the Nomination and Remuneration Committee's advice, the proposal for a remuneration policy established for the members of the Board of Directors, Executive Management and Leadership Team, which applies as from 1 April 2021, subject to its approval by the Annual Shareholders' Meeting of 17 September 2021;
- Monitoring compliance with the Code of Conduct, within the framework of the reporting by the Audit Committee;
- Analysing and approving the AY 21/22 budget ;
- Approving and following-up on investment opportunities and CAPEX requests;
- Monitoring the status of envisaged potential divestments and acquisition opportunities;
- Assessing the Group's financial and operational results, and analysing and approving the (revised) FY forecasts for the Group for AY 20/21;
- Approving changes to the composition of the Leadership Team and positions held by Leadership Team members;
- Evaluating and analysing the performance of the members of the Executive Management;
- Monitoring compliance with the Market Abuse Regulation requirements, particularly on the disclosure of inside information;
- Following-up on communications with the FSMA and in particular, on the investigation conducted by the FSMA in the framework of the Market Abuse Regulation with respect to Greenyard's communication on the listeria recall of frozen products produced in its former facility in Baja (Hungary) in July 2018, which resulted in a settlement with the FSMA in the amount of € 500 000, to be paid by Greenyard, without any acknowledgment of guilt;
- Approving the execution of a capital increase for a total amount of € 50 000 006 in cash which was completed on 26 March 2021 through the issuance of new Greenyard shares, by means of a private placement within the authorized capital, and approving all related agreements, powers of attorney and documents, as well as the special report required under articles 7:198 *juncto* 7:179, 7:191 and 7:193 BCAC;
- Discussing Corporate Governance topics, including the 2020 Code and the Shareholders Rights Directive (EU) 2017/828;
- Assessing the press releases prepared for the announcement of the bi-annual and annual financial results, as well as all other press releases labelled as regulated information which were made public during AY 20/21;
- Monitoring and approving changes in the organizational chart at corporate and divisional level;
- Following-up on the steps taken by the Executive Management to establish and build new strategic partnerships with key customers;
- Approving the new financing documentation entered into by Greenyard with its consortium of banks for a total amount of € 467,5m, covering both the refinancing of the existing bank debt and the repayment of the € 125,0m convertible bonds, and including a guarantee of € 62,5m issued by the Flemish Government's investment fund Gigarant as collateral for the bank financing, effective as from 31 March 2021, including all related agreements, powers of attorney and documents.

1.3. Evaluation of the Board of Directors – self-assessment

In accordance with the 2020 Code and its terms of reference, the Board of Directors regularly evaluates (at least every three years) the Board's size, composition and functioning, and that of its advisory Committees, as well as its performance and its interaction with the Executive Management. The aim is to encourage continuous improvement in the corporate governance of Greenyard by recognizing the Board of Directors' strengths while identifying areas for improvement. The Board of Directors' self-assessment exercise is coordinated by the Company Secretary, under the leadership of its Chairman, and is monitored by the Nomination and Remuneration Committee.

The self-assessment exercise has the following main objectives:

- To verify whether the current Board's composition represents sufficient expertise in the Greenyard's areas of activity,
- To verify whether the chosen one-tier governance structure is still appropriate,
- To appraise the Board's operation and the execution of its responsibilities,
- To verify whether the interaction with the Executive Management takes place transparently, and
- To seek views on the current remuneration policy for non-executive directors.

The Board of Directors carried out its most recent self-assessment at the end of AY 19/20. The outcome of the evaluation was satisfactory and positive in respect of the current governance structure, the cooperation and dynamic within the Board of Directors, the interaction with its advisory Committees and the Executive Management and the contribution of each director and their level of commitment. Certain proposals to continue to improve the Board's efficient functioning have been further elaborated and implemented. A new self-assessment exercise is foreseen and planned for AY 22/23.

When the renewal of a directorship is being considered, the Nomination and Remuneration Committee will assess the commitment and constructive involvement of the director concerned in Board discussions and decision-making in the light of its recommendation to the Board of Directors.

The non-executive directors evaluate on a regular basis their interaction with the Executive Management. The Board of Directors did not consider that an annual formal meeting of the non-executive directors, without the presence of the members of the Executive Management (including the Managing Executive Director), would be necessary in AY 20/21 (as provided for in provision 3.11 of the 2020 Code). Indeed, the last self-assessment exercise was conducted at the end of AY 19/20 and non-executive directors have regular contacts with each other and with the Chairman of the Board of Directors, whether or not in the context of advisory Committee meetings, the minutes of which are made available to all directors, upon their request.

2. Advisory Committees to the Board of Directors

The Board of Directors has set up two advisory Committees: the Audit Committee (see 2.1, below) and the Nomination and Remuneration Committee (see 2.2, below). Their roles, tasks, functioning and composition have been set out in accordance with the BCAC and the recommendations of the 2020 Code and are described in their respective terms of reference, as attached in annex to the Corporate Governance Charter.

2.1. Audit Committee

Composition

The Audit Committee comprises at least three non-executive directors appointed by the Board of Directors. At least one member of the Committee is an independent director in accordance with article 7:87 (§1) BCAC, who satisfies the criteria set out in provision 3(5) of the 2020 Code.

As at 31 March 2021, the Audit Committee comprises the following members:

Mr Dirk Van Vlaenderen (as permanent representative of Gescon BV)	independent director and Chairman of the Audit Committee
Ms Hilde Laga	independent director
Mr Johan Vanovenberghe (as permanent representative of Intal BV)	non-executive director

As from 1 April 2021, resigning director Mr Johan Vanovenberghe (as permanent representative of Intal BV) will be replaced as a member of the Audit Committee by Ms Veerle Deprez (as permanent representative of Management Deprez BV).

All the members of the Audit Committee have expertise related to the activities of the Company and relevant experience and competence in accounting, auditing and finance to fulfil their roles effectively, as evidenced by their biographies under *Composition of the Board of Directors* (see above).

The Chief Financial Officer has a standing invitation to attend meetings of the Audit Committee. The Audit Committee decides whether and when the co-Chief Executive Officers, the statutory auditor and other persons may attend its meetings. At least twice a year the Audit Committee meets the statutory auditor and the corporate internal auditor.

Role and responsibilities

The Audit Committee supports the Board of Directors in fulfilling its supervisory and monitoring responsibilities with a view of a monitoring to the largest extent, including risk control. In this respect, the Audit Committee is, at a minimum, responsible for notifying the Board of Directors of the outcome of the statutory audit of the annual and consolidated accounts and explaining how the audit contributes to the integrity of the financial reporting and what role the Audit Committee had in that process.

The Audit Committee also monitors the financial reporting process, the efficiency of the internal control and risk management systems, and the internal audit and its efficiency. In addition, the Audit Committee assesses the independence of the statutory auditor and verifies whether the provision of additional services to Greenyard is appropriate. It reports regularly to the Board of Directors on the fulfilment of its duties.

The Audit Committee regularly, at least every three years, evaluates its functioning, efficiency and terms of reference. The most recent formal self-assessment exercise was conducted at the end of AY 19/20. The key findings are published in the Annual Report with respect to AY 19/20. The next self-assessment will be performed in AY 22/23.

After each Audit Committee meeting, the Chairman of the Committee (or, in his absence, a designated member of the Committee) gives an oral report to the next meeting of the Board of Directors on the items discussed at the Audit Committee meeting and on any recommendations made or decisions to be taken by the Board. The approved minutes of Audit Committee meetings are made available to directors in the Company Secretary's office.

Activities during AY 20/21

The Audit Committee met on four occasions during AY 20/21. The statutory auditor Deloitte attended three of the four meetings, and the corporate internal auditor participated in two meetings.

The Audit Committee has been engaged in the following main dossiers and items during AY 20/21:
- Monitoring the Group's consolidated quarterly, half-yearly and annual results and the Company's annual and consolidated financial statements;
- Monitoring specific consolidation-related matters and the accounting treatment for specific IFRS operations and applications, including accounting considerations related to COVID-19;
- Monitoring and evaluating the statutory auditor's performance, including controlling the one-to-one rules;
- Monitoring and evaluating in the presence of the corporate internal auditor, the internal audit function, including the internal audit plan defining the planned audit activities and risk assessment for AY 21/22, as well as the revised internal audit plan for AY 20/21 given that audit activities needed to be re-scheduled or deferred as a result of the COVID-19 impact;
- Monitoring the Group's internal control improvements and risk management systems and their efficiency, with particular focus on cybersecurity;
- Following-up on pending litigations and material claims reported by Group entities;
- Following-up on the reporting to and communications with the FSMA and in particular, on the investigation conducted by the FSMA in the framework of the Market Abuse Regulation with respect to Greenyard's communication on the listeria recall of frozen products produced in its former facility in Baja (Hungary) in July 2018, which resulted in a settlement with the FSMA in the amount of € 500 000, to be paid by Greenyard, without any acknowledgment of guilt;
- Following-up on the progress of the discussions regarding the refinancing of the existing bank debt and the repayment of the € 125,0m convertible bonds;
- Making a recommendation to the Board of Directors about the renewal of the statutory auditor's mandate at the Annual Shareholders' Meeting of 17 September 2021, taking into account the mandatory audit firm rotation.[1]

[1] Pursuant to Regulation (EU) No. 537/2014 of the European Parliament and the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission decision 2005/909/EC and the Belgian Law of 7 December 2016 regarding the organization of the profession of and the public supervision on auditors

2.2. Nomination and Remuneration Committee

Composition

The Nomination and Remuneration Committee comprises at least three non-executive directors appointed by the Board of Directors. At least the majority of its members are independent directors in accordance with article 7:87 (§1) BCAC, who satisfies the criteria set out in provision 3(5) of the 2020 Code.

As at 31 March 2021, the Nomination and Remuneration Committee comprises the following members:

Mr Aalt Dijkhuizen (as permanent representative of Aalt Dijkhuizen B.V.)	independent director and Chairman of the Nomination and Remuneration Committee
Mr Koen Hoffman (as permanent representative of Ahok BV)	independent director
Ms Veerle Deprez (as permanent representative of Management Deprez BV)	non-executive director

The members of the Nomination and Remuneration Committee have collective competence and expertise in matters of remuneration and remuneration policy.

The co-Chief Executive Officers are invited to attend meetings of the Nomination and Remuneration Committee when it discusses the appointment or remuneration of the other members of the Leadership Team. The Nomination and Remuneration Committee has the freedom to invite other individuals to the meetings at its own discretion.

Role and responsibilities

The Nomination and Remuneration Committee assists and makes proposals to the Board of Directors in matters relating to individual remuneration (including variable remuneration, long-term performance bonuses and severance payments), remuneration policy and the appointment or reappointment of directors and members of the Executive Management and the Leadership Team. The Committee also prepares the remuneration report included in the Corporate Governance Statement and presented to the Annual Shareholders' Meeting. The Committee assists the Chairman of the Board of Directors in respect of the evaluation of the Board of Directors' performance and functioning.

After each Nomination and Remuneration Committee meeting, the Chairman of the Committee (or, in his absence, a designated member of the Committee) gives an oral report to the next meeting of the Board of Directors on the items discussed and on any recommendations made or decisions to be taken by the Board of Directors. The approved minutes of a Nomination and Remuneration Committee meeting are made available to directors in the Company Secretary's office.

Activities during AY 20/21

The Nomination and Remuneration Committee met on three occasions in AY 20/21 and discussed the following main topics:

- Continuous monitoring of changes to the regulatory framework and recommendations relating to governance and remuneration, in respect of the BCAC, the 2020 Code and the Shareholders Rights Directive (EU) 2017/828, and of the expectations of stakeholders;
- Making proposals on and reviewing the principles and objectives of a remuneration policy established for the members of the Board of Directors, Executive Management and Leadership Team, taking into account the aforementioned regulatory framework and best governance practices;

- Advising on the implementation of a long-term incentive plan (stock option plan) in AY 20/21 for certain members of the Leadership Team and other selected senior managers;
- Making proposals in respect of the appointment (by co-optation) or reappointment of directors;
- Following-up on changes to the composition of and positions held within the Leadership Team and on the arrangements made in the event of termination or changes in the further cooperation;
- Assessing the financial objectives proposed for the bonus for AY 20/21 and the Executive Management's personal performance criteria;
- Evaluating the Executive Management members' performance compared to the approved personal objectives for AY 19/20 and submitting a proposal to the Board of Directors;
- Making recommendations about the individual remuneration package, including long-term incentive rewards, for the Executive Management members and following-up on salary adjustments for the other Leadership Team members;
- Following-up on management changes at country and divisional level and on recruitments for vacant senior corporate positions;
- Monitoring the establishment of a succession plan for senior management positions;
- Preparing and reviewing the remuneration report.

3. Attendance at Board of Directors and Advisory Committees meetings

AY 20/21	Board of Directors	Audit Committee	Nomination & Remuneration Committee
Number of meetings(1)	**11**	**4**	**3**
Deprez Invest NV, rep. by Mr Hein Deprez	10/11		
Ahok BV, rep. by Mr Koen Hoffman	11/11		3/3
Ms Hilde Laga	10/11	4/4	
Gescon BV, rep. by Mr Dirk Van Vlaenderen	11/11	4/4	
Aalt Dijkhuizen B.V., rep. by Mr Aalt Dijkhuizen	10/11		3/3
Management Deprez BV, rep. by Ms Veerle Deprez	11/11		3/3
Omorphia Invest BV, rep. by Ms Valentine Deprez(2)	8/9		
Galuciel BV, rep. by Ms Valentine Deprez(3)	2/2		
Bonem Beheer BV, rep. by Mr Marc Ooms	11/11		
Intal BV, rep. by Mr Johan Vanovenberghe	11/11	4/4	

(1) The first figure represents attendance and the second figure the number of meetings.

(2) Omorphia Invest BV (permanently represented by Ms Valentine Deprez) voluntarily resigned as non-executive director, effective from 18 February 2021, after the Board of Directors' meeting.

(3) Galuciel BV (permanently represented by Ms Valentine Deprez) was appointed by co-optation, as a replacement for Omorphia Invest BV, effective from 18 February 2021, after the Board of Directors' meeting.

4. Executive Management

Since 9 February 2019, the responsibility for day-to-day management has been exercised by two Chief Executive Officers (*co-CEOs*), in close cooperation with the Chief Financial Officer (*CFO*), with whom they jointly form the Executive Management. The Executive Management is assisted by the Leadership Team (see 4.3, below) in the exercise of the Company's day-to-day and operational management.

4.1. Composition of the Executive Management

Principles

The Executive Management comprises the two co-CEOs and the CFO. The members are appointed and dismissed by the Board of Directors on the advice of the Nomination and Remuneration Committee. The appointment or dismissal of the co-CEOs is subject to a two-thirds majority in the Board of Directors. The CFO is appointed after consultation with and on the recommendation of the co-CEOs.

Executive directors are *de jure* members of the Executive Management.

From left to right: Mr Marc Zwaaneveld, co-CEO, Mr Hein Deprez, co-CEO and Mr Geert Peeters, CFO.

Membership of the Executive Management as at 31 March 2021

Hein Deprez (as permanent representative of Deprez Invest NV)
co-Chief Executive Officer
Mr Hein Deprez started out in 1983 with a small mushroom farm. In 1987, he founded Univeg, which later became the Greenyard Fresh segment. It was the foundation on which he built one of the biggest fruit and vegetable companies in the world. At the beginning of 2018, he took up the role of Greenyard CEO, focusing on the Company's long-term vision and strategy, while also being personally engaged with some of its key customers. Since mid-February 2019, Mr Deprez and Mr Marc Zwaaneveld have jointly shared the role of CEO. Mr Deprez is also member of the Board of Directors as an executive director. In addition, he serves as a board member at various companies belonging to the Group and De Weide Blik group.

Marc Zwaaneveld (as permanent representative of MZ-B BV)
co-Chief Executive Officer
Mr Marc Zwaaneveld advised various international companies and consulted on investments, restructuring and interim management during the periods 2002-2005 and 2011-2014. From 2005 until 2011, he was CFO and Vice Chairman of the Management Board at SUEZ Benelux - Germany. In 2014, he became COO at Van Gansewinkel Group. After six months, he was appointed CEO (until 2017) and led the company's turnaround. In early 2019, he took up the newly created position of Chief Transformation Officer at Greenyard to lead the Transformation Office. To ensure that the Transformation Plan was implemented throughout the whole organization, Mr Zwaaneveld was appointed co-CEO, alongside Mr Deprez in February 2019.

Geert Peeters (as permanent representative of Chilibri BV)
Chief Financial Officer
Mr Geert Peeters started his career as a Management Consultant at PwC advising international companies on business processes, reporting and systems. He became a Senior Manager at PwC and later at Deloitte, working in corporate finance and recovery, where he supervised various acquisitions and reorganisations. In 2005, he moved to SUEZ, where he was promoted to Controlling Manager and later became Finance Director Belux. In 2012, Mr Peeters became Metallo Group CFO where he also served as a director before joining Greenyard as CFO in September 2018.

4.2. Role and responsibilities of the Executive Management

Duties of the Executive management

The Board of Directors has delegated day-to-day management to the co-CEOs, each of whom may act alone. Day-to-day management includes all actions and decisions that do not go beyond the daily needs of the Company, as well as those actions and decisions that do not justify the intervention of the Board of Directors for reasons of minor importance or urgency.

The co-CEOs have individual representational powers in matters of daily management. They each may validly represent the Company upon being accorded a specific mandate by the Board of Directors and may sub-delegate any of the specific powers granted to them.

The co-CEOs submit Executive Management proposals to the Board of Directors or the advisory Committees, depending on the subject matter.

The Executive Management's main responsibilities are:
- Developing and implementing the vision, mission, strategic objectives and direction of the Group, and advising the Board of Directors in these areas, with a focus on the Company creating long-term value;
- Assuring the day-to-day and operational management of Greenyard;
- Identifying opportunities and needs in terms of investments, divestments and financing, and making any appropriate proposals in that regard to the Board of Directors;
- Rolling out strategic partnerships with key customers, and building and maintaining strong customer relationships;

- Organizing and monitoring internal controls (to identify, assess, manage and monitor financial and other risks), without prejudice to the supervisory role of the Board of Directors;
- Supervising the complete, timely, reliable and accurate preparation of the annual accounts, in accordance with Greenyard's accounting principles and policies;
- Following up the mandatory publication by Greenyard of annual accounts, annual reports and other material financial and non-financial information;
- Assessing Greenyard's financial situation, budget and business plan and submitting this assessment to the Board of Directors;
- Leading Greenyard's Leadership Team;
- Reporting to the Board of Directors;
- Reporting to and preparing correspondence with the FSMA;
- Generally advising and implementing decisions taken by the Board of Directors and exercising the powers the Board of Directors delegates to them.

The Executive Management also provides all the information necessary, in a timely manner, for the Board of Directors to carry out its duties.

Reporting to the Board of Directors

At each meeting of the Board of Directors, except in exceptional circumstances, the Executive Management provides the Board of Directors with relevant information on the progress of matters falling within the competence of the Board, as well as on key aspects of the Company's day-to-day and operational management.

During AY 20/21 the Executive Management reported to the Board *inter alia* on the following matters:
- Updates on the progress of the strategic partnerships and commercial discussions with key customers;
- Information on developments potentially affecting the business, including updates on the impact of COVID-19 on the business and forecasts, and the measures taken in this respect;
- Information on potentially envisaged divestments of non-core or non-strategic assets and activities, and acquisition or investment opportunities which have been identified;
- Reporting on the Company's financial results and forecasts, and the press releases prepared in this respect, and on the assessment of its financial position ;
- Reporting on the budget status;
- Reporting on the position of financial stakeholders and investors;
- Updates on the regular update meetings with its lending banks, and in particular on the progress of the ongoing discussions in view of the refinancing of the existing bank debt and the repayment of the € 125,0m convertible bonds;
- Updates on operational results per division as well as management performance and changes at country and divisional level;
- Updates on communications with the FSMA;
- Updates on current or potential major litigations or claims;
- Reporting on the main decisions of the Executive Management, including, amongst others, decisions on the variable remuneration granted to the other Leadership Team members in line with the remuneration policy;
- Regular follow-up on all questions within the competence of the Board of Directors.

The Executive Management must inform the Board of Directors, in a timely manner, of relevant information in relation to pending judicial litigations, comments by the statutory auditor, planned reorganizations, and any matters which could have a significant influence on the financial situation of Greenyard, to allow the Board of Directors to implement an effective risk management policy.

The Executive Management also reports periodically on the Leadership Team's activities and on the performance of individual Leadership Team members.

Functioning of the Executive Management

The Executive Management is a collegial body which, in principle, is convened every week and can be convened at any time, as necessary, to ensure the Company's smooth operation. The Group Legal & HR Director has been appointed to act as secretary at the meetings. During AY 20/21, the Executive Management met once a week on average and, at each meeting, a report was drawn-up to reflect the deliberations and decisions taken.

4.3. The Leadership Team

The Leadership Team provides advice and assistance to the Executive Management in carrying out the Company's day-to-day management and operational direction.

Composition

The members of the Leadership Team are appointed by the Board of Directors, based on proposals from the Nomination and Remuneration Committee and after consultation with and on the recommendation of the co-CEOs. Members of the Leadership Team may at any time be dismissed by the Board of Directors from their position. The remuneration and the conditions for dismissal of a member of the Leadership Team are governed by an agreement between the member and the Company.

The members of the Executive Management are part of the Leadership Team.

At 31 March 2021 the Leadership Team consists of:

Mr Hein Deprez (as permanent representative of Deprez Invest NV)	co-Chief Executive Officer
Mr Marc Zwaaneveld (as permanent representative of MZ-B BV)	co-Chief Executive Officer
Mr Geert Peeters (as permanent representative of Chilibri BV)	Chief Financial Officer
Mr Alexander Verbist (as permanent representative of Qualexco BV)	Group Legal & HR Director
Mr Charles-Henri Deprez (as permanent representative of Alvear International BV)	Managing Director of Fresh division
Mr Maarten van Hamburg	Managing Director of Bakker division
Mr Erwin Wuyts (as permanent representative of Dinobryon BV)	Managing Director of Frozen division
Mr Dominiek Stinckens	Managing Director of Prepared division
Mr Yannick Peeters (as permanent representative of Gemini Consulting BV)	Managing Director of Fresh Belgium

Changes to the composition of and positions held within the Leadership Team during AY 20/21

Ms Irénke Meekma (as permanent representative of Meekma Day B.V.) left Greenyard and stepped down as Managing Director of the Bakker division as of 1 November 2020. Mr Maarten van Hamburg who worked closely with Ms Irénke Meekma within this division for the last six years, two years of which as Managing Director of Bakker Netherlands, has been appointed as MD of the Bakker division with effect from 1 November 2020.

The cooperation with Ms Bénédicte Vandaele (as permanent representative of HR Plus Consult BV) as Group HR Director was ended by mutual agreement with effect from 1 June 2021. The Group Legal Director Mr Alexander Verbist (as permanent representative of Qualexco BV) took up her position and became Group Legal & HR Director as of 1 March 2021.

Role and responsibilities of the Leadership Team

The Leadership Team's role is to supervise and manage the Group's global operations, under the direction of the Executive Management and taking into account overall Company strategy as defined by the Board of Directors. The Leadership Team's main responsibilities include supporting the Executive Management in day-to-day management of the Group, developing strategic guidelines, analysing budgets and operational objectives, and supervising local management teams.

Individual members of the Leadership Team have powers and responsibilities assigned to them by the Board of Directors, based on the proposals of the Nomination and Remuneration Committee, and after consultation with and on the recommendation of the co-CEOs.

Depending on the subject matter or the decision proposed to the Board of Directors, a member of the Leadership Team may, at the request of the co-CEOs and with the consent of the Chairman of the Board of Directors, be invited to a Board meeting to provide the necessary explanations or advice. The Board may also request, through one of the co-CEOs, special written or oral reports from members of the Leadership Team individually.

In exercising its responsibilities, the Leadership Team is assisted by a team of key personnel drawn from the different divisions of the Group.

Functioning of the Leadership Team

The Leadership Team holds weekly update meetings, and once a month an in-depth and comprehensive meeting is organized where specific topics are thoroughly analyzed and discussed. Any member may request that an additional meeting be convened.

4.4. Diversity in the Executive Management and Leadership Team

As at 31 March 2021, the Leadership Team is composed of nine members in total and represents two different nationalities and different age categories. As their function within Greenyard indicates, there are differences in educational background, professional experience and career paths between members, ensuring a complementary set of knowledge and skills within the Leadership Team. The members of the Executive Management also represent a balanced team in its knowledge and experience, as reflected in their biographies (see above). The Leadership Team is assisted by management teams on country level as well as dedicated corporate teams, in which diversity in terms of gender, nationality and age are well reflected.

5. Statutory auditor

Deloitte Bedrijfsrevisoren BV were appointed as the Company's statutory auditor for a period of three years, due to end immediately after the Annual Shareholders' Meeting of 17 September 2021. To exercise its duties in relation to the Company's annual accounts and consolidated financial statements, the statutory auditor is represented by Mr Kurt Dehoorne in his capacity as permanent representative, with offices at Raymonde de Larochelaan 19A, 9051 Sint-Denijs-Westrem. Deloitte Bedrijfsrevisoren BV's registered offices are at Luchthaven Nationaal 1J, 1930 Zaventem. The Board of Directors will propose, on the recommendation of the Audit Committee, to the Annual Shareholders' Meeting of 17 September 2021 to renew the mandate of Deloitte Bedrijfsrevisoren BV as statutory auditor for a further term of three years.

6. Rules for preventing conflicts of interest

6.1. Principles

To prevent conflicts of interest, Greenyard is governed by:
the applicable legal provisions for listed companies: articles 7:96 and 7:97 BCAC (see 6.2 and 6.3, below), and

the additional rules specified in Greenyard's Corporate Governance Charter (see 6.4, below).

6.2. Application of the conflict of interest procedure in accordance with article 7:96 BCAC

Pursuant to article 7:96 BCAC, if a director has a direct or indirect financial interest that conflicts with a decision or transaction that falls under the competence of the Board of Directors, the director must notify the other members of the Board of Directors of such an interest at the start of the meeting, and will act in accordance with article 7:96 BCAC. The director may not take part in the discussions of the Board of Directors relating to the transaction or decision, nor take part in the vote.

In AY 20/21, the procedure laid down in article 7:96 BCAC has been applied at two Board of Directors' meetings (13 November 2020 and 18 February 2021).

Termination by mutual agreement of consultancy services provided by a non-executive director to Greenyard and corresponding adjustment of director's remuneration

Prior to the start of deliberations, the Board of Directors meeting on 13 November 2020 was informed about a conflicting financial interest within the meaning of article 7:96 BCAC on the proposed adjustment on the advice of the Nomination and Remuneration Committee, to the amount of compensation Mr Johan Vanovenberghe (as permanent representative of Intal BV), who is member of the Board of Directors and the Audit Committee, receives for consultancy services provided to Greenyard, which services are terminated by mutual agreement with effect from 1 January 2021.

Mr Vanovenberghe made the following statement at the beginning of the meeting (as recorded in the minutes (freely translated)):

"Mr Johan Vanovenberghe, as permanent representative of Intal BV, declares that he should be considered as having a conflicting financial interest within the meaning of article 7:96 of the Belgian Code on Companies and Associations in his capacity as director of the Company with respect to the decision to be taken by the Board of Directors, on the advice of the Nomination and Remuneration Committee, within the framework of agenda item 9.2 [Reporting by the Nomination and Remuneration Committee] on the proposed adjustment to the compensation which he currently receives from the Company, which differs from the remuneration policy for the other non-executive directors, given the consultancy services he provides to the Company, which services will no longer be provided as of 1 January 2021. Subsequently, the director concerned declares to leave the meeting when discussing and voting on this agenda item. The Company Secretary will inform the statutory auditor of the application of the conflict of interest procedure by making the minutes of this meeting available."

After deliberation and discussion, the Board of Directors took the following decision (freely translated):

"the Nomination and Remuneration Committee explains that Mr Johan Vanovenberghe, as permanent representative of Intal BV, receives a fixed annual remuneration of € 142 500 (excluding VAT) for the consultancy services he provides to Greenyard. He receives no additional remuneration in his capacity as a non-executive director and member of the Audit committee. Due to the successful execution of the Transformation phase and the related internal changes on an organizational and structural level, it is no longer necessary to permanently call upon and engage the consulting services of M Johan Vanovenberghe. In view of the foregoing, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, approves the proposal to remunerate Mr Johan Vanovenberghe, as permanent representative of Intal BV, as of 1 January 2021 in the same manner as the other non-executive directors of the Company. Consequently, as of 1 January 2021, in accordance with the remuneration policy for Greenyard's non-executive directors, he will receive a fixed annual remuneration of € 30 000, plus an additional attendance fee of € 2 500 for each Board of Directors or Audit Committee meeting he attends."

The Board of Directors made the following considerations regarding the financial consequences of the Board of Directors decision for the Company (freely translated):

"In this regard, the Board of Directors considers that the financial impact of this decision for the Company is equal to the compensation received by the Company's non-executive directors in accordance with the remuneration policy consisting of a fixed annual remuneration of € 30 000 and attendance fee of € 2 500 per attended meeting which is lower than the current fixed annual remuneration of € 142 500 (excluding VAT), taking into account the average number of Board of Directors and Audit Committee meetings based on which attendance fees are granted."

Changes within the composition of the Board of Directors

Prior to the start of deliberations, Ms Valentine Deprez (as permanent representative of Omorphia Invest BV) declared at the Board of Directors' meeting of 18 February 2021, that in her capacity of director of Greenyard, she should be considered to have a conflicting financial interest within the meaning of article 7:96 BCAC, with respect to the following proposal to be submitted to the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, as recorded in the minutes as follows (freely translated):

"She has a conflicting interest with respect to the proposal that will be submitted for decision to the Board of Directors, on the advice of the Nomination and Remuneration Committee, following the voluntary resignation of Omorphia Invest BV as of today, after the end of the meeting. Under agenda item 8.2 [Reporting by the Nomination and Remuneration Committee] it will be proposed to the Board of Directors to appoint by co-optation, in replacement of Omorphia Invest BV, Galuciel BV, permanently represented by Ms Valentine Deprez. The director concerned declares to leave the meeting when discussing and voting on this agenda item. The Company Secretary will inform the statutory auditor of the application of the conflict of interest procedure by making the minutes of this meeting available."

After deliberation and discussion, the Board of Directors took the following decision (freely translated):

"The Board of Directors decides, upon the advice of the Nomination and Remuneration Committee, to appoint by co-optation Galuciel BV, permanently represented by Ms Valentine Deprez, as a director of the Company, replacing Omorphia Invest BV, with effect from 18 February 2021, after the end of the meeting. It will be proposed to the next General Shareholders' Meeting to resolve on the definitive appointment of Galuciel BV, permanently represented by Ms Valentine Deprez, as director of Greenyard, for the remaining term of the mandate of Omorphia Invest BV, which expires immediately after the Annual Shareholders' Meeting in 2023 with respect to the financial year ending on 31 March 2023."

The financial consequences of the decision of the Board of Directors for Greenyard are the same as for the appointment of another candidate-director as non-executive director of the Company given that Galuciel BV will be remunerated as member of the Board of Directors in the same way as the other non-executive directors of Greenyard (consisting of a fixed annual remuneration of € 30 000, plus an attendance fee of € 2 500 for each attended Board of Directors' meeting), including Omorphia Invest BV.

6.3. Application of the conflict of interest procedure in accordance with article 7:97 BCAC

The Company must also comply with the procedure set out in article 7:97 BCAC where the Company, or a subsidiary, is contemplating a transaction with an affiliated company (subject to certain exceptions). Such a decision or transaction must be reviewed and assessed in advance by a committee of three independent directors, assisted by one or more independent experts of their choice. Pursuant to article 7:97 BCAC, after having taken note of the advice of the committee, the Board of Directors shall deliberate on the proposed decision or transaction. The statutory auditor must deliver an opinion as to the accuracy of the information contained in the committee's advice and the Board minutes.

This procedure was not applied in AY 20/21.

6.4. Policy concerning transactions with directors or Leadership Team members not covered by article 7:96 BCAC

Greenyard's Corporate Governance Charter contains a procedure applying to any transaction contemplated between the following parties:

- Greenyard or one of its subsidiaries, and
- Directors, members of the Leadership Team (including the members of the Executive Management), their respective permanent representatives, or companies that do not belong to the Group, and where the director or the Leadership Team member concerned holds a board management position.

All such transactions must be notified to the Board of Directors which has the sole authority to decide whether Greenyard or the subsidiary concerned may enter into such a transaction. The Board of Directors must justify its decision in its meeting minutes and ensure that any such transaction is at arm's length. The Company Secretary will notify the statutory auditor by making the minutes available to the auditor for consultation. This prior approval by the Board is not required if the contemplated transaction concerns a customary transaction for the Company or its subsidiary and is carried out under conditions in accordance with general market practice for comparable transactions.

During AY 20/21, no transaction or decision gave rise to the application of the rules for the prevention of conflicts of interest not covered by article 7:96 BCAC.

7. Internal governance rules: Dealing Code – Code of Conduct

The legal framework of the market abuse rules applicable to Greenyard consists of Regulation (EU) No. 596/2014 of 16 April 2014 on market abuse (the *Market Abuse Regulation*), together with its implementing European and Belgian regulations and ESMA and FSMA guidelines (the *Market Abuse Framework*). The Dealing Code was most recently modified on 23 August 2018.

Greenyard has implemented the Market Abuse Framework by adopting a Dealing Code which is made available to all employees, temporary staff, members of the Board of Directors, Leadership Team members, managers, consultants and advisors of the Group through the Company's website (see below). The Dealing Code is intended to ensure that any persons in possession of inside information do not misuse it, do not place themselves under suspicion of misuse, and that such persons maintain the confidentiality of such information and refrain from market manipulation. This specifically relates to precise information about the Group or Greenyard securities that is not public and that would, if it were made public, be likely to have a significant effect on the price of these securities. The Dealing Code further also includes specific rules applicable to members of the Board of Directors and the Leadership Team and their closely associated persons and legal entities.

Any dealings in Greenyard securities by persons discharging managerial responsibilities and persons closely associated to them are reported to the FSMA, as well as the Company Secretary as compliance officer responsible for supervising compliance with the market abuse rules and the Dealing Code.

In addition, every individual working within the Group is subject to the Code of Conduct and is expected to understand and follow this Code and all legal requirements currently in force in their daily work. The Code of Conduct aims to build a strong and sustainable business by upholding Greenyard's ethical values and giving guidance to all employees, directors and managers of Greenyard in making ethical and legal conduct a vital part of their daily business activities. The Code of Conduct was most recently modified on 10 February 2020.

The Dealing Code and Code of Conduct may be consulted on the Company's website under the heading Investor Relations: Corporate Governance (www.greenyard.group).

8. Remuneration report

This remuneration report provides an overview of the remuneration of the members of the Board of Directors, the co-CEOs and the other Leadership Team members with respect to AY 20/21.

8.1. Statement on the remuneration policy for directors and members of the Leadership Team with respect to AY 20/21

The remuneration of directors and members of the Leadership Team with respect to AY 20/21 complies with the existing remuneration policy of the Company (as set out in last year remuneration report). In accordance with article 7:89/1 BCAC a revised remuneration policy will be submitted to the approval of the shareholders as a separate agenda item at the Annual Shareholders' Meeting of 17 September 2021. It is contemplated that such policy will apply as of AY 21/22. This policy is similar to the policy that was applicable in AY 20/21, except for changes in the relative weighting of the bonus criteria for the Leadership Team members.

The remuneration policy is available on the Company's website under the heading Investor Relations: Corporate Governance (www.greenyard.group).

The remuneration policy and the remuneration granted pursuant thereto contribute to the long-term performance of the Company since they aim at and focus on delivering Greenyard's long-term ambitions and strategic targets, pursuing an organic growth trajectory in both the Fresh segment and the Long Fresh segment of Greenyard over a five-years period, as set forth in the 2020-2025 long-range plan (*LRP or Long-Range Plan*).

In this respect, qualitative and quantitative performance criteria for the members of the Executive Management and the Leadership Team have been aligned to the strategic targets of the Company. In addition, the long-term incentive plan for the members of the Leadership Team is spread over a vesting period which parallels the duration of the LRP.

8.2. Remuneration of the non-executive directors

8.2.1. Introduction

The remuneration of non-executive directors consists of a fixed remuneration of € 30 000 per annum, plus an attendance fee of € 2 500 per meeting of the Board of Directors or an advisory Committee (including attendance through video or telephone conferencing), payable semi-annually. The directors are not entitled to an attendance fee for meetings held by video or telephone conference if the meeting is convened solely for the purpose of a status update or exclusively to make an urgent decision requiring immediate action. This remuneration covers all expenses in the exercise of their mandate, except for international travel expenses incurred by directors domiciled outside Belgium. All remuneration is paid on a pro-rata basis according to the duration of the director's term of office.

By derogation to the foregoing and in accordance with the remuneration policy, the fixed annual remuneration of the Chairman of the Board of Directors amounts to € 142 500. This fixed amount includes the attendance fees for participation in Board meetings and advisory Committees. This amount is considered to be justified in view of the additional time expenditure and specific responsibilities related to his role as Chairman of the Board of Directors.

Mr Johan Vanovenberghe (as permanent representative of Intal BV) received a fixed monthly fee of € 11 875 for consultancy services provided to the Company from 1 April 2020 to 31 December 2020 (corresponding to the amount of the fixed annual fee approved by the Annual Shareholders' Meeting of 18 September 2020, computed on a pro-rata basis). He did not receive any additional compensation in his capacity as non-executive director and member of the Audit Committee. As from 1 January 2021, Mr Johan Vanovenberghe resigned from his consultancy role. Therefore, as from that date, he was remunerated in the same way as the other non-executive directors, on a pro-rata basis for a three months' duration.

Acting on proposals by the Nomination and Remuneration Committee, the Annual Shareholders' Meeting may decide to grant additional remuneration to any independent or other non-executive directors for additional effort. In this regard, the Board of Directors will propose that the Annual Shareholders' Meeting of 17 September 2021 approves additional remuneration of € 1 500 for the following three independent directors: Ms Hilde Laga, Mr Dirk Van Vlaenderen (as permanent representative of Gescon BV) and Mr Aalt Dijkhuizen (as permanent representative of Aalt Dijkhuizen B.V.) for the additional work carried out during AY 20/21 in analysing the potential application of article 7:97 BCAC to possible transactions discussed within the Board of Directors (which procedure did eventually not apply).

Non-executive directors are not entitled to performance-related remuneration. There are no pension plans for non-executive directors, and they do not receive any benefits in kind.

Taking into account the input received from the directors in the framework of the self-assessment exercise of the Board of Directors' performance, the Board of Directors decided, following the advice of the Nomination and Remuneration Committee, to deviate from provision 7.6 of the 2020 Code and not to provide Greenyard shares to its non-executive directors, as part of their remuneration. Greenyard is currently of the view that its directors are already acting and taking decisions with respect to the Company based on a long-term vision. Ownership of Greenyard shares by all the non-executive directors may make alignment and consensus in the Board of Directors more difficult since more conflicts of interest may be involved. Moreover, it cannot be excluded that the independence of the independent directors will be compromised as a result. This independence is considered to contribute to balanced decision-making in the Company's interest.

8.2.2. Remuneration in AY 20/21

The table below lists the individual remunerations paid to each non-executive director with respect to AY 20/21. These amounts are calculated based on eleven meetings of the Board of Directors, four of which were short update meetings for which no attendance fee was granted. In AY 20/21, the Audit Committee met four times and the Nomination and Remuneration Committee met three times. An additional remuneration of € 1 500 was paid to each of the three independent directors (Ms Hilde Laga, Mr Dirk Van Vlaenderen (as permanent representative of Gescon BV) and Mr Aalt Dijkhuizen (as permanent representative of Aalt Dijkhuizen B.V.)), which will be subject to approval by the Annual Shareholders' Meeting of 17 September 2021.

The total annual remuneration paid to the non-executive directors for the performance of their mandate during AY 20/21 amounts to € 482 000 (VAT exclusive). This represents a decrease of € 64 127 compared with the total annual remuneration paid to the non-executive directors for AY 19/20.

Table. Individual directors' remuneration in AY 20/21

Directors' remuneration	Fixed remu-neration	Board meeting attendance fee	Committee meeting attendance fee	Additional fee	Total
Deprez Invest NV, rep. by Mr Hein Deprez*	-	-	-	-	-
Ahok BV, rep. by Mr Koen Hoffman(1)	€ 142 500	-	-	-	€ 142 500
Ms Hilde Laga	€ 30 000	€ 17 500	€ 10 000	€ 1 500	€ 59 000
Gescon BV, rep. by Mr Dirk Van Vlaenderen	€ 30 000	€ 17 500	€ 10 000	€ 1 500	€ 59 000
Aalt Dijkhuizen B.V., rep. by Mr Aalt Dijkhuizen	€ 30 000	€ 17 500	€ 7 500	€ 1 500	€ 56 500
Management Deprez BV, rep. by Ms Veerle Deprez	€ 30 000	€ 17 500	€ 7 500	-	€ 55 000
Omorphia Invest BV, rep. by Ms Valentine Deprez(2)	€ 26 250	€ 15 000	-	-	€ 41 250
Galuciel BV, rep. by Ms Valentine Deprez(2)	€ 3 750	€ 2 500	-	-	€ 6 250
Bonem Beheer BV, rep. by Mr Marc Ooms	€ 30 000	€ 17 500	-	-	€ 47 500
Intal BV, rep. by Mr Johan Vanovenberghe(3)	€ 7 500	€ 5 000	€ 2 500	-	€ 15 000
TOTAL	**€ 330 000**	**€ 110 000**	**€ 37 500**	**€ 4 500**	**€ 482 000**

* Executive directors receive no additional compensation for the execution of their mandates as directors.

(1) In his capacity as Chairman of the Board of Directors, Mr Koen Hoffman (as permanent representative of Ahok BV) receives a fixed annual remuneration of € 142 500, which includes his attendance fees as director and member of the Nomination and Remuneration Committee as well as any additional fee to be paid for the additional work carried out in the framework of (potential) related party transactions in the meaning of article 7:97 BCAC.

(2) The directors' remuneration is paid on a pro-rata basis according to the duration of the director's term of office.

(3) Mr Johan Vanovenberghe (as permanent representative of Intal BV) received in AY 20/21 a fixed remuneration of € 106 875 for consultancy services provided to the Company as from 1 April 2020 until 31 December 2020, corresponding to a nine months' pro-rata of the fixed annual fee of € 142 500 granted to him by decision of the Annual Shareholders' Meeting. For the period as from 1 January 2021 until 31 March 2021, Mr Johan Vanovenberghe received a director's remuneration of € 15 000, corresponding to a three months' pro-rata of the fixed annual remuneration of € 30 000 granted to all non-executive directors and, on top, an attendance fee for the meetings in which he participated during the three months.

8.3. Remuneration of the members of the Leadership Team

8.3.1. Introduction

The remuneration of members of the Leadership Team (including members of the Executive Management) consists of a fixed remuneration and a variable remuneration in the form of a short-term incentive (annual cash bonus) and, in some cases, long-term incentives (performance share units and/or stock options).

Short-term incentive
The short-term incentive takes the form of an annual cash bonus which is performance-related and is based on individual performance combined with performance at Group and/or divisional level (depending on the function of the respective Leadership Team member), including financial and corporate objectives which are determined annually.

The variable remuneration in the form of a cash bonus always relates to performance over the previous financial year and is based on both quantitative and qualitative parameters. When meeting the objectives set forward (i.e. performance on target), the variable remuneration of the members of the Leadership Team varies between 25% and 35% of the fixed annual remuneration, depending on the function of the respective Leadership Team member. During AY 20/21, the variable remuneration of the members of the Leadership Team could amount to up to maximum 50% of the fixed annual remuneration in case of outperformance of both financial and personal targets. For the members of the Executive Management, the variable remuneration is equal to 50% of their fixed annual remuneration when the objectives set for the annual bonus are achieved. During AY 20/21, the variable remuneration of the members of the Executive Management could amount to up to maximum 65% of the fixed annual remuneration in case of outperformance of both financial and personal targets. The Annual Shareholders' Meeting of 18 September 2020 approved a dispensation with the application of article 7:91, second paragraph BCAC for AY 20/21.

The annual financial and corporate objectives as well as the annual individual objectives for the Executive Management members and the level of achievement of these objectives are assessed by the Nomination and Remuneration Committee and finally determined by the Board of Directors on the recommendation of the Nomination and Remuneration Committee. The individual objectives of the other members of the Leadership Team are determined annually by the co-CEOs depending on the collective objectives defined for the Executive Management members by the Board of Directors.

The Nomination and Remuneration Committee annually evaluates the performance of the Executive Management members against the objectives set. The performance of other members of the Leadership Team is assessed based on the recommendation of the co-CEOs.

Long-term incentives
Long-term incentives are paid in the form of stock options granted under:
- the 2019 stock option plan (*2019 SOP*) approved and ratified on 20 September 2019 by the Annual Shareholders' Meeting, and
- the 2021 stock option plan (*2021 SOP*) which forms part of the remuneration policy, to be submitted for approval to the Annual Shareholders' Meeting of 17 September 2021.

Under these stock option plans, certain stock options are granted through block awards, free of charge, to selected staff members, including Leadership Team members. Each option grants its owner the right to acquire a Greenyard share under the exercise conditions and against payment of the exercise price.

These long-term incentives are based solely on quantitative parameters. Vesting is conditional on the continued employment with Greenyard at the time of vesting, upon realisation of which, the options will be vested and definitively acquired.

With respect to the stock options granted under the 2019 SOP, a vesting period of three years applies. With respect to the stock options granted under the 2021 SOP, a vesting period of four years applies.

When the options are vested, they may be exercised against payment of the exercise price, which equals the average closing price of the Greenyard share for thirty days preceding the grant date, as a result of which an equal number of Greenyard shares will be transferred to the beneficiary (it being understood that one option gives the right to one Greenyard share). These shares will benefit from the same rights and advantages as the existing shares of Greenyard.

The options under the 2019 SOP expire after six years after the grant date. Under the 2021 SOP, the options expire after five years after the grant date. Any option which has not been exercised at its expiration date shall become null and void.

Prior to the 2019 SOP, a Performance Share Units plan (*PSU Plan*) was in place since AY 17/18. Under the PSU Plan a target number of Performance Share Units (*PSUs*) with a notional value was granted, depending on the position level of the Leadership Team member concerned. The realisation of the performance condition is measured on the basis of the total shareholder return (TSR), calculated using the average Greenyard share price, at the end of the performance period.

The vesting of performance shares granted under the PSU Plan depends on the performance of Greenyard shares over a period of three years. The realisation of the performance condition shall determine the fraction or the multiple (if any) of performance shares the PSUs will effectively entitle. The number of performance shares to which a beneficiary is entitled will vary depending on whether the performance condition is exceeded or not reached, as follows:

Table: Performance Share Units Plan AY 17/18 and AY 18/19

Performance condition (cumulative annual average increase during the performance period)	% of performance shares one PSU entitles to
Maximum: TSR increase ≥ 10%	200%
Above target: 5% ≥ TSR increase < 10%	150%
On target: 0% ≥ TSR increase < 5%	100%
Below threshold: TSR increase < 0%	0%

The vesting of the outstanding performance shares under the PSU Plan for AY 18/19 is foreseen for 15 June 2021 (subject to realisation of the performance condition), after which date, all performance shares will have expired.

As a result of the applicable long-term incentive plans within Greenyard, Leadership Team members can build up their shareholdings in Greenyard over time through the opportunity given under these plans to acquire shares. Greenyard deviates from provision 7.9 of the 2020 Code, which recommends that the Board of Directors sets a minimum threshold for the holding of Greenyard shares by the Executive Management and Leadership Team members. Currently, the Board of Directors has not formally set any explicit minimum thresholds for Greenyard shareholdings for Executive Management and Leadership Team members, since it wants to allow a degree of flexibility to the persons concerned. The long-term incentive plans demonstrate that the Company wishes to stimulate the long-term vision of the Executive Management and Leadership Team members by allowing them to participate financially in Greenyard's growth.

Executive directors
Executive directors, who hold executive positions in the Company or one of its subsidiaries, do not receive any additional compensation for their work on the Board of Directors or advisory Committees, since this is part of the total remuneration package they receive in their executive function.

The Board of Directors has one executive director, Mr Hein Deprez (as permanent representative of Deprez Invest NV) who received a management fee for AY 20/21 in his co-CEO capacity.

8.3.2. Remuneration of the co-CEOS in AY 20/21

In their capacity as co-CEOs, (i) Mr Hein Deprez (as permanent representative of Deprez Invest NV) was paid a fixed management fee of € 600 000 and (ii) Mr Marc Zwaaneveld (as permanent representative of MZ-B BV) was paid a fixed management fee of € 750 000, for AY 20/21. The difference in fixed management fee can be explained by the fact that Mr Hein Deprez has decided to waive any increase of his management fee for AY 20/21.

Mr Marc Zwaaneveld (as permanent representative of MZ-B BV) received a cash bonus payment of € 487 500 (corresponding to 65% of his fixed management fee) for AY 20/21, for the outperformance of both the financial (adjusted EBITDA and Net Financial Debt) and personal objectives set for AY 20/21. All such objectives are determined in function of the main goal of accomplishing the further recovery and deleveraging of Greenyard.

Mr Hein Deprez (as permanent representative of Deprez Invest NV) decided to waive the bonus that would have been paid to him in his capacity as co-CEO for AY 20/21 in order to contribute to Greenyard's further growth.

The co-CEOs are entitled to customary fringe benefits. Mr Hein Deprez (as permanent representative of Deprez Invest NV) has a company car, the costs of which amounted in AY 20/21 to € 2 628. For Mr Marc Zwaaneveld (as permanent representative of MZ-B BV), costs totalling € 22 000 were reimbursed in AY 20/21 because of his work-related stay in Belgium as a resident of the Netherlands covering amongst others housing expenses. Mr Zwaaneveld has decided to waive his right of reimbursement for housing expenses as of March 2021. No pension contributions were made.

On 19 February 2021, 200 000 stock options were granted to Mr Marc Zwaaneveld (as permanent representative of MZ-B BV), which he accepted in the beginning of AY 21/22.

The charts below show the ratio between the fixed and variable remuneration of Mr Marc Zwaaneveld and Mr Hein Deprez as co-CEOs for AY 20/21:

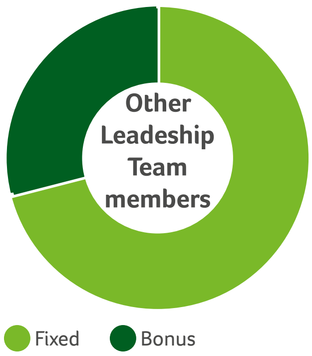
8.3.3. Remuneration of the other members of the Leadership Team in AY 20/21

Total annual remuneration

Components of total annual remuneration	AY 20/21 €
Fixed remuneration	
Base Salary	2 504 956
Benefits in kind & Pensions	45 970
Variable remuneration	
Bonus	1 021 832
TOTAL	**3 572 758**

For AY 20/21, the total annual remuneration paid to the other members of the Leadership Team (excluding the co-CEOs) was € 3 572 758. All remuneration is paid on a pro-rata basis according to the length of the term of office of the members of the Leadership Team. For the members who are employees, defined contributions were made within the framework of pension schemes.

The chart below shows the ratio between the total fixed and variable remuneration of the members of the Leadership Team (excluding the co-CEOs) for AY 20/21:



8.3.4. Annual short-term incentive components and targets for AY 20/21

For AY 20/21, the variable remuneration in the form of an annual cash bonus is based on personal objectives (up to a maximum of 30%) in combination with financial objectives (up to a maximum of 70%) at Group and/or divisional level, depending on the function of the Leadership Team member.

The financial objectives for AY 20/21 consist of an adjusted EBITDA component, in combination with, depending on the Leadership Team member's position, a Net Financial Debt component to be achieved at Group level or a Cash Conversion Cycle component on divisional level. The personal objectives for AY 20/21 reflect the corporate goals and strategy and include elements of business development and strategic partnerships roll out, as well as transformation and cost savings, but are also related to the efficiency of certain processes and the delivery of certain projects by the member concerned.

Key Performance Metrics for AY20/21	Relative Weight
Financial objectives	**70%**
Adjusted EBITDA	50%
Net Financial Debt	20%
Cash Conversion Cycle	
Personal objectives	**30%**

The evaluation period coincides with AY 20/21, starting on 1 April 2020 and ending on 31 March 2021. The level of achievement of the objectives is reviewed and assessed in the first quarter of the following AY 21/22 by the Nomination and Remuneration Committee, before being discussed and finally determined by the Board of Directors. Decisions on the variable remuneration of the other Leadership Team members are taken on recommendation by the Executive Management. The quantitative calculation is carried out based on audited figures.

As of 1 April 2021, the relative weighting of the bonus criteria for the Leadership Team members will be redistributed with 50% financial objectives, 25% personal objectives and 25% individual performance and behavioural competences, as set forth in the revised remuneration policy, to be submitted for approval to the Annual Shareholders' Meeting of 17 September 2021.

For AY 20/21, the short-term variable remuneration granted to the members of the Leadership Team other than the co-CEOs amounted to € 1 021 832. This amount results from an outperformance of the financial objectives on Group level (adjusted EBITDA and Net Financial Debt) or divisional level (adjusted EBITDA and Cash Conversion Cycle), depending on the position of the Leadership Team member, and an achievement of the personal objectives ranging from “on target” to “stretch” by the other Leadership Team members.

8.3.5. Long-term incentive plans

Performance Share Units Plan (replaced by Stock Option Plan as from AY 19/20)

Table: Performance Share Units held by persons who are member of the Leadership Team in AY 20/21

	PSU AY 17/18	PSU AY 18/19
Grant Date	**15 June 2017**	**15 June 2018**
Vesting Date	**15 June 2020**(1)	**15 June 2021**(2)
Exercise Price	**€ 18,51**	**€ 14,78**
Hein Deprez (as permanent representative of Deprez Invest NV)(3)	-	25 219
Marc Zwaaneveld (as permanent representative of MZ-B BV)(4)	-	-
Geert Peeters (as permanent representative of Chilibri BV)(4)	-	4 707
Alexander Verbist (as permanent representative of Qualexco BV)	1 891	2 354
Bénédicte Vandaele (as permanent representative of HR Plus Consult BV)(4)	-	-
Charles-Henri Deprez (as permanent representative of Alvear International BV)(5)	540	2 354
Irénke Meekma	-	-(6)
Erwin Wuyts (as permanent representative of Dinobryon BV)(4)	-	-
Dominiek Stinckens(5)	1 891	2 354
Yannick Peeters (as permanent representative of Gemini Consulting BV)(4) and (5)	-	403

(1) Given that the TSR increase with respect to PSUs which were granted on 15 June 2017 was less than 0% on the vesting date, 15 June 2020, the performance condition was deemed not to have been reached. Therefore, the PSUs granted in AY 17/18 have not vested and have not given any entitlement to performance shares.

(2) The PSUs which were granted on 15 June 2018 will, in accordance with the PSU Plan, vest on 15 June 2021 at the end of the performance period of three years, subject to the achievement of the performance condition as set out above. In the second quarter of AY 21/22, the Board of Directors will determine, on the recommendation of the Nomination and Remuneration Committee, the extent to which the performance condition has been realized and whether the PSU beneficiaries are entitled to performance shares, and how many.

(3) No member of the Leadership Team on the grant date, 15 June 2017.

(4) Not yet working for Greenyard on the respective grant date.

(5) PSUs have not been granted in relation to their capacity as a Leadership Team member, but in the framework of the long-term incentive scheme for Managing Directors at country and divisional level and for selected key management personnel in the Group.

(6) She is not entitled to any PSUs given that the 2 354 PSUs which were initially granted to her were not yet vested at the time of her departure.

Stock Option Plan (applicable as from AY 19/20)

Table: Stock options granted to or held by persons who are member of the Leadership Team in AY 20/21

	2019 SOP	2021 SOP
Grant Date	**15 March 2019**	**19 February 2021**
Final Vesting Date	**31 March 2022**	**31 March 2025**
Exercise Price	**€ 3,44**	**€ 6,45**
Marc Zwaaneveld	450 000	200 000
Geert Peeters(1)	250 000	100 000
Alexander Verbist	50 000	60 000
Charles-Henri Deprez	50 000	60 000
Yannick Peeters	50 000	60 000
Maarten van Hamburg(2)	-	60 000
Bénédicte Vandaele(3)	34 000	-

(1) The stock options granted to Mr Geert Peeters vest, in deviation from the 2021 SOP, over a period of three years.

(2) No member of the Leadership Team on the grant date, 15 March 2019.

(3) Ms Bénédicte Vandaele retains 34 000 stock options following her departure, which will vest on 30 September 2022 (given that the stock options were granted on 24 September 2019), in accordance with the terms of the 2019 SOP.

8.4. Evolution of the remuneration and pay-gap information

The below table contains information on the annual evolution of (i) the remuneration of the non-executive directors, the co-CEOs, and the members of the Leadership Team, (ii) the performance of the Company and (iii) the average remuneration on a full-time equivalent basis of employees of the Company (other than the persons under item (i), over the five most recent financial years.

Total remuneration of the members of the Board of Directors

Annual change on average remuneration[1]	AY 16/17	AY 17/18 vs. AY 16/17	AY 17/18	AY 18/19 vs. AY 17/18	AY 18/19	AY 19/20 vs. AY 18/19	AY 19/20	AY 20/21 vs. AY 19/20	AY 20/21
Board of Directors (excl. executive director(s))	€ 316 383	67%	€ 481 320	29%	€ 622 500	-4%	€ 538 032	-10%	€ 482 000

Total remuneration of the members of the Leadership Team[8]

Annual change	AY 16/17[2]	AY 17/18 vs. AY 16/17	AY 17/18[3]	AY 18/19 vs. AY 17/18	AY 18/19[6]	AY 19/20 vs. AY 18/19	AY 19/20(7)	AY 20/21 vs. AY 19/20	AY 20/21
CEO I Deprez Invest NV (represented by Mr Hein Deprez)	NA		NA(4)		€ 750 000	-20%	€ 600 000	0%	€ 600 000
CEO I MZ-B BV (represented by Mr Marc Zwaaneveld)	NA		NA		NA[5]		€ 1 435 500	-14%	€ 1 237 500
Other members	€ 2 717 000	22%	€ 3 319 723	-24%	€ 2 512 000	33%	€ 3 333 000	7%	€ 3 572 758

Greenyard Group performance

Annual change	2017	AY 17/18 vs. AY 16/17	2018	AY 18/19 vs. AY 17/18	2019	AY 19/20 vs. AY 18/19	2020	AY 20/21 vs. AY 19/20	2021
Adjusted EBITDA		-4%		-54%		48%		22%	
Sales		-2%		-6%		4%		9%	
ESG rating - CDP[9]	NA		F		F		B-		-

Average remuneration on a FTE basis of employees

Annual change	AY 17/18 vs. AY 16/17(11)	AY 18/19 vs. AY 17/18	AY 19/20 vs. AY 18/19	AY 20/21 vs. AY 19/20(12)
Employees of Greenyard NV[10]	(200%)	5%	8%	-7%

(1) Average remuneration of Board members for a given financial year calculated on the basis of the total remuneration of the non-executive directors paid during the relevant year, divided by the number of directors as per the end of that year.

(2) For AY 16/17, the total remuneration of the former CEO (Mavac BV, represented by Ms Marleen Vaesen) amounted to € 1 111 170.

(3) For AY 17/18, the total remuneration of the former CEO amounted to € 1 014 644, who was replaced as CEO by Deprez Invest NV, who received in the position of CEO for AY 17/18 € 125 000.

(4) Mr Hein Deprez (as permanent representative of Deprez Invest NV) has been appointed as CEO as from 1 February 2018.

(5) Mr Marc Zwaaneveld (as permanent representative of MZ-B BV) has been appointed as co-CEO, alongside Mr Hein Deprez, as from 9 February 2019.

(6) No bonus was paid out for AY 18/19.

(7) Mr Marc Zwaaneveld (as permanent representative of MZ-B BV) received an exceptional bonus of € 600 000, paid in two instalments, for the achievement of specific personal objectives set for AY 19/20 linked to certain milestones in the framework of the Transformation Plan implemented in view of the further deleveraging of Greenyard. Mr Hein Deprez (as permanent representative of Deprez Invest NV) decided to waive the bonus that would have been paid to him in his capacity as co-CEO for AY 19/20 in order to contribute to Greenyard's accelerated recovery.

(8) Total remuneration is composed of the fixed remuneration and bonus, excluding the PSUs and stock options granted, but not vested under the applicable LTI schemes in order to compare on a like for like basis.

(9) CDP climate change and water security scores, A-F (A= topmark), last updated on 10 December 2020.

(10) The average remuneration (on a FTE basis) of the employees of Greenyard NV is calculated on a Belgian GAAP basis (the sum of line items 620 and 622 of the statutory annual accounts divided by the number of FTE of Greenyard NV set forth in line item 1003 in the social balance annex).

(11) Greenyard NV (previously Pinguin NV) historically included the Belgian operations of the Frozen division, including personnel. As of AY 16/17 these operations have been carved-out to a Group entity of the Frozen division.

(12) The decrease vs. AY 19/20 is due to the departure of certain senior personnel members.

For AY 20/21, the pay gap between the remuneration of the highest paid member of the Leadership Team and the lowest paid employee of Greenyard corresponded to a ratio of 23,25: 1.

8.5. Severance pay for members of the Leadership Team

In accordance with article 7:92 BCAC, the agreements concluded with the members of the Leadership Team provide for severance pay not exceeding twelve months' remuneration. More specifically, the agreements concluded with the members of the Executive Management provide for a severance pay of twelve months' remuneration. For the other members of the Leadership Team, the severance pay is in principle equal to six months' remuneration or, if the member is an employee, this is calculated in accordance with the applicable legal provisions under the employment contract.

In the event of early termination, the Board of Directors justifies and decides, on the recommendation of the Nomination and Remuneration Committee, whether the Leadership Team member concerned qualifies for severance pay, and the basis on which it is calculated.

No severance pay was paid following the decision of Ms Irénke Meekma (as permanent representative of Meekma Day B.V.) to step down as Managing Director of the Bakker division and to leave Greenyard. She is not entitled to any PSUs given that the PSUs which were granted to her were not yet vested at the time of her departure.

Ms Bénédicte Vandaele (as permanent representative of HR Plus Consult BV) received a notice fee equal to three months' pay. She retains 34 000 stock options of the 50 000 stock options granted under the 2019 SOP. These options will vest in accordance with the terms of the 2019 SOP (see 8.3.1 and 8.3.5, above). The outstanding 16 000 stock options have lapsed in accordance with the 2019 SOP following her departure.

8.6. Claw-back

Greenyard has decided to implement for AY 21/22 a claw-back mechanism for the members of the Executive Management and Leadership Team which enables Greenyard in certain cases of criminal offence or breach of the code of conduct of the Company to require a member to repay to the Company variable remuneration that has already been paid out. Long-term incentive plans within Greenyard provide for a 'bad leaver' clause stipulating that, in certain cases (such as termination for cause), the holder or beneficiary concerned loses the stock options or PSUs previously granted, which will be automatically annulled and will no longer vest, with no compensation of any kind being due from the Company.

Under the 2019 SOP and 2021 SOP, the stock options will in such cases be lost, regardless of whether they have already vested. The Company considers such bad leaver clause being equivalent to a claw-back clause.

During AY 20/21, no claw-back and no bad leaver clause were exercised.

8.7. Information on shareholder vote

The Annual Shareholders' Meeting of 18 September 2020 approved the remuneration report with respect to AY 19/20 with a majority of 98,80% shareholder votes in favor. Greenyard is committed to enduring engagement with all its stakeholders and will always actively consider their feedback to shape its remuneration practices.

9. Other information to be communicated pursuant to article 3:6 (§1) BCAC and article 34 of the Royal Decree of 14 November 2007 on the obligations of issuers of financial instruments admitted to trading on a regulated market

This section contains the information required to be disclosed under this legislation and not included in other parts of this report.

Shareholders' structure

Reference is made to the section information for shareholders of the Financial Report.

Specific rights of control

No special rights of control have been granted to any shareholders of Greenyard.

Restrictions on transfers of securities

The Company's articles of association do not impose any restrictions on the transfer of shares in Greenyard.

Limitations by law or the articles of association on the exercise of voting rights

Article 8 of the Company's articles of association states that if a shareholder fails to pay a call on his shares within the time set by the Board of Directors, exercise of the voting rights attaching to the relevant shares is suspended *ipso jure* until such time as the call is satisfied. On 31 March 2021, the capital was fully paid up.

In accordance with article 10 of the Company's articles of association, the Board of Directors may suspend exercise of the rights attaching to a share if the rights attaching thereto are divided among several persons until such time as a single person is designated as the shareholder vis-à-vis the Company. The same rules apply to other securities issued by the Company.

Rules on amendments to the articles of association

Pursuant to article 7:153 BCAC, any amendment to the Company's articles of association may only be authorised with the approval of at least 75 % of the votes validly cast at an Extraordinary Shareholders' Meeting where at least 50 % of the Company's share capital is present or represented. Abstentions shall not be included in the numerator or denominator for the purpose of calculating votes. If the attendance quorum of 50 % is not met, a new Extraordinary Shareholders' Meeting must be convened at which the shareholders may decide on the agenda items, irrespective of the percentage of share capital present or represented at such meeting.

Rules on appointment and replacement of directors

The directors are appointed by the Shareholders' Meeting. The Chairman of the Nomination and Remuneration Committee is in charge of the appointment process. The Nomination and Remuneration Committee recommends suitable candidates to the Board of Directors. The Board then makes a proposal to the Shareholders' Meeting for the appointment as director. The Nomination and Remuneration Committee determines the requirements regarding the independence, competency and other qualifications of the members of the Board of Directors. After consultation with the Chairman of the Board of Directors, the Nomination and Remuneration Committee takes all the initiatives necessary for the best composition of the Board of Directors.

Before each new appointment, an assessment of the skills, know-how and experience already available and required at the Board level is carried out. A profile of the required role is determined when proposing candidates for director, whereby special attention is paid to diversity and complementarity with regard to varied backgrounds and competences.

In the case of the appointment of a new director, the Chairman of the Nomination and Remuneration Committee ascertains that the Board of Directors, prior to taking into consideration the candidate, has sufficient information on the candidate (such as a curriculum vitae, the assessment based on a first interview, a list of mandates the candidate already holds and, if required, the information necessary to assess the independence of the director). After consultation with the Nomination and Remuneration Committee, the Board determines the profile of each new independent director, taking into account the applicable independence requirements set out in Greenyard's Corporate Governance Charter. The Nomination and Remuneration Committee initiates the search for suitable candidates for each vacant position as independent director and can engage an external consultant to assist with the selection procedure.

The Nomination and Remuneration Committee's candidate proposal to the Board of Directors for a vacant position as independent director includes the following information: (i) overview of all persons contacted and all candidatures received, (ii) detailed curriculum vitae of the proposed candidate, (iii) detailed written advice from the Committee in respect of the proposed candidate, including the proposed remuneration, and (iv) any report submitted to the Committee by an external consultant (if appointed).

The decision of the Board of Directors to propose a candidate for independent director for nomination to the Shareholders' Meeting requires a special two-thirds majority. The proposal is accompanied by a recommendation by the Board of Directors and by relevant information on the professional qualifications of the candidate director, including a list of the positions already held. This procedure also applies to the reappointment of a director.

The Company's articles of association provide that directors are appointed for a maximum term of six years. The Board of Directors will propose to the Shareholders' Meeting to appoint directors only for a duration of four years. The mandate ends at the closure of the Annual Shareholders' Meeting which was determined to be the end date of the appointment. Retiring directors are eligible for reappointment. The mandate of a director may be revoked at any time by simple majority at the Shareholders' Meeting. The Board of Directors will propose to the Shareholders' Meeting that the mandate of the directors will end at the Annual Shareholders' Meeting of the calendar year in which he or she reaches the age of seventy, unless the Board, on the recommendation of the Nomination and Remuneration Committee, decides otherwise.

In accordance with article 16 of the Company's articles of association, in the event of an early vacancy on the Board of Directors, the remaining directors will manage the Company and are entitled to temporarily fill the vacancy until the Shareholders' Meeting appoints a new director. The appointment is placed on the agenda of the next Shareholders' Meeting.

Authority of the Board of Directors to issue or purchase own shares

In accordance with article 12 of the Company's articles of association, the Board of Directors is explicitly authorised to acquire, during a five-year period counting from the date of the Extraordinary Shareholders' Meeting of 15 September 2017, and within the limits of the law, whether on or outside of the stock exchange, directly or indirectly, by way of purchase or exchange, contribution or any other way of acquisition, the maximum number of Company's shares permitted by law, without requiring Shareholders' Meeting's approval or resolution, for a price or an exchange value per share inferior or equal to the highest current independent bid price of the share on Euronext Brussels on the date of the acquisition, and minimum € 1 per share. The authorisation granted extends to any acquisitions (by way of purchase or exchange, contribution or any other way of acquisition) of the Company's shares, directly or indirectly, by the direct subsidiaries of the Company within the meaning of article 7:221 BCAC. The Company and its direct subsidiaries are also explicitly authorised to dispose of the shares acquired by the Company on or outside of the stock exchange by way of sale, exchange, conversion of bonds or any other way of transfer (whether or not for valuable consideration), to offer these shares to the personnel, or, on the other hand, to dispose of or cancel these shares, without requiring Shareholders' Meeting approval or resolution and without limitation in time. In the case of cancellation of the shares thus acquired by the Company, the corresponding amendments to the articles of association will be enacted before the notary public at the request of two directors of the Company.

Shareholders' agreements that are known to the issuer and that could give rise to share transfer restrictions and/or limitations to the exercise of the voting rights

The Board of Directors has no knowledge of the existence during AY 20/21 of shareholders' agreements that could give rise to share transfer restrictions and/or limitations to the exercise of voting rights.

Important agreements that take effect, undergo changes or expire in the event of change of control over the Company

The following agreements take effect, undergo changes or expire in the event of change of control over the Company:

- The Multi-Country Factoring Syndication Agreement originally dated on 1 March 2016, as amended and restated from time to time, and all its addenda which constitute an integral part of the Agreement, between the Company, Greenyard Fresh NV and certain of its other subsidiaries as *the Clients* and *the Additional Clients*, of the one part, and ING Commercial Finance Belux NV as *the Agent*, BNP Paribas Fortis Factor NV, KBC Commercial Finance NV and Belfius Commercial Finance NV as the original *Factors*, of the other part; and
- The Senior Facilities Agreement originally dated 22 December 2016, as amended and/or restated from time to time and most recently on 29 March 2021, between, among others, Greenyard and certain of its subsidiaries named therein as *original borrowers* and/or *original guarantors*, BNP Paribas Fortis SA/NV, KBC Bank NV, ING Belgium SA/NV, Belfius Bank NV/SA, ABN AMRO Bank NV and Coöperatieve Rabobank U.A. as *arrangers*, the financial institutions named therein as *original lenders* and ING Bank NV as *agent* and *security agent*;
- The Intercreditor Agreement originally dated 22 December 2016, as amended from time to time, between, of the one part, ING Bank N.V. as *senior agent* and *security agent*, the financial institutions listed therein as *senior lenders*, ING Belgium NV/SA, BNP Paribas Fortis NV/SA and KBC Bank NV as *senior arrangers*, Greenyard as *company*, the companies listed therein as *intra-group lenders* and certain of Greenyard's subsidiaries as original *debtors*; and
- The Subscription Agreement relating to € 125 000 000 3,75% convertible bonds concluded on 8 December 2016 between Greenyard Fresh NV and Greenyard NV, of the one part, and Joh. Berenberg, Gossler & Co. KG, Frankfurt Branch and BNP Paribas Fortis SA/NV as *Joint Global Coordinators* and Bank Degroof Petercam SA/NV, KBC Bank NV, Daiwa Capital Markets Europe Limited as *Joint Bookrunners*, of the other part.

10. Internal control and risk management

The Board of Directors is responsible for monitoring the risks that are specific to the Group and for the evaluation of the effectiveness of the internal control system.

The Board of Directors has approved an internal control system based on the Committee of Sponsoring Organisations of the Treadway Commission ('COSO') model. The following pillars are discussed below: control environment, risk management systems and internal control, financial reporting and communication, and, to conclude, oversight and monitoring.

Management has implemented a variety of controls to manage the risks that could undermine the achievement of the strategic objectives.

10.1. Control environment

10.1.1. General

The Group performs a conscious risk management based on the implementation of an internal control system and achieved by encouraging a company culture in which all personnel are empowered to fulfil their roles and responsibilities in accordance with the highest standards of integrity and professionalism.

10.1.2. Audit Committee

Without prejudice to the responsibilities of the Board of Directors as a whole, the Audit Committee monitors the effectiveness of the internal control and risk management systems set up by the management of the Group in order to confirm that the principle risks (including those related to compliance with legislation and regulations) are identified, managed and brought to the notice of the responsible individuals, in accordance with the framework established by the Board of Directors.

At least twice per year, the Audit Committee meets the statutory auditor to discuss the subjects that fall under his remit and all matters that arise from the auditing process.

In addition, the management team gives a regular update to the Audit Committee on pending disputes. In that respect, a quantified risk assessment and classification is carried out.

10.1.3. Internal audit

The Group has a professional internal audit department. The Audit Committee reviews the internal audit's risk assessment, the internal audit charter and annual internal audit plan and regularly receives internal audit reports for review and discussion. The mission of the internal audit department is to provide independent, objective quality assurance and support, designed to add value and improve the Group's operations and systems of internal controls.

The internal audit department assists the Group with accomplishing its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Internal control deficiencies identified by internal audit are communicated in a timely manner to management and periodic follow-up is performed to ensure corrective action has been taken.

10.2. Risk management systems and internal control

The most important aspects of the risk management and internal control process can be summarised as follows:

- The risk position of the Company, the possible financial impact and the required action points are evaluated regularly by management and the Board of Directors, advised by the Audit Committee; hereby risks are prioritised and action plans are implemented;
- The Board of Directors discusses the strategy and investment projects; an evaluation is also made of the associated risks. Where needed, appropriate measures are taken;
- The internal audit reports are always discussed with local management and a summary is discussed with the Audit Committee on a regular basis.

For a discussion of the principal risks and the associated control activities, please see note 6.18. *Risk management policy*.

10.3. Financial reporting and communication

The financial reporting and communication process of the Group can be summarised as follows:

A closing plan with checklist is drawn up with the tasks that must be accomplished by the quarterly, semi-annually and year-end closing of the Company and its subsidiaries. The financial department provides the accounting figures under the supervision of the chief accountant or financial director of each subsidiary. The controllers verify the validity of those figures and issue a report. Both coherence testing by making comparisons with historical or budgetary figures and transaction controls using random samples are performed. As part of the closing process, an extensive reporting set with financial and operational data must also be provided in each case.

The Audit Committee supports the Board of Directors in overseeing the integrity of the financial information provided by Greenyard. In particular, it reviews the relevance and the consistency of the application of the accounting standards used within the Group and the criteria for the consolidation of the accounts of the companies of the Group. The oversight covers the periodic information before it is published and is based on the audit program used by the Audit Committee. Management informs the Audit Committee about the methods that are used to account for significant and unusual transactions of which the accounting treatment could be open to a variety of interpretations. The Audit Committee discusses the financial reporting methods with both the Leadership Team and the external auditor.

10.4. Oversight and monitoring

Oversight of internal controls is exercised by the Board of Directors, supported by the activities of the Audit Committee and the internal audit department.

The external auditor carries out an annual evaluation of the internal controls related to the risk associated with the financial statements of the Group. In that regard, the external auditor makes recommendations concerning the internal control and risk management systems when appropriate, which are formalised in a management letter that is already issued. Management undertakes actions to handle the findings and thereby achieve an even better control environment. Those measures are followed up and the Audit Committee is monitoring if the Leadership Team is fulfilling the recommendations presented by the external auditor.

Information for shareholders

1. Shares

The Company's shares are listed on the continuous market of Euronext Brussels (ticker: GREEN), more specifically in the compartment B (mid-caps) of this market, since 1 March 2005. The Greenyard share was introduced to the Brussels Stock Exchange in June 1999. Greenyard NV has a liquidity contract with ABN AMRO Bank. As per 31 March 2021, the Company holds 1.363.854 treasury shares.

2. Share trading evolution

	AY 20/21	Date	AY 19/20	Date
Highest price	€ 9,00	3/29/2021	€ 6,94	11/18/2019
Lowest Price	€ 3,70	4/2/2020	€ 2,34	8/26/2019
Opening Price	€ 3,71	01/4/2020	€ 3,36	4/1/2019
Closing Price	€ 8,69	31/3/2021	€ 3,89	3/31/2020
Average daily trading volume	68 326		108 620	
Turnover	€ 104 470 994		€ 117 040 178	
Total number of shares (incl. treasury shares)	51 515 443		44 372 585	
Market capitalisation	€ 447 669 200		€ 172 609 356	

The average daily trading volume in AY 20/21 was 68 326 shares, compared with 108 620 shares the year before, or an 37,1% decrease. Due to a decreasing liquidity, specifically in 2020, total turnover has decreased from € 117 040 178 to € 104 470 994.

3. Capital structure

Authorised capital

In accordance with article 7 of the Company's articles of association, the Board of Directors is authorised to increase the capital of the Company in one or more instalments by an amount equal to the share capital amounting to € 293 851 765,23. This authorisation is valid for a period of five years as from 17 October 2019, the date the resolutions of the Extraordinary Shareholders' Meeting of 20 September 2019 were published in the Belgian Official Gazette. This authorisation to the Board of Directors is renewable. Pursuant to this authorisation, the Board of Directors is authorised to increase the share capital by means of a contribution in cash or in kind within the limits set forth by the BCAC, by conversion of reserves into share capital, whether or not available or unavailable for distribution, with or without the issuance of new shares. The Board of Directors may also use this authorisation for the issuance of convertible bonds, subscription rights, bonds which other securities are attached to and other securities. In addition, the Board of Directors is authorised, when it increases the share capital or issues convertible bonds, subscription rights, bonds which other securities are attached to or other securities, to limit or exclude the preferential subscription right, also for the benefit of one or more specific persons, other than members of the personnel. If an issue premium is paid as a result of a capital increase decided upon within the framework of the authorised capital, it will automatically be booked to the 'issue premiums' account, which will constitute a guarantee for third parties to the same extent as the share capital and which, subject to the possibility of converting this reserve into share capital, can only be reduced or written off by a new decision of an Extraordinary Shareholders' Meeting taken in accordance with the conditions for amending articles of association.

In addition, the Board of Directors is expressly authorised to increase the share capital in one or more instalments after the Company has received a notification from the FSMA that it has been notified of a public takeover bid on the Company's securities by means of a contribution in kind or in cash with the cancellation or exclusion of the preferential subscription right of the shareholders, and/or by the issue of voting securities, whether or not representing the share capital, or securities giving the right to subscribe to or acquire such securities, even if such securities or rights are not offered to the shareholders in preference to others in proportion to the share capital represented by their shares, under the conditions provided for in the BCAC. This authorisation is granted for a period of three years as from the date of the resolutions of the Extraordinary Shareholders' Meeting of 20 September 2019.

On 26 March 2021, the Board of Directors increased the share capital by € 50,0m within the framework of the authorized capital, through the issuance of 7 142 858 shares, which were fully paid up. Transaction costs of € 0,7m were recorded as a reduction in share capital.

As a result of the Board of Directors' decision of 26 March 2021, the amount remaining available for a capital increase within the framework of the authorized capital is equal to € 243 851 759,23.

Issuance of convertible bonds

On 7 December 2016, the Board of Directors approved the issuance by Greenyard Fresh NV of senior unsecured convertible bonds for an aggregate amount of € 125,0m, guaranteed by the Company and convertible into ordinary shares of the Company, due 22 December 2021. These convertible bonds carry a coupon of 3.75% per annum and are listed on the Open Market segment of the Frankfurt Stock Exchange (*Freiverkehr*). The Board of Directors considered it in the Company's interest to suspend the preferential subscription rights of the existing shareholders, in accordance with Articles 596 and subsequent articles of the Company Code, in order to benefit from the current market opportunities and to involve the capital markets in time and efficiently, taking into account the formalities which need to be complied with in the case of offering convertible bonds with preferential subscription rights.

The Board of Directors made use of its powers under the authorised capital when, on 15 December 2016, it approved the capital increase in kind, within the limits of its authorised capital, by means of the contribution by the holders of convertible bonds in Greenyard Fresh NV of their receivable against Greenyard Fresh NV into the Company, subject to the effective exercise of their conversion right. On 22 December 2016, the Board of Directors enacted the implementation of the convertible bonds' issuance. On 23 November 2017, the Issuer unilaterally, irrevocably and unconditionally waived its right to make a Cash Alternative Election as provided in clause 6(m) of the terms and conditions.

As per 31 March 2021, no conversion options had been exercised.

Acquisition of own shares

In accordance with article 12 of the Company's articles of association, the Board of Directors is authorised to acquire own shares up to the maximum number of shares as permitted under article 7:215 BCAC, without a preliminary resolution of the General Shareholders' Meeting being required. The Board of Directors was authorised for a period of five years as from 10 October 2014. This authorisation was renewed for an additional period of five years by decision of the Extraordinary Shareholders' Meeting held on 15 September 2017.

Share buyback programme

On 14 March 2017, the Board of Directors approved, within the authority granted by the General Shareholders' Meeting, the launch of a share buyback programme of up to 1 750 000 shares. The programme is designed to mitigate the potential dilution from the convertible bond and to create a pool of own shares to finance potential future acquisitions and/or long- term incentive plans. By the end of August 2017, the Company had repurchased all 1 750 000 shares or almost 3,94% of the total issued share capital. The total consideration amounted to € 30,0m or € 17,17 per share.

As of 31 March 2021, the Group holds 1 363 854 treasury shares, representing 3,1% of the shares.

4. Shareholder structure

Every shareholder with at least 3,0% of voting rights is required to comply with the Act of 2 May 2007, the Royal Decree of 14 February 2008 concerning the disclosure of the major holdings and the Company Code. The shareholders concerned are required to send a notification to the Financial Services and Market Authority (FSMA) and to the Company.

Pursuant to the capital increase of 26 March 2021 for a total amount of € 50 000 006, the new total number of shares is 51 515 443.

Shareholder structure	Number of shares	%
Deprez Holding NV	15 327 254	29,8%
Food Invest International NV	6 534 173	12,7%
Alychlo	6 928 572	13,4%
Sujajo Inv.	3 657 145	7,1%
Mr Joris Ide	1 547 286	3,0%
Treasury shares	1 363 854	2,6%
Public	16 157 159	31,4%
TOTAL	**51 515 443**	**100,00%**

An actual overview of the shareholder structure can be consulted on our website www.greenyard.group under the heading

Investor relations > Share Information.

5. Major changes in shareholder structure

Mr Hein Deprez, Deprez Holding NV, Food Invest International NV and Greenyard NV (in respect of its treasury shares) have notified Greenyard that on 26 March 2021 their shareholding in Greenyard has downwards (passively) crossed the 50% statutory threshold. According to the transparency notification of 31 March 2021, Deprez Holding NV, Food Invest International NV and Greenyard NV (in respect of its 1 363 854 treasury shares) together hold 23 225 281 Greenyard shares, representing 45,1% of the total number of Greenyard shares respectively voting rights.

On 26 March 2021 Alychlo NV subscribed for 6 928 572 new Greenyard shares through a contribution of an amount of € 48 500 004 as a result of which its shareholding in Greenyard has exceeded the 10% statutory threshold. According to the transparency notification of 30 March 2021, Alychlo NV holds 6 928 572 Greenyard shares or 13,4% of the total number of Greenyard shares respectively voting rights.

Mr Thomas Borman and Sujajo Investments S.A. have notified Greenyard that on 26 March 2021 their shareholding in Greenyard has downwards(passively) crossed the 7,5% statutory threshold. According to the transparency notification of 31 March 2021, Sujajo Investments S.A. holds 3 657 145 Greenyard shares, representing 7,1% of the total number of Greenyard shares respectively voting rights. The participation of Mr Joris Ide who subscribed for 214 286 new shares through a contribution of an amount of € 1 500 002 in Greenyard on 26 March 2021, remains 3,0% of the total number of Greenyard shares respectively voting rights.

6. Contacts

The Investor Relations team is available to answer shareholder and investor questions about the Group's activities, shares and other information requests:

For the attention of Mr Dennis Duinslaeger, Investor Relations Manager

Greenyard NV Strijbroek 10

BE – 2860 Sint-Katelijne-Waver Or by e-mail: dennis.duinslaeger@greenyard.group

7. Financial calendar

Q1 trading update AY 21/22:	27 August 2021 (before market)
General Assembly AY 20/21:	17 September 2021 (2pm)
Announcement of half-year results (01/04/2021 - 30/09/2021):	16 November 2021 (before market)
Q3 trading update AY 21/22:	22 February 2022 (before market)

Consolidated financial statements

Consolidated income statement

Consolidated income statement	Note	AY 20/21 €'000	AY 19/20 €'000
CONTINUING OPERATIONS			
Sales	5.1.	4 416 227	4 060 992
Cost of sales	5.2.	-4 118 950	-3 813 320
Gross profit/loss (-)		**297 277**	**247 672**
Selling, marketing and distribution expenses	5.2.	-97 048	-94 275
General and administrative expenses	5.2.	-158 991	-147 624
Impairment property, plant & equipment	5.2.	-1 413	-7 566
Other operating income/expense (-)	5.4.	11 153	-880
Share of profit/loss (-) of equity accounted investments	6.6.	507	97
EBIT		**51 485**	**-2 576**
Interest expense	5.5.	-42 579	-51 861
Interest income	5.5.	260	289
Other finance result	5.5.	-4 845	-9 237
Net finance income/cost (-)		**-47 164**	**-60 808**
Profit/loss (-) before income tax		**4 321**	**-63 384**
Income tax expense (-)/income	5.6.	-3 119	-4 597
Profit/loss (-) for the period from continuing operations		**1 201**	**-67 981**
DISCONTINUED OPERATIONS			
Profit/loss (-) for the period from discontinued operations		-	-
PROFIT/LOSS (-) FOR THE PERIOD		**1 201**	**-67 981**
Attributable to:			
The shareholders of the Group		536	-68 533
Non-controlling interests		666	552

Earnings per share from continuing and discontinuing operations (in € per share)	Note	AY 20/21	AY 19/20
Basic	5.7.	0,01	-1,59
Diluted	5.7.	0,01	-1,59

Earnings per share from continuing operations (in € per share)	Note	AY 20/21	AY 19/20
Basic	5.7.	0,01	-1,59
Diluted	5.7.	0,01	-1,59

The attached notes form an integral part of this income statement.

Consolidated statement of comprehensive income

Consolidated statement of comprehensive income	Note	AY 20/21 €'000	AY 19/20 €'000
Profit/loss (-) for the period		**1 201**	**-67 981**
Remeasurements on post employment benefit obligations, gross	6.14.	-2 497	1 109
Deferred tax on remeasurements on post employment benefit obligations		427	-210
Items that will not be reclassified to profit or loss		**-2 070**	**899**
Cash flow hedges, gross	6.18.	-3 191	1 817
Deferred tax on cash flow hedges		798	-537
Currency translation differences on foreign operations		-1 608	-342
Reclassification adjustment currency translation differences to profit or loss	7.1.	-	1 368
Fair value reserve		-	6
Items that may be reclassified to profit or loss		**-4 001**	**2 311**
Other comprehensive income		**-6 071**	**3 210**
TOTAL		**-4 870**	**-64 771**
Attributable to:			
The shareholders of the Group		-5 477	-65 354
Non-controlling interests		607	583

The attached notes form an integral part of this statement of comprehensive income.

Consolidated statement of financial position

Assets	Note	31 March 2021 €'000	31 March 2020 €'000
NON-CURRENT ASSETS		**1 255 142**	**1 264 810**
Property, plant & equipment	6.1.	328 738	323 179
Goodwill	6.2.	477 504	477 500
Other intangible assets	6.3.	198 797	209 515
Right-of-use assets	6.4.	220 286	226 791
Investments accounted for using equity method	6.5.	7 679	7 193
Other financial assets	6.6.	5	5
Deferred tax assets	6.7.	18 061	15 575
Trade and other receivables	6.9.	4 071	5 052
CURRENT ASSETS		**686 991**	**700 113**
Inventories	6.8.	309 447	261 867
Trade and other receivables	6.9.	295 774	303 311
Other financial assets	6.6.	519	2 226
Cash and cash equivalents	6.10.	81 250	132 709
TOTAL ASSETS		**1 942 133**	**1 964 923**

Equity and liabilities	Note	31 March 2021 €'000	31 March 2020 €'000
EQUITY		**451 118**	**406 109**
Issued capital	6.12.	337 696	288 392
Share premium and other capital instruments	6.12.	317 882	317 882
Consolidated reserves		-213 177	-209 961
Cumulative translation adjustments		-6 498	-4 948
Non-controlling interests		15 214	14 745
NON-CURRENT LIABILITIES		**553 972**	**750 669**
Employee benefit liabilities	6.14.	19 131	17 971
Provisions	6.15.	10 310	8 149
Interest-bearing loans	6.16.	281 661	472 214
Lease liabilities	6.4.	206 949	208 782
Trade and other payables	6.17.	3 653	2 228
Deferred tax liabilities	6.7.	32 268	41 325
CURRENT LIABILITIES		**937 043**	**808 146**
Provisions	6.15.	4 417	4 239
Interest-bearing loans	6.16.	132 131	77 893
Lease liabilities	6.4.	28 496	26 409
Other financial liabilities	6.6.	2 408	860
Trade and other payables	6.17.	769 591	698 745
TOTAL EQUITY AND LIABILITIES		**1 942 133**	**1 964 923**

The attached notes form an integral part of this statement of financial position.

Consolidated statement of changes in equity

AY 20/21	Note	Attributable to shareholders of the Group									Non-controlling interests	Total equity
		Share capital	Share premiums	Treasury shares	Retained earnings	Cash flow hedge reserve	Foreign currency translation reserve	Fair value reserve	Defined benefit liability	Total		
		€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Balance at 31 March 2020		**288 392**	**317 882**	**-22 439**	**-186 034**	**384**	**-4 948**	**51**	**-1 923**	**391 365**	**14 745**	**406 109**
Profit/loss (-) for the period		-	-	-	536	-	-	-	-	536	666	1 201
Other comprehensive income		-	-	-	-	-2 393	-1 549	-	-2 070	-6 012	-59	-6 071
Total comprehensive income for the period		**-**	**-**	**-**	**536**	**-2 393**	**-1 549**	**-**	**-2 070**	**-5 477**	**607**	**-4 870**
Capital increase	6.12.	50 000	-	-	-	-	-	-	-	50 000	-	50 000
Transaction costs	6.12.	-696	-	-	-	-	-	-	-	-696	-	-696
Dividend payment		-	-	-	-	-	-	-	-	-	-137	-137
Share based payments, gross	6.13.	-	-	-	569	-	-	-	-	569	-	569
Deferred tax on share based payments		-	-	-	-237	-	-	-	-	-237	-	-237
Other		-	-	-	380	-	-	-	-	380	-	380
Balance at 31 March 2021		**337 696**	**317 882**	**-22 439**	**-184 787**	**-2 009**	**-6 498**	**51**	**-3 993**	**435 903**	**15 214**	**451 118**

AY 19/20	Note	Attributable to shareholders of the Group									Non-controlling interests	Total equity
		Share capital	Share premiums	Treasury shares	Retained earnings	Cash flow hedge reserve	Foreign currency translation reserve	Fair value reserve	Defined benefit liability	Total		
		€'000	€'000		€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Balance at 31 March 2019		**288 392**	**317 882**	**-22 439**	**-118 357**	**-895**	**-5 943**	**46**	**-2 822**	**455 863**	**12 018**	**467 881**
Profit/loss (-) for the period		-	-	-	-68 533	-	-	-	-	-68 533	552	-67 981
Other comprehensive income		-	-	-	-	1 279	995	6	899	3 179	31	3 210
Total comprehensive income for the period		**-**	**-**	**-**	**-68 533**	**1 279**	**995**	**6**	**899**	**-65 354**	**583**	**-64 771**
Dividend payment	6.13.	-	-	-	0	-	-	-	-	0	-45	-45
Step-up acquisition Bardsley Fruit Enterprises	7.1.	-	-	-	-	-	-	-	-	-	2 188	2 188
Share based payments, gross	6.14.	-	-	-	766	-	-	-	-	766	-	766
Deferred tax on share based payments		-	-	-	-290	-	-	-	-	-290	-	-290
Other		-	-	-	380	-	-	-	-	380	-	380
Balance at 31 March 2020		**288 392**	**317 882**	**-22 439**	**-186 034**	**384**	**-4 948**	**51**	**-1 923**	**391 365**	**14 745**	**406 109**

The attached notes form an integral part of this statement of changes in equity.

Consolidated statement of cash flows

Consolidated statement of cash flows	Note	AY 20/21 €'000	AY 19/20 €'000
CASH, CASH EQUIVALENTS AND BANK OVERDRAFTS, OPENING BALANCE		**131 632**	**67 186**
CASH FLOW FROM OPERATING ACTIVITIES (A)		**158 848**	**126 643**
EBIT from continuing operations		**51 485**	**-2 576**
EBIT from discontinued operations		-	-
Income taxes paid		**-3 376**	**-6 096**
Adjustments		**100 101**	**115 461**
Fair value adjustments biological assets		-	27
Amortisation of intangible assets	6.3.	20 665	18 072
Depreciation of property, plant & equipment and right-of-use assets	6.1., 6.4.	76 926	77 804
Impairment on property, plant & equipment	6.1.	1 413	7 566
Write-off on stock/trade receivables		3 846	498
Increase/decrease (-) in provisions and employee benefit liabilities	6.14., 6.15.	1 025	-9 086
Gain (-)/loss on disposal of property, plant & equipment		-1 201	-3 796
Result on change in control of subsidiares and equity accounted investments		-3 014	23 328
Share based payments and other	6.13.	949	1 146
Share of profit/loss (-) of equity accounted investments	6.5.	-507	-97
Increase (-) /decrease in working capital		**10 638**	**19 854**
Increase (-)/decrease in inventories	6.8.	-50 200	7 894
Increase (-)/decrease in trade and other receivables	6.9.	2 885	-22 007
Increase/decrease (-) in trade and other payables	6.17.	57 952	33 967
CASH FLOW FROM INVESTING ACTIVITIES (B)		**-41 598**	**-16 584**
Acquisitions (-)		**-48 268**	**-37 280**
Acquisition of intangible assets and property, plant & equipment	6.1., 6.3.	-48 268	-36 069
Acquisition of subsidiaries	7.1.	-	-1 211
Disposals		**6 671**	**20 696**
Disposal of intangible assets and property, plant & equipment	6.1., 6.3.	1 834	11 085
Disposal of subsidiaries	7.1.	4 836	9 610
CASH FLOW FROM FINANCING ACTIVITIES (C)		**-169 168**	**-44 939**
Capital increase, net of transaction costs	6.12.	49 304	-
Dividend payment		-129	-147
Proceeds from borrowings, net of transaction costs	6.16.	290 821	93 133
Repayment of borrowings	6.16.	-432 035	-186 474
Payment of principal portion of lease liabilities	6.4.	-30 777	-27 008
Net interests paid		-41 273	-48 418
Other financial expenses		-5 079	-1 026
Transfer from restricted cash	6.10.	-	125 000
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		**-51 918**	**65 119**
Effect of exchange rate fluctuations		-373	-673
CASH, CASH EQUIVALENTS AND BANK OVERDRAFTS, CLOSING BALANCE		**79 341**	**131 632**
Of which:			
Cash and cash equivalents	6.10.	81 250	132 709
Bank overdrafts	6.10.	1 909	1 077

The attached note form an integral part of this statement of cash flows.

Notes to the consolidated financial statements

1. General information

Greenyard (Euronext Brussels: GREEN), domiciled in Belgium in Sint-Katelijne-Waver, is one of the largest suppliers of fruit and vegetables in the world. We offer healthy food products for any lifestyle, age group or consumption. Fresh, frozen or prepared. Traditional or new varieties. Exotic or local. Pre-packaged or in bulk. The Group has approximately 9 279 employees in 23 countries around the world.

The consolidated financial statements of Greenyard NV ('the Company') and its subsidiaries (together, 'the Group') for the year ending 31 March 2021 were authorised for issue by the Board of Directors on 10 June 2021.

2. Significant accounting policies

2.1. Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and with the legal and regulatory requirements applicable in Belgium. The consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments, quoted equity investments and pensions that have been valued at fair value.

2.2. Changes in accounting policies and disclosures

The accounting policies adopted in preparing the AY 20/21 consolidated financial statements as of 31 March 2021 are consistent with those applied when preparing the AY 19/20 consolidated financial statements ending on 31 March 2020, except for the items below.

Amendments to IFRS mandatory for the current year

- Amendments to IFRS 3 *Business combinations: Definitions of a Business*;
- Amendments to IAS 39 *Financial Instruments Recognition and Measurement*, IFRS 9 *Financial instruments* and IFRS 7 *Financial instruments: Disclosures* - Interest Rate Benchmark Reform Phase 1;
- Amendments to IAS 1 *Presentation of Financial Statements* and and IAS 8 *Accounting Policies* - Definition of Material;
- Amendments to references to the Conceptual Framework in IFRS standards;
- Amendments to IFRS 16 Leases – Covid 19 related rent concessions.

With regard to the standards and interpretations which became applicable during AY 20/21, the Group believes that these have little or no impact on its consolidated financial statements.

New and revised IFRS issued but not yet effective

In AY 20/21, the Group did not prospectively apply the following new or revised standards and interpretations, which have been issued but are not effective at the date of approval of the consolidated financial statements:

Texts endorsed by EFRAG:

- Amendments to IAS 39 *Financial Instruments Recognition and Measurement*, IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures*; IFRS 16 *Leases*; IFRS 4 *Insurance Contracts*: Interest Rate Benchmark Reform Phase 2 (applicable as from 1 January 2021);
- IFRS 4 *Insurance contracts* (applicable as from 1 January 2021).

Texts not yet endorsed by EFRAG:

- Amendments to IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* (applicable as from 1 January 2022): Onerous contracts – Cost of fulfilling a contract;
- Amendments to IAS 41 *Agriculture* (applicable as from 1 January 2022): Taxation in fair value measurements:
- Amendments to IAS 16 *Property, Plant and Equipment* (applicable as from 1 January 2022): Proceeds before intended use;
- Amendments to IFRS 9 *Financial Instruments* (applicable as from 1 January 2022): Fees in the '10 per cent' test for derecognition of financial liabilities;
- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: *Definition of Accounting Estimates* (applicable as from 1 January 2023);
- Amendments to IFRS 3 *Business Combinations* (applicable as from 1 January 2022): Reference to the conceptual framework;
- Amendments to IFRS 1 *First-time Adoption of International Financial Reporting Standards* (applicable as from 1 January 2022): Subsidiary as a first-time adopter;
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: *Disclosure of Accounting Policies* (applicable as from 1 January 2023);
- IFRS 17 *Insurance Contracts* (applicable as from 1 January 2023);
- Amendments to IAS 1 *Presentation of financial statements* (applicable as from 1 January 2023): Classification of liabilities as current or non-current.

At the present time the Group does not expect that the new standards will significantly affect the financial statements of the Group during their first-time application.

2.3. Basis of consolidation

Subsidiaries

The consolidated financial statements comprise the financial statements of the Company and entities controlled by the Company and their subsidiaries. The Group controls an investee if the Group:
- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group considers all relevant facts and circumstances in assessing whether it has power over an investee.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Profit and loss, and each component of other comprehensive income, are attributed to the shareholders of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with Group accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full in consolidation.

Changes in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. The carrying amounts of the Group's net interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the shareholders of the Group.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interests and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is initially recognised at fair value.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition-date fair value, and the amount of any non-controlling interests in the acquiree.

Acquisition-related costs are expensed as incurred. When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions, as at the acquisition date.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Changes in the fair value of the contingent consideration, qualifying as measurement period adjustments, are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the measurement period (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date. Subsequent changes to the fair value of the contingent consideration that do not qualify as measurement period adjustments and are deemed to be an asset or liability are recognised either in profit and loss or as a change to other comprehensive income. A contingent consideration classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re- assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss as a bargain purchase gain.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition date fair value and the resulting gain or loss is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if those interests were disposed of.

Investments in joint ventures and associated companies

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investments in its associates and joint ventures are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment.

The income statement reflects the Group's share of the results of operations of the associate or joint venture. Any change in other comprehensive income of those investees is presented as part of the Group's other comprehensive income. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The aggregate of the Group's share of profit or loss of equity accounted investments is shown on the face of the income statement within EBIT, which represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

When the Group's share of losses of an associate or a joint venture exceeds the Group's interests in that associate or joint venture, the Group discontinues recognising its share of losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence, or joint control and the fair value of the retained investment and proceeds from disposal, is recognised in profit or loss.

2.4. Summary of significant accounting policies

Foreign currencies

A. Foreign currency transactions

Foreign currency transactions are accounted for at exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the reporting date rate. Gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Non-monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rate prevailing at the date of the transaction.

Foreign exchange gains and losses that relate to borrowings, and cash and cash equivalents, are presented in the income statement within the finance result. All other foreign exchange gains and losses are presented in the income statement within EBIT.

B. Translation of the results and financial position of foreign operations

Assets and liabilities of foreign operations are translated to euro at foreign exchange rates prevailing at the reporting date. Income statements of foreign operations are translated to euro at exchange rates for the year approximating the foreign exchange rates prevailing at the dates of the transactions. The components of shareholders' equity are translated at historical rates. Exchange differences arising from the translation of shareholders' equity to euro at period-end exchange rates are taken to other comprehensive income (currency translation differences). In cases where the operation is not fully owned, the relevant proportionate share of the translation adjustment is allocated to the non-controlling interests. On the disposal of a foreign operation, all of the exchange differences accumulated in equity in respect of that operation attributable to the Group's shareholders are reclassified to profit and loss.

C. Exchange rates

The more pertinent exchange rates used in preparing the financial statements are:

	Closing rate		Average rate	
	31 March 2021	31 March 2020	AY 20/21	AY 19/20
1 USD =	€ 0,8529	€ 0,9127	€ 0,8565	€ 0,8999
1 GBP =	€ 1,1736	€ 1,1281	€ 1,1202	€ 1,1426
1 PLN =	€ 0,2150	€ 0,2198	€ 0,2223	€ 0,2324
1 BRL =	€ 0,1483	€ 0,1754	€ 0,1584	€ 0,2187
1 CZK =	€ 0,0383	€ 0,0366	€ 0,0376	€ 0,0390
1 CLP =	€ 0,0012	€ 0,0011	€ 0,0011	€ 0,0012

Goodwill

In conformity with IFRS 3 Business Combinations, goodwill is stated at cost and not amortised but tested for impairment on an annual basis and whenever there is an indication that the cash generating unit to which goodwill has been allocated may be impaired. The carrying amount of the goodwill is compared with the recoverable amount, which is the higher of the value-in-use and the fair value, less cost to sell.

Other intangible assets

A. Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the income statement as an expense as incurred. Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised if the product or process is technically and commercially feasible, future economic benefits are probable and the company has sufficient resources to complete development. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads. Other development expenditure is recognised in the income statement as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses.

B. Software and licences

Purchased software and licences are measured at cost less accumulated amortisation and impairments. Expenditure on internally developed software is capitalised when the expenditure qualifies as development activity; otherwise, it is recognised in the income statement when incurred. Software and licences are amortised using the straight-line method over their estimated useful life.

C. Customer relationships

The customer relationships acquired in a business combination are initially measured at fair value at the date of the acquisition. Fair value is determined based on an external valuation report. Following their initial recognition, customer relationships are carried at cost less any accumulated amortisation and impairment losses.

Item	Years	Method
Software and licences	3 - 7	Straight-line
Customer relationships	15 - 20	Straight-line
Other intangible assets	3 - 5	Straight-line

The carrying amount of intangible assets is reviewed at each reporting date to determine whether there is any indication of impairment. If there is any such indication, the asset's recoverable amount is estimated so that the amount of the impairment loss may be determined.

Property, plant & equipment

The Group has opted for the historical cost model rather than the revaluation model. Items falling within the property, plant and equipment category, separately acquired, are initially measured at cost. Property, plant and equipment acquired in a business combination is initially measured at fair value, which thus becomes its deemed cost. After initial recognition, property, plant and equipment is measured at cost less accumulated depreciation and impairment losses. The cost includes all direct costs and all expenditure incurred to bring the asset to its working condition and location for its intended use. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. Depreciation is provided over the estimated useful lives of the various classes of property, plant and equipment on a straight-line basis.

The useful life, residual value and depreciation methods are reviewed at least at each financial year-end.

Item	Years	Method
Owned buildings	18 - 40	Straight-line
Owned buildings - refurbishments	5 - 25	Straight-line
Leased buildings - structural refurbishments	18 - 40	Straight-line
Leased buildings - refurbishments	5 - 25	Straight-line
Land improvements	3 - 13	Straight-line
Plant, machinery and equipment	3 - 15	Straight-line
Vehicles	3 - 10	Straight-line

Government grants relating to the purchase of property, plant and equipment are deducted from the cost of those assets. They are recognised in the statement of financial position at their expected value at the time of initial government approval and corrected, if necessary, after final approval. The grant is amortised over the depreciation period of the underlying asset.

The carrying amount of property, plant and equipment is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated so that the amount of the impairment loss may be determined.

Accounting for leases as lessee

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group recognised a right-of-use asset and a corresponding lease liability with respect to all lease agreements, except for short- term leases (defined as a lease with a lease term less than 12 months) and leases of low-value assets. The lease payments of such leases are recognized as an operating expense on a straight-line basis over the term of the lease and payments are presented in cash flow from operating activities.

A. Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, including the period of renewable options, in case it is probably that the option will be exercised.

The right-of-use assets are also subject to impairment.

B. Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and purchase options if the Group is reasonably certain to exercise these options. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

A lease liability is remeasured upon a change in the lease term, changes in an index or rate used to determine the lease payments or reassessment of exercise of a purchase option. The corresponding adjustment is made to the related right- of-use asset.

Financial assets

The Group classifies its financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI), and fair value through profit or loss (FVTPL) Management determines the classification of its financial assets at initial recognition, which is based on two criteria: the objective of the company's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding (the 'SPPI criterion').

The classification and measurement of the company's financial assets is as follows:

A. Financial assets at amortised costs

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market and are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interests. The Group's financial assets at amortised costs, less any impairment comprise, unless stated otherwise, trade and other receivables, bills of exchange received, short-term deposits and cash and cash equivalents in the statement of financial position. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

An estimate of impairment losses for doubtful receivables is made based on a review of all outstanding amounts at the reporting date. An allowance for impairment of trade and other receivables is established if the collection of a receivable becomes doubtful. Such a receivable becomes doubtful when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the allowance is the difference between the asset's carrying amount and the present value of the estimated future cash flows. An impairment loss is recognised in the income statement, as are subsequent recoveries of previous impairments.

B. Financial assets at FVOCI

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis. Assets classified in this category are stated at fair value, with any resultant gains or losses recognised directly in equity with no recycling through profit or loss upon disposal. The Group elected not to apply FVOCI for equity instruments that do not have a quoted price in an active market and for which their fair value cannot be reliably measured by alternative valuation methods. In this case, the instrument is stated at cost.

C. Financial assets at fair value through profit or loss (FVTPL)

This category includes derivative instruments and equity investments held for trading or for which the Group had not irrevocably elected to classify them at FVOCI.

Inventories

Inventories are valued at the lower of cost and net realisable value. The cost includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. The FIFO (first-in, first-out) method is used in assigning the cost of inventories.

The cost of finished products and work in progress comprises raw material, other production material, direct labour, other direct costs and an allocation of fixed and variable overhead based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated completion and selling costs. In the case of contracted sales, the average contract price is used to calculate the net realisable value.

Inventories are written down on a case-by-case basis if the anticipated net realisable value declines below the carrying amount of the inventories. The calculation of the net realisable value takes into consideration specific characteristics of each inventory category, such as expiry date, remaining shelf life and slow-moving indicators.

Cash and cash equivalents

Cash and cash equivalents include all cash balances and short-term highly liquid investments with a maturity of three months or less from the date of acquisition that are readily convertible into cash. They are stated at face value, which approximates their fair value. In the cash flow statement, cash and cash equivalents are presented net of bank overdrafts.

Equity

A. Repurchase of share capital

When the Group buys back its own shares, the amount of the consideration paid, including directly attributable costs, is recognised as a deduction from equity under treasury shares. The result on the disposal of treasury shares sold or cancelled is recognised in retained earnings.

B. Dividends

Dividends are recognised in the consolidated financial statements on the date that the dividends are declared.

C. Share issuance costs

Incremental costs directly attributable to the issue of new shares or options are shown in equity (share capital) as a deduction, net of tax, from the proceeds.

Provisions

Provisions are recognised where (i) the company has a present legal or constructive obligation as a result of past events, (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and (iii) a reliable estimate of the amount of the obligation can be made. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A. Restructuring

A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring has either commenced or has been announced publicly. Costs relating to the ongoing activities of the company are not provided for.

B. Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived from a contract by the Group are lower than the unavoidable cost of meeting its obligations under the contract. Such provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

C. Disputes and litigations

A provision for disputes and litigations is recognised when it is more likely than not that the Group will be required to make future payments as a result of past events. Such items may include but are not limited to several claims, environmental matters, employment related disputes and claims from tax authorities.

D. Decommissioning

A provision for decommissioning is recognised when the Group has the obligation to decommission a building at the end of the lease agreement.

Employee benefits

A. Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the income statement when incurred. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a fund. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

B. Belgian defined contribution plans with guaranteed return

By law, defined contribution pension plans in Belgium are subject to minimum guaranteed rates of return and therefor classify as defined benefit plans. IASB and IFRIC acknowledge that accounting for these plans in accordance with IAS 19 can be problematic. Considering the uncertainty of the future minimum guaranteed rates of return in Belgium, the Group calculates the net liability as the sum of any individual differences between the mathematical reserves and the minimum guarantee as determined by the Belgian law enforcing the minimum guaranteed rates of return, being the intrinsic value approach.

C. Defined benefit plans

A defined benefit plan is a pension plan that is not a defined contribution plan. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

For defined benefit plans, the pension expenses are assessed separately for each plan using the projected unit credit method. The projected unit credit method considers each period of service as giving rise to an additional unit of benefit entitlement. Under this method, the cost of providing pensions is charged to the income statement so as to spread the regular cost over the service lives of employees in accordance with the advice of qualified actuaries who carry out a full valuation of the plans at least every three years. The amounts charged to the income statement include current service costs, net interest expense (income), past service costs and the effect of any curtailments or settlements. Past service costs are recognised at the earlier of when the amendment / curtailment occurs or when the Group recognises related restructuring or termination costs.

The pension obligations recognised in the statement of financial position are measured at the present value of the estimated future cash outflows using interest rates based on high quality corporate bond yields, which have terms to maturity approximating the terms of the related liability, less the fair value of any plan assets. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling (excluding net interest) and the return on plan assets (excluding net interest) are recognised in full in the period in which they occur in the statement of comprehensive income. Re-measurements are not reclassified to profit or loss in subsequent periods.

D. Other long-term employee benefits

Other long-term employee benefits, such as jubilee awards, are accounted for using the projected unit credit method. However, the accounting method differs from the method applied for defined benefit plans, as actuarial gains and losses are recognised immediately through profit or loss.

Interest-bearing loans

Interest-bearing loans are recognised initially at fair value, less attributable transaction costs. Subsequent to initial recognition, interest-bearing loans are stated at amortised cost with any difference between the initial amount and the maturity amount being recognised in the income statement (as interest expense) over the expected life of the instrument on an effective interest rate basis.

Loans are derecognized when the obligation is discharged, cancelled or expires. When an existing loan is replaced by another from the same lender on substantially different terms, or the terms of the existing loan are substantially modified, such an exchange or modification is treated as the derecognition of the original loan and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Derivatives, hedging and hedging reserves

The Group uses derivatives to hedge its exposure to foreign exchange and interest rate risks arising from operating, financing and investing activities. The net exposure of all subsidiaries is managed on a centralised basis by Corporate Treasury in accordance with the aims and principles laid down by general management. As a matter of policy, the Group does not engage in speculative or leveraged transactions.

Derivatives are initially and subsequently measured and carried at fair value. The fair value of traded derivatives is equal to their market value. If no market value is available, the fair value is calculated using standard financial valuation models, based on the relevant market rates at the reporting date.

The Group applies hedge accounting in accordance with IFRS 9 to reduce income statement volatility. Depending on the nature of the hedged risk, a distinction is made between fair value hedges, cash flow hedges and hedges of a net investment in a foreign entity.

Fair value hedges are hedges of the exposure to variability in the fair value of recognised assets and liabilities. The derivatives classified as fair value hedges are carried at fair value and the related hedged items (assets or liabilities) are re- measured for fair value changes due to the hedged risk. The corresponding changes in fair value are recognised in the income statement. When a hedge ceases to be highly effective, hedge accounting is discontinued and the adjustment to the carrying amount of a hedged interest-bearing financial instrument is recognised as income or expense and will be fully amortised over the remaining period to maturity of the hedged item.

Cash flow hedges are hedges of the exposure to variability in future cash flows related to recognised assets or liabilities, highly probable forecast transactions or currency risk on unrecognised firm commitments. Changes in the fair value of a hedging instrument that qualifies as a highly effective cash flow hedge are recognised directly in shareholders' equity. The ineffective portion is recognised immediately in the income statement. If the hedged cash flow results in the recognition of a non-financial asset or liability, all gains and losses previously recognised directly in equity are transferred from equity and included in the initial measurement of the cost or carrying amount of the asset or liability. For all other cash flow hedges, gains and losses initially recognised in equity are transferred from the hedging reserve to the income statement when the hedged firm commitment or forecast transaction results in the recognition of a profit or loss. When the hedge ceases to be highly effective, hedge accounting is discontinued prospectively, and the accumulated gain or loss is retained in equity until the committed or forecast transaction occurs. If the forecast transaction is no longer expected to occur, any net cumulative gain or loss previously reported in equity is transferred to the income statement.

If a net investment in a foreign entity is hedged, all gains or losses on the effective portion of the hedging instrument, together with any gains or losses on the foreign currency translation of the hedged investment, are taken directly to equity. Any gains or losses on the ineffective portion are recognised immediately in the income statement. The cumulative re- measurement gains and losses on the hedging instrument, that had previously been recognised directly in equity, and the gains and losses on the currency translation of the hedged item are recognised in the income statement only on disposal of the investment.

To comply with the requirements of IFRS 9 regarding the use of hedge accounting, the strategy and purpose of the hedge, the relationship between the financial instrument used as the hedging instrument and the hedged item, and the estimated (prospective) effectiveness are documented by the Group at the inception of the hedge. The effectiveness of existing hedges is monitored quarterly. Hedge accounting for ineffective hedges is discontinued immediately.

The Group also uses derivatives that do not satisfy the hedge accounting criteria of IFRS 9 but provide effective economic hedges under the Group's risk management policies. Changes in the fair value of any such derivatives are recognised immediately in the income statement.

Income tax

Income tax comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case the tax effect is also recognised directly in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantively enacted, at the reporting date, and any adjustments to tax payables in respect of previous years. In accordance with IAS 12 Income Taxes, deferred taxes are provided using the so-called comprehensive balance sheet method. This means that, for all taxable and deductible differences between the tax bases of assets and liabilities and their carrying amounts in the statement of financial position a deferred tax liability or asset is recognised. Under this method a provision for deferred taxes is also made for differences between the fair values of assets and liabilities acquired in a business combination and their tax base. IAS 12 prescribes that no deferred taxes are recognised on i) the initial recognition of goodwill, ii)the initial recognition of assets or liabilities in a transaction that is not a business combination and affects neither accounting nor taxable profit and iii) differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future and to the extent that the company is able to control the timing of the reversal. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using currently or substantively enacted tax rates.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

The Group recognises deferred tax assets, including assets arising from losses carried forward, to the extent that future probable taxable profit will be available against which the deferred tax asset can be utilised, or the extent of the recognised deferred tax liability. A deferred tax asset is reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Tax claims are recorded within provisions on the statement of financial position.

Revenue

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the Group and the amount of revenue can be measured reliably.

Revenue is measured at the fair value of the consideration received or receivable.

Fresh operates using three different business models:
- Trading model: Fresh generates revenues through programmed sourcing or spot buying transactions, whereby the margin is determined based on the purchase pricing structure of the respective transaction, i.e. a sales-based purchase price (majority), a fixed price, a minimum guaranteed price or an agreed price range.
- Production model: Fresh generates revenues from own-produced fresh convenience and flowers.
- Service model: Fresh operates some or all of the fresh supply chain of some of its customers, with the added-value services remunerated on a cost-plus basis. For the sale of goods where added-value services, such as ripening or packing, are

provided, Fresh is the primary entity responsible for fulfilling the promise to provide the goods to the customer. Some Fresh entities also enter into specific logistics agreements with customers whereby a fixed price per serviced item is agreed.

For all transactions, except some logistical services, the Group acts as a principal since the main risks related to the purchase and sale of goods are borne by the Group. For the sale of goods for which added-value services, such as ripening or packing, have been delivered, the Group is the primary entity responsible for fulfilling the promise to provide the goods to the customer. The Group checks the quality of purchased goods and bears the inventory risk and the added-value services are not all in response to customer requests. As a consequence, the gross inflows received from the customers are recognised as revenue.

For all operating models, the revenue is recognised when performance obligations are satisfied by transferring control of the goods or services to the customer. Recognition of revenue typically takes place at a point-in-time upon delivery of the goods to the customer in accordance with the incoterm. At the time of delivery, risk and rewards are transferred, Greenyard has a right to payment and the customer has taken physical possession of the goods. Customer acceptance occurs in a very short period (maximum three days) after the goods are delivered to the customer's premises. In the case of service contracts, revenue is recognised over time to the extent that the performance obligation has been satisfied, which in practice is a very short period of time for all services, such as transport, provided by Fresh.

The sale of frozen and prepared fruit and vegetables is mainly based on contractually agreed prices, while the volumes sold are mostly order-based. Fresh vegetable supplies are mainly subject to annual contracts negotiated with the suppliers, determining volumes and prices, whereas the supply of fresh fruit is mainly negotiated on an order by order basis, each of which determines volumes and prices.

In general, the goods and added value services are invoiced as they are delivered or carried out. The amounts are directly recognised in the income statement and do not require the measurement of the stage of completion.

Government grants are recognised where there is a reasonable assurance that the Group will comply with the conditions attached to the grants and the grants will be received. Grants compensating the Group for expenses incurred are systematically recognised as other operating income in the same period in which the expenses are incurred.

Rental income is recognised in other operating income on a straight-line basis over the term of the lease.

Finance result

Interest income comprises interest received or receivables on funds invested and is recognised as it accrues (taking into account the effective yield on the asset) unless collectability is in doubt.

Interest expense comprises interests on interest-bearing loans, calculated using the effective interest rate method, factoring interests and net interests on interest rate swaps settlements. All interest expenses incurred in connection with interest-bearing loans or financial transactions are expensed as incurred as part of interest expense. Any difference between the initial amount and the maturity amount of interest-bearing loans, such as transaction costs and fair value adjustments, are recognised in the income statement over the expected life of the instrument on an effective interest rate basis. The interest expense component of financial lease payments is also recognised in the income statement using the effective interest rate method.

Other finance result comprises dividend income, net gains or losses in the areas of foreign exchange and arising from interest rate swaps that are not part of a hedge accounting relationship, financial assets classified as trading, net fair value on the conversion option, as well as losses resulting from ineffective hedges.

Events after balance sheet date

Events after the balance sheet date which provide additional information about the Group's position as at the reporting date (adjusting events) are reflected in the financial statements. Events after the balance sheet date which are not adjusting events are disclosed in the notes, if material.

3. Critical accounting judgements and key sources of estimation uncertainty

3.1. Critical judgments in applying the entity's accounting policies

The following are the critical judgments made by management, apart from those involving estimations (see note 3.2. *Key sources of estimation uncertainty*), that have a significant effect on the amounts reported in the consolidated financial statements.

- The obligations related to the Belgian defined contribution plans are measured based on the intrinsic value approach since a calculation in accordance with IAS 19 is not feasible (see note 6.14. *Pension and other employee benefit liabilities*);
- The convertible bond is a hybrid debt instrument which contains a host contract and an embedded derivative. Based on IFRS 9, paragraph 4.3.1. the Group separated the embedded derivative from the host contract and did not opt for the "fair value option".
- Following the waiver of the Cash Alternative Election in November 2017, the conversion option was reclassified from the financial derivatives to equity-based following IFRS 9. The Group considers that the conversion option meets the "fixed- for-fixed" criterion in IAS 32.16 and is therefore classified within equity and was, as of November 2017 onwards, no longer remeasured at fair value through profit and loss (see note 6.16. *Interest-bearing loans*).

3.2. Key sources of estimation uncertainty

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in any future years affected.

In applying the Group's accounting policies described above, the Directors have identified that the following areas are the key estimates that have a significant risk of resulting in a material adjustment to the carrying value of assets and liabilities within the next financial year:

- The Group determines whether goodwill is impaired at least once a year. This requires an estimate of the value in use of the CGUs to which the goodwill is allocated. To estimate the value in use, the Group estimates the expected future cash flows from the CGUs and discounts them to their present value at a given discount rate, which is appropriate for the territory to which the goodwill is allocated. Forecasting expected cash flows and selecting an appropriate discount rate inherently requires estimation. The resulting calculation is sensitive to the assumptions in respect of sales growth rate, adjusted EBITDA growth rate and the discount rate applied. A sensitivity analysis has been performed on the estimates (see note 6.2. *Goodwill*). The Directors consider that the assumptions made represent their best estimate of the future cash flows generated by the CGUs, and that the discount rate used is appropriate given the risks associated with the specific cash flows involved. Budgets comprise forecasts based on current and anticipated market conditions that have been considered and approved by the Board of Directors. Although based on the sensitivity analysis performed, there is no impairment charge to goodwill of the Fresh segment, it is considered appropriate to disclose this as an area of significant estimation due to the size of the balance and the fact that it could change as a result of future events within the next five years.
- Current tax provisioning: In determining the income tax assets and liabilities recognised in the consolidated statement of the financial position, the Group is required to estimate the outcome of multiple tax years remaining open to tax authority audit in each of the jurisdictions in which it has companies. In making estimates for tax provisioning purposes, management makes use of in-house tax expertise, third-party studies prepared by professional advisors and any other information available. In the event of an audit, the Group may liaise with the relevant taxation authorities to agree an outcome. The tax liability provided for each tax year and jurisdiction is reassessed in each period to reflect our best estimate of the probable outcome

in light of all the information available. A final position agreed with a tax authority or through expiry of a tax audit period could differ from the estimates made by us which would impact the current tax liability recognised in the consolidated statement of financial position. Several tax audit discussions are ongoing in different countries and entities. Should a tax audit commence, this would give additional visibility over maximum potential exposures as the tax authorities' own position becomes clearer. Such developments would then further inform our best estimate in line with the approach above. Conversely, should tax audit windows close without audits commencing, this would enable tax provisions to be released.

- Deferred tax assessment: Deferred taxes are recognised in respect of temporary differences between the tax treatment and the treatment within the financial statements for assets and liabilities. Deferred tax assets are only recognised to the extent they are expected to be recovered. Recoverability is assessed on an ongoing basis. Deferred tax is calculated at the substantively enacted rate which is expected to apply in the period the asset or liability is expected to be realised. The Corporate Tax team, which has the overview of the Group's deferred tax positions, is involved in assessing deferred tax assets. Deferred tax assets for tax losses carried forward are based on five-year revenue forecasts. The Group has taken into account advice provided by internal as well as external experts to determine the deferred tax asset positions relating to the tax losses carried forward. Deferred tax assets relating to tax losses carried forward, unused tax credits and temporary differences are recognised only to the extent that it is probable that sufficient taxable profit will exist in the foreseeable future. In estimating this, the Group takes into account aspects such as tax laws, regulations budgets and long-term business strategies (disregarding potential tax planning opportunities). Further details are provided in note 5.6. *Income tax expense/income* and note 6.7. *Deferred tax assets and liabilities*. There is also estimation involved for those potential tax assets that remain unrecognised. The nature and amounts of unrecognised potential tax assets are disclosed in note 6.7. *Deferred tax assets and liabilities*. Although the Group does not believe that there is significant risk of a material adjustment to deferred tax assets within the next financial year, there is significant uncertainty at each year end and therefore the Group's overall tax position could change within the next 12 months. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.
- Employee benefit obligations: the determination of the defined benefit obligations is based on actuarial assumptions such as discount rate, salary increases, inflation and average duration of plans which are detailed in note 6.14. *Pension and other employee benefit liabilities*. These assumptions are considered to be a key source of estimation uncertainty as relatively small changes in the assumptions used may have a significant effect on the Group's financial statements within the next year. Further information on the carrying amounts of the Group's defined benefit obligation and the sensitivity of those amounts to changes in discount rate are provided in note 6.14. *Pension and other employee benefit liabilities*.
- Leases: Determining the lease term requires judgement. Elements that are considered include assessing the probability that early termination option or extension options will be exercised. All facts and circumstances relevant to the assessment are considered.
- COVID-19 pandemic: In case the COVID-19 pandemic would have long lasting consequences to our business or stakeholders, it could impact cash flow projections on which impairment testing was based. However, as explained in the section Position of the company: risks and uncertainties, being mainly active in retail which has proved to be thriving by the increased 'at home' fresh and long fresh F&V consumption. Moreover, the ongoing roll-out of the vaccination program is expected to be fully implemented in the course of the summer and seems to give an effective protection against severe COVID-19 illness. Therefore, we believe based on our today knowledge that our cash flow projections are on one hand sufficiently COVID-proof and on the other hand the COVID-risk is fading away. We have also assessed our exposure to receivable collections in food service, since a major part of this food service has been locked down over a long period. We have been monitoring these receivables diligently over the last year and can confirm that payments have been received as agreed (although sometimes with some delay) and no significant impairments had to be taken. We have no signals at this moment of Greenyard customers that experience financial difficulties with a potential impact on the AY 20/21 results. Moreover, in the beginning of June in most countries catering activities are gradually restarting.
- Start-up of Fresh Solutions: In Germany we have set up a separate dedicated structure to exclusively serve the REWE partnership. This entails a new organisation, new processes and a new information system. Latter will be rolled out to other Fresh countries/entities in the coming years. Due to the start-up of Fresh Solutions and engaging into a new information system (as a pilot project), there are transitional inefficiencies in administration and finance. Mainly due to a backlog in settling purchase orders to growers, we relied on (more than common practice) estimates in the financial statements i.e. a significant part of the cost of goods sold in relation to the last quarter is based on accruals as estimated by the commercial team instead of actual incoming invoices.

4. Segment information

For management purposes, the Group is organised into two operating segments based on the Group's activities.

The Fresh segment is a worldwide market leader and supplier of fresh fruit and vegetables, flowers and plants, and fresh produce logistics. Segment Long Fresh includes the Frozen and Prepared activities. Frozen is a pioneer and market leader that processes freshly harvested fruits and vegetables into frozen food products that are easy to store and take little or no time to prepare. Prepared is a global player in freshly preserved fruit, vegetables, mushrooms and other ambient food products that are easy to store and ready to eat.

An overview of the companies included in the different segments is provided in note 7.1. *Subsidiaries, associates, joint ventures and investments recorded at cost.*

Management assesses segment performance and allocates resources based on adjusted EBITDA and sales. Note that we presented an adjusted EBITDA pre-IFRS 16 as well as post-IFRS 16, in transition to a full post-IFRS 16 EBITDA segment reporting in 21/22.

The segment's assets are assets belonging directly to it. Segment assets and segment sales are presented before elimination of intersegment transactions. Sales between segments are on an arm's length basis in a manner similar to transactions with third parties.

Segment information AY 20/21	Continuing operations				
	Fresh	Long Fresh	Eliminations [1]	Unallocated [2]	Consolidated
	€'000	€'000	€'000	€'000	€'000
Sales	**3 593 362**	**823 892**	**-1 027**	**-**	**4 416 227**
Third party sales	3 592 680	823 547	-	-	4 416 227
Intersegment sales	682	346	-1 027	-	-
Adjusted EBITDA (post-IFRS 16)	**95 064**	**62 562**	**-**	**-706**	**156 919**
IFRS 16 impact	-35 423	-4 573	-	-371	-40 367
Adjusted EBITDA	**59 641**	**57 989**	**-**	**-1 077**	**116 552**
Total assets at 31 March 2021	**1 279 702**	**571 153**	**-31 039**	**122 316**	**1 942 133**

Segment information AY 19/20	Continuing operations				
	Fresh	Long Fresh	Eliminations [1]	Unallocated [2]	Consolidated
	€'000	€'000	€'000	€'000	€'000
Sales	**3 264 386**	**797 976**	**-1 370**	**-**	**4 060 992**
Third party sales	3 263 356	797 636	-	-	4 060 992
Intersegment sales	1 030	340	-1 370	-	-
Adjusted EBITDA (post-IFRS 16)	**76 303**	**58 389**	**-**	**-1 250**	**133 442**
IFRS 16 impact	-32 902	-4 470	-	-369	-37 741
Adjusted EBITDA	**43 401**	**53 919**	**-**	**-1 619**	**95 701**
Total assets at 31 March 2020	**1 276 383**	**548 064**	**-57 094**	**197 571**	**1 964 923**

(1) Long-term intersegment receivables and intersegment participations are not included in the segment assets and therefore not included in the eliminations.

(2) Unallocated adjusted EBITDA includes adjusted EBITDA allocated to corporate. Unallocated assets include derivative financial instruments, cash and cash equivalents and other assets allocated to corporate.

We refer to the section *Key Financial Information* for the reconciliation from EBIT to adjusted EBITDA.

4.1. Information about major customers

The segments have built an elaborated and diversified client portfolio, both in type of clients and geographical spread.

Sales to the three major customers increased and amounted to 53,0% of total sales in AY 20/21 (AY 19/20 48,4%). Besides the top two customers, no other individual customers represent more than 10% of total sales (for current and previous accounting year). Sales to the ten major customers amount to 72,9% of total sales in AY 20/21 (AY 19/20 66,9%).

4.2. Geographical information

The Group sells its products in more than 100 countries across the world. The table below gives an overview of sales by customer location.

Sales	AY 20/21	AY 19/20
Germany	27,9%	26,9%
The Netherlands	27,6%	25,9%
Belgium	14,7%	12,7%
The United Kingdom	6,6%	7,9%
France	4,3%	4,8%
Other - Europe	13,6%	16,3%
Other - non-Europe	5,3%	5,5%
TOTAL	**100%**	**100%**

The table below shows the geographical spread of non-current assets. Non-current assets as shown below do not include goodwill, other financial assets and deferred tax assets.

Geographical spread of non-current assets	31 March 2021 €'000	31 March 2020 €'000
Belgium	243 760	259 617
The Netherlands	173 567	151 799
The United Kingdom	72 599	68 895
Germany	91 231	99 328
Poland	60 053	58 302
France	60 310	61 441
Other	58 053	72 349
TOTAL	**759 572**	**771 730**

5. Notes to the consolidated income statement

5.1. Sales

Sales fully relate to contracts with customers and can be disaggregated based on the type of goods and services delivered, being sales related to fresh, frozen and prepared goods. The sales of both frozen and prepared goods are allocated to the Long Fresh segment.

Fresh sales comprise the sale of high-quality top, tropical, citrus and stone fruit, vegetables, salads, fresh-cut flower products and related services.

Frozen sales are based on the processing of freshly-harvested vegetables and fruits into frozen food products that are easy to store, conserve and consume. Greenyard offers a wide range of innovative and high-quality frozen vegetables, fruits, vegetable mixes, convenience products and herbs.

Prepared sales comprise the sale of freshly-preserved fruit, vegetables and other ambient food products that are easy to store and ready to eat. Greenyard offers customers an extensive product portfolio, from classic preserved products in cans or jars to ready-made soups, sauces, dips and pasta dishes in a variety of packaging.

Sales	AY 20/21 €'000	AY 19/20 €'000
Fresh	**3 592 680**	**3 263 356**
Frozen	494 932	465 190
Prepared	328 615	332 446
Long Fresh	**823 547**	**797 636**
TOTAL	**4 416 227**	**4 060 992**

The performance obligations relating to the sales are satisfied at a point in time determined by the incoterms. For sales of fresh goods, the performance obligation is predominantly satisfied at the moment the customer accepts the goods at its premises. For frozen and prepared sales, the incoterms vary from 'ex-work' to 'delivered duty paid'. In the event of quality issues, the goods are not accepted or can be returned.

5.2. Operating expenses

Operating expenses	**AY 20/21 €'000**	**AY 19/20 €'000**
Cost of goods	3 160 332	2 855 137
Transport	276 465	292 518
Packing, warehousing and farming	354 412	342 966
Personnel and temporary workforce costs	280 872	269 299
Other	46 869	53 401
Cost of sales (*)	**4 118 950**	**3 813 320**
Impairment goodwill	-	-
Impairment property, plant & equipment	**1 413**	**7 566**
Rentals	63	685
Maintenance and repair	3 633	3 845
Personnel expenses	149 387	137 073
Utilities	3 469	2 595
Travel and representation	3 353	6 730
Office expenses	2 807	2 988
Fees	20 454	19 247
Insurance	3 595	3 066
Information and communication technology	11 909	12 361
Depreciation	36 408	33 319
Quality	290	351
Indirect tax	5 759	4 745
Other	14 912	14 894
Selling, marketing and distribution & general and administrative expenses	**256 039**	**241 899**
TOTAL	**4 376 402**	**4 062 785**

(*) Contain personnel expenses, depreciation and other direct operating expenses.

Depreciation and amortisation expenses included in the cost of sales amount to € 61,2m (AY 19/20 € 62,6m) of which € 23,9m is related to right-of-use assets. The depreciation expenses in selling, marketing and distribution and general and administrative expenses amount to € 36,4m (AY 19/20 € 33,3m) of which € 10,5m is related to right-of-use assets. On the contrary to the depreciations and amortisations, IFRS 16 had a positive impact on the rent expenses for an amount of € 40,2m (AY 19/20 € 37,8m).

Impairment property, plant & equipment in AY 20/21 and AY 19/20 entirely relates to the impairment on Greenyard Prepared Netherlands to bring the equipment to its fair value. The increase in personnel expenses is explained in note 5.3. *Personnel expenses*.

5.3. Personnel expenses

Personnel expenses	AY 20/21 €'000	AY 19/20 €'000
Wages and salaries	245 931	238 262
Social security costs	43 663	44 004
Pension costs - defined benefit plans	(574)	1 139
Pension costs - defined contribution plans	5 086	5 159
Termination benefits	372	176
Temporary workforce	115 776	102 580
Other employee benefit expenses	20 005	15 052
TOTAL	**430 259**	**406 372**
Included within cost of sales	**280 872**	**269 299**
Included within selling, marketing and distribution & general and administrative expenses	**149 387**	**137 073**

The total number of full-time equivalents (FTEs) as of 31 March 2021 amounted to 9 279 (including temporary staff), compared to 8 800 as of 31 March 2020. This increase is mainly related to the increased activity following the successful and expanding partnerships. The average number of FTEs during AY 20/21 amounted to 9 031, which is an increase of 131 FTE compared to AY 19/20.

5.4. Other operating income/expense

Other operating income/expenses (-)	AY 20/21 €'000	AY 19/20 €'000
Income from rentals	1 994	1 585
Indemnities recovery	440	12 924
Grants	1 111	456
Sale of waste	1 152	933
Recharge costs	1 530	2 501
Gain/loss (-) on disposal of property, plant & equipment	1 066	3 733
Result on change in control of equity accounted investments	-115	-1 375
Result on sale of subsidiaries	2 889	-22 538
Other	1 085	901
TOTAL	**11 153**	**-880**

The most significant fluctuations in other operating income/expense between AY 20/21 and AY 19/20 relates to the indemnities recovery and the result in sale of subsidiaries. The indemnities recovery in AY 19/20 mainly related to the insurance proceeds for the fire in the Fresh UK entity (€ 8,8m) while the result on sale of subsidiaries concerned the sale of Greenyard Flowers UK. The result on sale of subsidiaries in AY 20/21 relates to the sale of Logistics Portugal which resulted in a gain of € 3,0m.

5.5. Net finance income/cost

Net finance income/cost (-)	AY 20/21 €'000	AY 19/20 €'000
Interest expense - retail bond	-	-1 952
Interest expense - convertible bond	-4 688	-4 700
Interest expense - bank borrowings	-17 312	-23 175
Amortisation transaction costs - retail bond	-	-23
Amortisation transaction costs - convertible bond	-599	-565
Amortisation conversion option	-2 605	-2 458
Amortisation transaction costs - term loan / revolving credit facility	-1 829	-1 061
Interest expense - factoring	-5 662	-6 153
Interest expense - IRS	-34	-432
Interest expense - Leasing	-9 638	-10 762
Other	-212	-580
Interest expense	**-42 579**	**-51 861**
Interest income	260	289
Interest income	**260**	**289**
Foreign exchange gains/losses (-)	-1 643	-3 052
Bank and other financial income/cost (-)	-3 202	-6 185
Other finance result	**-4 845**	**-9 237**
TOTAL	**-47 164**	**-60 808**

No interest on the retail bond was incurred in AY 20/21 as the retail bond was repaid in July 2019, at maturity date. The convertible bond will be repaid at maturity date in December 2021.

Interest expenses on bank borrowings have decreased due to the lower interest rates following the declining leverage ratio. Note that as by the end of the financial year AY 20/21 Greenyard successfully refinanced through an amendment and restatement of its 2016 Facilities Agreement. We refer to note 6.16. Interest-bearing loans for further detail on the refinancing. Note that the interest expenses on leasing almost entirely relate to the application of IFRS 16.

The bank and other financial costs in AY 20/21 mainly relate to write-offs of financial assets for an amount of € 1,9m (€ 1,8m in AY 19/20). A non-recurring item in relation to waiver agreements of € 1,9m was also included in AY 19/20.

5.6. Income tax expense/income

Income tax expense (-)/income	**AY 20/21 €'000**	**AY 19/20 €'000**
Current tax on profits for the year	-13 103	-9 755
Adjustments in respect of prior years	-787	428
Current tax	**-13 891**	**-9 328**
Origination and reversal of temporary differences	9 349	5 745
Deferred tax assets on tax losses and forfeited losses	1 422	-1 015
Deferred tax	**10 771**	**4 731**
TOTAL	**-3 119**	**-4 597**

Effective tax rate reconciliation	**AY 20/21 €'000**	**AY 19/20 €'000**
Result before taxes (profit/loss (-))	**4 321**	**-63 384**
Theoretical tax rate	25,00%	29,58%
Tax calculated at statutory Belgian tax rate applicable to profits	-1 080	18 749
Tax effects of:		
Effect of different tax rates in other countries	2 026	-2 682
Income not subject to income tax	330	895
Non-deductible items	-7 222	-17 006
Non-recognised deferred tax assets on tax losses and forfeited losses	-4 957	-11 450
Recognition of deferred tax assets not previously recognised	4 207	-
Use of deferred tax assets not previously recognised	1 074	1 049
Adjustments in respect of prior years	-380	775
Nominal tax rate changes	-57	5 249
Other	2 940	-176
Effective income tax expense (-)/ income	**-3 119**	**-4 597**
Effective tax rate	**72,19%**	**-7,25%**

For a detailed discussion please refer to note 6.7. *Deferred tax assets and liabilities*.

Income tax for AY 20/21 amounts to € 3,1m (AY 19/20 €4,6m). This implies a consolidated effective tax rate of 72,19% (AY 19/20 -7,25%). The effective tax rate for AY 19/20 was highly impacted by non-recognition of deferred tax assets on tax losses, the loss on the sale of subsidiaries and the adjustments in the rates used to calculate deferred taxes resulting from the evolution in local tax rates.

The effective tax rate for AY 20/21 was positively impacted by the recognition and use of deferred tax assets which were previously not recognised. The current tax accruals result from the improved/increased profit before tax positions of several legal entities within the Group thus increasing the effective tax rate significantly. In addition, tax losses have been fully utilised by a number of legal entities in several jurisdictions for which no deferred tax assets on losses had been recognised previously. IFRS 16 also had a € 1,0m impact on the tax position.

5.7. Earnings per share

AY 20/21	Basic	Diluted
Weighted average number of ordinary shares	43 067 279	43 067 279
Dilution effect of share based compensation		331 203
Dilution effect of convertible bond (issued in December 2016)	-	-
Total	**43 067 279**	**43 398 482**
Profit/loss (-) attributable to the shareholders of the Group (in €'000):		
Continuing operations	536	536
Discontinued operations	-	
Earnings per share (in € per share)	**0,01**	**0,01**

AY 19/20	Basic	Diluted
Weighted average number of ordinary shares	43 008 731	43 008 731
Dilution effect of share based compensation		-
Dilution effect of convertible bond (issued in December 2016)	-	-
Total	**43 008 731**	**43 008 731**
Profit/loss (-) attributable to the shareholders of the Group (in €'000):		
Continuing operations	-68 533	-68 533
Discontinued operations	-	
Earnings per share (in € per share)	**-1,59**	**-1,59**

Earnings per share (EPS) is the amount of post-tax profit attributable to each share. Basic EPS is calculated as the result *for the period attributable* to the shareholders of the Group divided by the weighted average number of shares outstanding during the year. The weighted average number of shares outstanding is calculated taking into account the treasury shares acquired as part of a buyback programme (1 363 854 as per 31 March 2021). Diluted EPS reflects any commitments the Group has made to issue shares in the future. These comprise of (i) the convertible bond issued in December 2016 and (ii) potential share based awards (see note 6.13. *Share based compensation*):

- The convertible bond tends to affect both the denominator and the numerator of the EPS ratio. The dilution effect of the convertible bond on the earnings (to be used in the numerator of the EPS ratio) consists of a reversal of all income and expenses directly related to the convertible bond and having affected the 'basic' earnings for the period. The following income statement items are affected by the convertible bond: (i) the effective interest expense (€ 4,7m); (ii) the amortisation of transaction costs and embedded conversion option component (€ 3,2m) and (iii) taxes (€ - 2,0m).
- Dilutive share based awards affect the denominator and represent the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The convertible bond is anti-dilutive in AY 20/21, since it causes the calculated diluted EPS ratio to improve. To calculate the impact, it is assumed that all conversion options of the convertible bond are exercised in their entirety at the beginning of the period. The number of shares to be converted has been set at 7.171.543.

6. Notes to the consolidated statement of financial position

6.1. Property, plant & equipment

Property, plant & equipment AY 20/21	Land and buildings €'000	Plant, machinery and equipment €'000	Furniture and vehicles €'000	Assets under construction €'000	TOTAL €'000
ACQUISITION VALUE					
Balance at 31 March 2020	**279 704**	**579 713**	**56 268**	**16 387**	**932 072**
Additions	2 602	14 640	8 427	25 408	51 077
Sales and disposals	-308	-3 131	-810	-412	-4 661
Change in scope: disposal of subsidiaries	-1 299	-1 649	-1 898	-	-4 845
Transfer from one heading to another	3 519	13 208	760	-17 576	-89
Translation differences	882	1 614	40	99	2 635
Balance at 31 March 2021	**285 100**	**604 395**	**62 787**	**23 907**	**976 189**
DEPRECIATION AND IMPAIRMENT LOSSES					
Balance at 31 March 2020	**149 115**	**411 684**	**48 087**	**7**	**608 893**
Depreciation	9 615	28 832	4 015	-	42 462
Impairment losses	-	1 413	-	-	1 413
Reversals after sales and disposals	-212	-3 131	-730	10	-4 062
Change in scope: disposal of subsidiaries	-288	-979	-1 007	-	-2 274
Transfer from one heading to another	-2 134	2 131	-196	-	-198
Translation differences	311	838	67	-	1 216
Balance at 31 March 2021	**156 407**	**440 790**	**50 238**	**17**	**647 452**
Net carrying amount at 31 March 2021	**128 694**	**163 605**	**12 550**	**23 890**	**328 738**

Property, plant & equipment AY 19/20	Land and buildings €'000	Plant, machinery and equipment €'000	Furniture and vehicles €'000	Assets under construction €'000	TOTAL €'000
ACQUISITION VALUE					
Balance at 31 March 2019	**293 977**	**575 374**	**56 015**	**6 572**	**931 938**
Additions	6 011	8 226	2 397	16 664	33 298
Change in scope: business combinations	4 946	3 473	173	-	8 592
Sales and disposals	-16 108	-6 632	-1 694	-177	-24 612
Change in scope: disposal of subsidiaries	-6 391	-3 855	-186	-4	-10 436
Transfer from one heading to another	-271	6 484	-115	-6 522	-424
Translation differences	-2 460	-3 357	-321	-147	-6 285
Balance at 31 March 2020	**279 704**	**579 713**	**56 268**	**16 387**	**932 072**
DEPRECIATION AND IMPAIRMENT LOSSES					
Balance at 31 March 2019	**153 907**	**380 949**	**46 504**	**7**	**581 367**
Depreciation	9 856	32 520	3 307	-	45 683
Impairment losses	-	7 566	0	-	7 566
Change in scope: business combinations	785	720	89	-	1 594
Reversals after sales and disposals	-12 920	-6 530	-1 277	-	-20 726
Change in scope: disposal of subsidiaries	-1 083	-2 378	-105	-	-3 566
Transfer from one heading to another	-848	779	-170	-	-239
Translation differences	-582	-1 943	-262	-	-2 787
Balance at 31 March 2020	**149 115**	**411 684**	**48 087**	**7**	**608 893**
Net carrying amount at 31 March 2020	**130 589**	**168 029**	**8 181**	**16 381**	**323 179**

Property, plant & equipment increased by € 5,6m during AY 20/21, which is the combined effect of € 51,1m additions, offset by (i) € 42,5m depreciation, (ii) € 2,6m decrease related to the sale of Greenyard Logistics Portugal, (iii) € 1,4m increase from foreign exchange rate fluctuations and (iv) the additional impairment in Greenyard Prepared Netherlands ad € 1,4m to bring the equipment to its fair value.

The additions in AY 20/21 mainly relate to (i) capex in the new distribution center and warehouse in the Fresh segment in the Netherlands as well as a new citrus packaging line and (iii) new packaging facilities in the Frozen division.

Also note that Greenyard has invested in the installation of a new engine room in the Comines factory (Frozen segment) for which the cost amounts to € 9,0m. On the other hand, Greenyard received a grant from the supplier for the same amount. In alignment with IAS 20 and the Greenyard accounting policy, this grant was deducted from the investment.

6.2. Goodwill

Goodwill	31 March 2021 €'000	31 March 2020 €'000
ACQUISITION VALUE		
Balance at the end of the preceding period	**556 410**	**556 157**
Change in scope: business combinations (note 7.1.)	4	253
Balance at the end of the period	**556 414**	**556 410**
IMPAIRMENT LOSSES		
Balance at the end of the preceding period	**78 910**	**78 910**
Impairment losses	-	-
Balance at the end of the period	**78 910**	**78 910**
Net carrying amount at the end of the period	**477 504**	**477 500**

The Group tests the goodwill for impairment annually and where there are indications that the value of goodwill has decreased. The Group's impairment test for goodwill is based on value-in-use calculations which are, in turn, based on a discounted cash flow model.

In AY 18/19, the goodwill related to the Long Fresh segment of € 78,9m was fully impaired and thus the remaining goodwill of € 477,5m relates to the Fresh segment.

At 31 March 2021, the Group performed its annual impairment test for the Fresh segment. The recoverable amount has been determined based on a value-in-use calculation of cash flow projections from the financial budget of AY 21/22 and long-range plan for the subsequent financial periods until AY 25/26 (together referred to as 'LRP'), in conjunction with a perpetuity of cash flows to determine terminal value.

The LRP takes into account a margin improvement resulting in an expected average yearly Adjusted EBITDA margin of 2,0% (which is an increase from 1,8% to 2,2% over the period AY 20/22 - AY 25/26) and an average sales growth of 2,3% (over the period AY 21/22 - AY 25/26) following an exceptional growth of 10,1% in Fresh sales in AY 20/21. The value in use is based on cash flow forecasts over a period of five years, in conjunction with a perpetuity of cash flows as of then with a growth rate of 1,0%. Cash flows are discounted at an after-tax discount rate of 6,8% which was benchmarked with the weighted average cost of capital (WACC) provided by the analysts. The results of this test have shown that the value in use exceeds the carrying value of the cash flow generating unit (the 'headroom') by € 303,6m.

The major sensitivities for the impairment tests are the sales growth rate, the Adjusted EBITDA growth rate and the discount rate. This headroom would reduce to zero (keeping other key parameters constant) if the yearly sales growth rates applied in calculating the value in use were to fall by 302 base points (to an average yearly sales growth of -0,7% and a perpetual sales growth rate of -2,0%), or the yearly Adjusted EBITDA growth rates were to fall by 622 base points (reducing the average yearly Adjusted EBITDA margin to 1,7%) or if the after-tax discount rate was to rise by 357 base points (or a rate of 10,4%) in all periods until AY 25/26 and thereafter. Based on the above assumptions the Group has concluded that no impairment losses need to be recorded at 31 March 2021 on the goodwill of the Fresh segment.

At 31 March 2020, the applied methodology was similar to the one discussed above.

The key parameters of the impairment test of the Fresh segment are presented below.

Goodwill impairment test - key parameters	31 March 2021	31 March 2020
Fresh		
Average sales growth rate	2,3%	4,6%
Perpetual growth rate	1,0%	1,0%
Average adjusted EBITDA margin	2,0%	1,9%
Discount rate [1]	6,8%	7,8%
Headroom (in € million)	303,6	144,0

[1] The discount rate is calculated as the Weighted Average Cost of Capital (WACC).

6.3. Other intangible assets

Other intangible assets AY 20/21	Software and licences €'000	Customer relationships €'000	Other €'000	TOTAL €'000
ACQUISITION VALUE				
Balance at 31 March 2020	**63 340**	**250 535**	**1 258**	**315 133**
Additions	10 481	-	-	10 481
Sales and disposals	-447	-	-	-447
Change in scope: disposal of subsidiaries	-43	-461	-	-504
Transfer from one heading to another	89	-	-	89
Translation differences	34	-	26	60
Balance at 31 March 2021	**73 454**	**250 074**	**1 284**	**324 812**
AMORTISATION AND IMPAIRMENT LOSSES				
Balance at 31 March 2020	**41 832**	**62 947**	**840**	**105 618**
Amortisation	7 295	13 288	81	20 665
Reversals after sales and disposals	-365	-	-	-365
Change in scope: disposal of subsidiaries	-43	-103	-	-146
Transfer from one heading to another	198	-	-	198
Translation differences	27	-	17	44
Balance at 31 March 2021	**48 944**	**76 133**	**938**	**126 014**
Net carrying amount at 31 March 2021	**24 509**	**173 941**	**345**	**198 797**

Other intangible assets AY 19/20	Software and licences €'000	Customer relationships €'000	Other €'000	TOTAL €'000
ACQUISITION VALUE				
Balance at 31 March 2019	**57 837**	**250 535**	**610**	**308 982**
Additions	6 031	-	-	6 031
Change in scope: business combinations	69	-	-	69
Sales and disposals	-311	-	-	-311
Change in scope: disposal of subsidiaries	-215	-	-	-215
Transfer from one heading to another	125	-	656	781
Translation differences	-196	-	-8	-204
Balance at 31 March 2020	**63 340**	**250 535**	**1 258**	**315 133**
AMORTISATION AND IMPAIRMENT LOSSES				
Balance at 31 March 2019	**37 711**	**49 639**	**403**	**87 752**
Amortisation	4 694	13 308	69	18 072
Change in scope: business combinations	8	-	-	8
Reversals after sales and disposals	-298	-	-	-298
Change in scope: disposal of subsidiaries	-215	-	-	-215
Transfer from one heading to another	58	-	371	429
Translation differences	-126	-	-3	-129
Balance at 31 March 2020	**41 832**	**62 947**	**840**	**105 618**
Net carrying amount at 31 March 2020	**21 508**	**187 588**	**418**	**209 515**

The decrease in the other intangible assets of € 10,7m mainly results from amortisations of the period (€ 20,7m), partly compensated by investments (€ 10,5m) like the pilot on a new ERP for the Fresh segment.

Customer relationships mainly relate to the client portfolio of the Fresh segment, acquired in the business combination in AY 15/16. The portfolio has a remaining useful life of 14 years.

6.4. Leases

The group leases many assets including land and buildings, vehicles, machinery and IT equipment.

Right-of-use assets 31 March 2021	Land and buildings €'000	Plant, machinery and equipment €'000	Furniture and vehicles €'000	TOTAL €'000
Balance at 31 March 2020	**206 048**	**8 101**	**12 642**	**226 791**
Additions	21 106	3 345	5 252	29 702
Depreciation	-22 986	-4 047	-7 430	-34 463
Other movements	-3 498	770	984	-1 744
Balance at 31 March 2021	**200 669**	**8 169**	**11 448**	**220 286**

Right-of-use assets 31 March 2020	Land and buildings €'000	Plant, machinery and equipment €'000	Furniture and vehicles €'000	TOTAL €'000
Balance at 31 March 2019	**217 916**	**9 869**	**15 155**	**242 940**
Additions	9 984	2 776	4 235	16 994
Depreciation	-22 328	-3 540	-6 252	-32 120
Other movements	476	-1 003	-496	-1 024
Balance at 31 March 2020	**206 048**	**8 101**	**12 642**	**226 791**

The right-of-use assets decreased by € -6,5m over AY 20/21 mainly as a result of € 29,7m additions which are largely offset by € -34,5m depreciation. The additions in AY 20/21 mainly relate to the new distribution center and warehouse in the Netherlands for Bakker Barendrecht (€ 22,7m). Other movements mainly consist of the disposal of Greenyard Logistics Portugal and remeasurements of right-of-use assets.

Lease liabilities	31 March 2021 €'000	31 March 2020 €'000
Non-current	206 949	208 782
Current	28 496	26 409
TOTAL	**235 445**	**235 191**

The maturity analysis of lease liabilities is disclosed in note 6.18. *Risk management policy*.

Amounts recognised in the income statement	31 March 2021 €'000	31 March 2020 €'000
Depreciation	34 463	32 120
Interest on lease liabilities	9 638	9 638
Expenses relating to short-term leases	3 210	3 210
Expenses relating to leases of low-value assets	91	91
TOTAL	**47 402**	**45 059**

The total cash outflow for leases in AY 20/21 amounted to € 40,4m.

6.5. Investments accounted for using equity method

Name of investment	Description of interest	Type of investment	31 March 2021	31 March 2020
Grupo Yes Procurement Marketing SL	Procurement of fruit and vegetables for export purposes in Spain	Joint venture	50%	50%
Logidis Sistem SL	Bundling transport of fresh products using subcontractors in Spain	Joint venture	50%	50%
Mahindra Greenyard Pvt Ltd [(1)]	Import and export hub in India	Joint venture	-	40%
Agritalia Srl	Bio certified cooperative with growers network across Italy	Associate	33%	33%

[(1)] Sold during AY 20/21

The movement in the investments accounted for using the equity method can be detailed as follows:

Investments accounted for using equity method	AY 20/21 €'000	AY 19/20 €'000
Balance at the end of the preceding period	**7 193**	**9 833**
Share of profit/loss (-)	507	97
Acquisition	-	30
Change in scope: business combination (note 7.1.)	-	-2 813
Other changes	-21	-
Translation differences	-	46
Balance at the end of the period	**7 679**	**7 193**

Summarized financial information of the company's joint-ventures and associates is as follows:

Investments accounted for using equity method - at 31 March	Assets		Liabilities		Net assets	
	2021 €'000	2020 €'000	2021 €'000	2020 €'000	2021 €'000	2020 €'000
Grupo Yes Procurement Marketing SL	12 593	12 535	2 107	2 914	10 486	9 621
Logidis Sistem SL	6 498	5 906	4 255	3 812	2 243	2 094
Mahindra Greenyard Pvt Ltd [(1)]	-	1 180	-	1 515	-	-334
Agritalia Srl [(2)]	3 660	3 629	3 286	3 253	374	377

Investments accounted for using equity method	Sales		Expenses		Profit after tax	
	AY 20/21 €'000	AY 19/20 €'000	AY 20/21 €'000	AY 19/20 €'000	AY 20/21 €'000	AY 19/20 €'000
Grupo Yes Procurement Marketing SL	24 615	26 882	23 750	26 030	865	852
Logidis Sistem SL	16 375	20 960	16 227	20 663	149	297
Mahindra Greenyard Pvt Ltd [(1)]	7 895	10 013	7 666	10 473	229	-460
Agritalia Srl [(2)]	12 212	9 320	12 201	9 276	11	44

[(1)] Sold during AY 20/21.
[(2)] Figures at 31 December.

There are no contingent liabilities relating to the Group's interest in the associates or joint ventures incurred jointly with other investors, and none arising because the investor is severally liable for all or part of the liabilities of the associate or joint venture.

6.6. Other financial assets and liabilities

Other financial assets and liabilities	31 March 2021		31 March 2020	
	Assets	Liabilities	Assets	Liabilities
	€'000	€'000	€'000	€'000
IRS - held-for-trading	-	-	-	-
IRS - cash flow hedging	-	-	-	-
Forward agreements - held-for-trading	-	-	-	-
Forward agreements - cash flow hedges	-	-	-	-
Non-current derivatives	-	-	-	-
IRS - held-for-trading	-	-	-	37
IRS - cash flow hedging	-	-	-	-
Forward agreements -held-for-trading	14	-	14	-
Forward agreements - cash flow hedges	505	2 408	2 111	823
Current derivatives	**519**	**2 408**	**2 125**	**860**
Equity investments	**5**	-	**106**	-
TOTAL	**524**	**2 408**	**2 232**	**860**

6.7. Deferred tax assets and liabilities

Deferred taxes (net carrying amount)	AY 20/21		AY 19/20	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
	€'000	€'000	€'000	€'000
Balance at the end of the preceding period	**15 575**	**41 325**	**16 704**	**46 517**
Increase/decrease (-) via income statement	5 037	-5 734	-4 933	-9 664
Increase/decrease (-) via equity	1 225	237	-747	290
Change in scope: business combinations	-	-	44	-
Change in scope: disposal of subsidiaries	-	-81	-187	-427
Translation differences	-490	-194	-8	-93
Set-off of assets and liabilities	-3 285	-3 285	4 702	4 702
Balance at the end of the period	**18 061**	**32 268**	**15 575**	**41 325**

Deferred taxes (allocation)	31 March 2021		31 March 2020	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
	€'000	€'000	€'000	€'000
Intangible assets and property, plant & equipment	15 244	48 366	14 538	52 181
Derivatives	494	-	-303	-
Interest-bearing loans	127	-	59	-
Inventories	15	2 749	14	2 214
Trade and other receivables	494	97	310	4 440
Provisions	3 565	206	3 344	372
Current liabilities	459	14	217	19
Fiscal losses and other tax credits	17 557	-	16 134	-
Tax reserves	333	1 064	-1 796	-958
Total deferred taxes related to temporary differences	**38 289**	**52 496**	**32 517**	**58 268**
Set-off of assets and liabilities	-20 228	-20 228	-16 942	-16 942
Net deferred tax assets/liabilities	**18 061**	**32 268**	**15 575**	**41 325**

The total amount of fiscal losses for which a deferred tax asset has been set up amounts to €71,2m (gross) as of 31 March 2021 (31 March 2020 €51,4m). These losses mainly relate to tax losses originated in Belgium, Austria, Germany and the UK.

Maturity date of unrecognised fiscal losses and other tax credits (gross)	AY 20/21	AY 19/20
	€'000	€'000
Within one year	-	2 074
Between one and five years	1 457	9 234
More than five years	-	-
Indefinite	168 722	184 002
TOTAL	**170 179**	**195 310**

6.8. Inventories

Inventories	31 March 2021	31 March 2020
	€'000	€'000
Raw materials and consumables	34 235	28 877
Work in progress and finished goods	275 212	232 990
TOTAL	**309 447**	**261 867**

Raw materials and consumables mainly include fresh fruit, vegetables and packing materials. Fresh fruit and vegetables are either used for trading (Fresh segment) or for processing (Long Fresh segment).

Work in progress and finished goods mainly relate to the Long Fresh segment. Work in progress includes frozen vegetables which are stored in bulk (not yet packed).

The increase in inventories, which is almost entirely driven by the Long Fresh segment, is a result of a rebuild of inventory after an historically low inventory level end March 20 following a strong hoarding impact at the start of the first lock-down, aiming to secure supply of the projected sales volumes.

A part of inventories is pledged under the Group's current financing programs. We refer to note 7.3. *Off-balance sheet commitments* for further detail hereon.

6.9. Trade and other receivables

Trade and other receivables	31 March 2021 €'000	31 March 2020 €'000
Trade receivables	99	99
Valuation allowances on trade receivables	-99	-99
Trade receivables net	-	-
Other receivables	2 565	2 677
Guarantee deposits	698	602
Prepayments	809	1 773
Other receivables net	**4 071**	**5 052**
Non-current	**4 071**	**5 052**
Trade receivables	224 447	236 414
Valuation allowances on trade receivables	-5 797	-10 270
Trade receivables net	**218 650**	**226 144**
Other receivables	52 992	49 105
Prepaid expenses and accrued income	14 981	15 732
Prepayments	9 150	12 329
Other receivables net	**77 123**	**77 167**
Current	**295 774**	**303 311**

Trade receivables relate fully to sales from contracts with customers. The payment terms for the sale of fresh goods vary but the majority are 60 days. For the sale of frozen and prepared goods, the payments terms vary to a maximum of 120 days.

The other receivables mainly relate to VAT, other recoverable taxes and deposits. Prepaid expenses and accrued income mainly relate to prepayments on maintenance contracts, rent and IT costs. Prepayments mainly relate to prepayments to growers and suppliers.

Management believes that the fair value does not differ significantly from the carrying value.

A major part of trade and other receivables are pledged under the Group's current financing and factoring programmes. For more information, refer to note 7.3. *Off-balance sheet commitments*.

Ageing analysis of trade receivables and valuation allowances

Ageing of trade receivables	31 March 2021			31 March 2020		
	Gross	Valuation allowances	Net	Gross	Valuation allowances	Net
	€'000	€'000	€'000	€'000	€'000	€'000
Not overdue	108 194	-613	107 581	116 230	-	116 230
Overdue less than 30 days	95 241	-	95 241	94 291	-	94 291
Overdue between 30 and 60 days	13 915	-27	13 888	4 858	-	4 858
Overdue more than 60 days	7 098	-5 158	1 941	21 035	-10 270	10 765
TOTAL	**224 447**	**-5 797**	**218 650**	**236 414**	**-10 270**	**226 144**

The valuation allowances on trade and other receivables are determined by management. When amounts are more than 30 days overdue, an estimation is made with regard to recoverability and, if relevant (bankruptcy, etc.), an appropriate provision is recorded. No valuation allowances are taken by the Group for overdue amounts where collection is still deemed probable, for example, because outstanding amounts are recoverable from credit insurance, tax authorities or because the Group holds sufficient securities.

The Group's exposure to credit risks is described in note 6.18. *Risk management policy*.

Valuation allowances on short-term receivables	AY 20/21	AY 19/20
	€000	€000
Balance at the end of the preceding period	**-10 270**	**-8 452**
Additions	-1 232	-2 321
Change in scope: disposal of subsidiaries	102	-
Non-recoverable amounts (use)	3 928	322
Reversals	1 675	182
Balance at the end of the period	**-5 797**	**-10 270**

Current and non-current trade and other receivables in foreign currencies

Trade and other receivables: foreign currencies	31 March 2021	31 March 2020
	€'000	€'000
GBP	18 943	21 676
USD	15 101	29 508
PLN	7 432	9 021
CZK	21 154	26 856
Other	4 015	6 630

Factoring

Most of the Group's subsidiaries benefit from a multi-country syndicated factoring agreement. In accordance with the syndicated factoring agreement, undisputed trade receivables are sold to certain commercial finance companies on a basis which is non-recourse, including the receivables of the ten largest customers, to the extent the Group is not making use of their supply chain financing program. The financing obtained through the factoring has an off-balance character. The syndicated factoring agreement also contains a negative pledge (meaning that the receivables can only be sold to the syndicate of commercial finance companies), a maximum dilution ratio (meaning that at least 95% of the payments should be on the bank account of the syndicate of commercial finance companies), and a leverage test (the test used for the Facilities Agreement).

Subsidiaries in the United Kingdom, France, Germany, the Netherlands, Italy, Austria, Poland, Spain and Belgium participate in the syndicated factoring programme which is subject to an overall maximum programme amount of € 475,0m. This maximum programme amount is the maximum that can be drawn for the Group, subject to the receivables sold to the factoring syndicate.

Apart from the multi-country syndicated factoring programme mentioned earlier, only one US entity entered into a bilateral factoring agreement.

Factoring is used when the transferred receivables are subject to credit insurance through credit insurers with at least an investment grade rating, since the syndicate of commercial finance companies bears the ultimate credit risk.

As at 31 March 2021, € 345,5m of financing had been obtained through the multi-country syndicated factoring program (€ 353,6m as at 31 March 2020). The late-payment risk related to the factoring has been assessed as immaterial.

In accordance with IFRS 9 Financial instruments: Recognition and Measurement, all non-recourse trade receivables, included in these factoring programmes, are derecognised for the non-continuing involvement part.

6.10. Cash & cash equivalents and bank overdrafts

Cash and cash equivalents and bank overdrafts	31 March 2021 €'000	31 March 2020 €'000
Cash and cash equivalents	81 250	132 709
Bank overdrafts	-1 909	-1 077
TOTAL	**79 342**	**131 632**

The cash & cash equivalents are held at reputable banks.

6.11. Financial instruments by category

Financial assets by category at 31 March 2021	Note	Assets at amortised cost €'000	Assets at fair value through profit and loss €'000	Derivatives used for hedging €'000	TOTAL €'000
Equity investments	6.6.	-	5	-	5
Derivatives	6.6.	-	14	505	519
Trade and other receivables excluding prepayments	6.9.	289 886	-	-	289 886
Cash and cash equivalents	6.10.	81 250	-	-	81 250
TOTAL		**371 137**	**19**	**505**	**371 661**

Financial assets by category at 31 March 2020	Note	Assets at amortised cost €'000	Assets at fair value through profit and loss €'000	Derivatives used for hedging €'000	TOTAL €'000
Equity investments	6.6.	-	106	-	106
Derivatives	6.6.	-	14	2 111	2 125
Trade and other receivables excluding prepayments	6.9.	294 260	-	-	294 260
Cash and cash equivalents	6.10.	132 709	-	-	132 709
TOTAL		**426 970**	**120**	**2 111**	**429 201**

6.12. Issued capital, share premium and other capital instruments

Share capital and share premium

The Board of Directors is authorised, for a period of five years as from 17 October 2019, the date the resolutions of the Extraordinary Shareholders' Meeting of 20 September 2019 were published in the Belgian Official Gazette, to increase the capital of the Company in one or more instalments up to a maximum amount equal to the share capital amounting to € 293 851 765.

On 26 March 2021, the Board of Directors increased the share capital by € 50,0m within the framework of the authorized capital, through the issuance of 7 142 858 shares, which were fully paid. Transaction costs of € -0,7m were recorded as a reduction in share capital.

As a result of the Board of Directors' decision of 26 March 2021, the amount remaining available for a capital increase within the framework of the authorized capital is equal to € 243 851 759.

Share capital	Number of shares	Statutory amount [(1)] €'000	Capitalized transaction costs €'000	Group amount €'000
Balance at 31 March 2020	**44 372 585**	**293 852**	**-5 460**	**288 392**
Capital increase 26 March 2021	7 142 858	50 000	-696	49 304
Balance at 31 March 2021	**51 515 443**	**343 852**	**-6 156**	**337 696**

(1) As per the bylaws of Greenyard NV.

There was no movement in the issued capital, authorised capital, share premium and other capital instruments during AY 19/20. All shares are without par value.

Treasury shares

As stipulated in article 12 of Greenyard's articles of association, the Board of Directors is explicitly authorised to acquire, during a five-year period counting from the date of the Extraordinary Shareholders' Meeting of 15 September 2017, and within the limits of the law, whether on or outside the stock exchange, directly or indirectly, by way of purchase or exchange, contribution or any other way of acquisition, the maximum number of Company's shares permitted by law, without requiring shareholders' meeting's approval or resolution. In AY 17/18, the Group bought back 1 750 000 treasury shares for an amount of € 13,6m. In AY 18/19, the total amount of treasury shares decreased by € 7,6m, following the acquisition of the remaining 49 % stake in Greenyard Fresh Direct Belgium NV. As per 31 March 2021, the Group holds 1 363 854 treasury shares, representing 2,6% of the total shares (per 31 March 2020 also 1 363 854 treasury shares, representing 3,1% of the shares).

6.13. Share based compensation

Performance Share Units

On the recommendation of the Remuneration Committee, on 31 May 2017, the Board of Directors approved the Long Incentive (LTI) Performance Share Plan for Greenyard NV (the Plan). The Plan awarded in 2017 ("Series 2017") and 2018 ("Series 2018") the Leadership Team and other key persons at Greenyard (the Beneficiaries) performance share units (PSUs) which are optional constructions granting the beneficiaries Greenyard shares. The number of shares granted to beneficiaries depends on total shareholder return (TSR) increase over a 3-year period (the performance period) times a performance factor. The TSR at the end of the performance period is calculated as follows: average share price during the period 15 May – 14 June preceding the end date of the performance period, minus the average share price at the start of the performance period, plus the dividends per share distributed by Greenyard during the performance period. As of AY 19/20, no new Performance Share Units were granted under the existing long-term incentive Performance Share Units Plan (PSU Plan), in view of the implementation of the 2019 Stock Option Plan which replaced the PSU Plan as long-term incentive plan.

Performance condition	Number of shares granted per PSU
TSR increase >=10% per year	2,0
5% per year>= TSR increase < 10% per year	1,5
0% >= TSR increase < 5% per year	1,0
TSR increase < 0%	-

Because of the pay structure of PSUs (including averages of closing prices at the maturity of the structure), the economic value must be valued using numerical techniques. Monte-Carlo simulations using geometric Brownian motion assumptions were used to value the PSUs. The estimation for the relevant implied volatility assumption is based on benchmarking techniques considering the premium of listed equity options with comparable maturities. As a result, volatilities assumptions used were 21,3% for the Series 2017 and 20,9% for the Series 2018.

Using this valuation approach, the value per PSU for the Series 2017 was calculated at € 20,23 and for the series 2018 at € 10,49 per PSU.

The number of PSUs can be summarised as follows:

Number of PSU's	31 March 2020	Granted AY 20/21	Forfeited AY 20/21	31 March 2021
Series 2017	8 633	-	-8 633	0
Series 2018	56 695	-	-4 101	52 594
TOTAL	**65 328**	**-**	**-12 734**	**52 594**

Number of PSU's	31 March 2019	Granted AY 19/20	Forfeited AY 19/20	31 March 2020
Series 2017	20 361	-	-11 728	8 633
Series 2018	64 023	-	-7 328	56 695
TOTAL	**84 384**	**-**	**-19 056**	**65 328**

Based on the value calculated at grant date, the cost of the share-based payments affects the income statement and the equity, spread over the 3-year vesting period. In the event of PSUs being forfeited, the cost for the remainder of the vesting period impacts the income statement in the period when the PSUs are forfeited.

Impact	AY 20/21		AY 19/20	
	Income statement	Equity	Income statement	Equity
	€'000	€'000	€'000	€'000
Series 2017	15	15	157	157
Series 2018	201	201	256	256
TOTAL	**216**	**216**	**413**	**413**

Stock Options

The Board of Directors approved the 2021 Stock Option Plan, enabling it to grant certain stock options to selected staff members, including Leadership Team members. Stock options under the 2021 Stock Option Plan have been granted at the end of AY 20/21 (i.e. on 19 February 2021). They should be accepted by the beneficiaries within 60 days after the grant date (i.e. before 20 April 2021). Upon the achievement of the vesting conditions under the Plan, the options will gradually vest over a period of four years, ending on 31 March 2025. In total 910 000 options were accepted.

On 14 March 2019, the Board of Directors approved the 2019 Stock Option Plan enabling it to grant certain stock options to selected staff members, consisting of Leadership Team members and key employees. The 2019 Stock Option Plan is applicable as from AY 19/20, upon acceptance by the beneficiaries concerned of the options granted within 60 days after the grant date. Upon the achievement of the vesting conditions under the Plan, the options are definitively acquired (vested) after a vesting period of three years (ending on 31 March of the third calendar year following the year of the grant), i.e. on 31 March 2022.

Number of options	31 March 2020	Granted AY 20/21	Forfeited AY 20/21	31 March 2021
Plan 2019	971 000	-	-16 000	955 000

Number of options	31 March 2019	Granted AY 19/20	Forfeited AY 19/20	31 March 2020
Plan 2019	-	1 000 000	-29 000	971 000

Impact	AY 20/21		AY 19/20	
	Income statement	Equity	Income statement	Equity
	€'000	€'000	€'000	€'000
Plan 2019	352	352	353	353

The options granted are recognised at fair value at grant date in accordance with IFRS 2. The fair value of the options is determined using a Black Scholes pricing model.

6.14. Pension and other employee benefit liabilities

Defined contribution plans

For defined contribution plans, the Group pays contributions to pension funds or insurance companies. Once the contributions have been paid, the Group has no further payment obligation. These contributions constitute an expense for the year in which they are due. The contributions paid during AY 20/21 amounted to € 5,1m (AY 19/20 € 5,2m).

Since April 2019, the pension plan for Greenyard Prepared Netherlands is considered a defined contribution plan as the plan is now funded through an industry wide multi-employer pension fund BPL (for the agriculture and green sector) and consequently it is not possible, due to the nature of multi-employer funds, to separate the plan assets and liabilities of Greenyard Prepared Netherlands. The past service benefits remain funded through an insurance arrangement and the net-liability related to this plan is zero.

In 2020, the defined benefit plan of Greenyard Fresh Netherlands was also transferred into a defined contribution plan, which is now funded through a collective defined contribution arrangement with pension fund PGB. A curtailment gain of € 1,1 million was recorded in AY 20/21.

The risk of the company related to both Dutch plans are insignificant and therefore these plans are considered fully insured and are treated as a defined contribution plan.

Belgian defined contribution plans – presented as defined benefit plans

By law, Belgian defined contribution pension plans are subject to minimum guaranteed rates of return and therefore must be considered as defined benefit plans. Pension legislation was amended at the end of 2015 and defines the minimum guaranteed rate of return as a variable percentage linked to government bond yields observed in the market from 1 January 2016 onwards. For contributions paid from 1 January 2016 onwards, the minimum guaranteed rate of return equals 1,75% on employer and employee contributions. The former rates (3,25% on employer contributions and 3,75% on employee contributions) continue to apply to contributions paid up to 31 December 2015. The minimum guaranteed rates of return did not lead to a material net obligation to be accounted for by the Group. The net obligation was estimated using individual information provided by the insurance companies, analysing the difference between the guaranteed rates of return and the return offered by the insurance companies.

Defined benefit plans and other employee benefits

The costs relative to IAS 19 provisions are recorded under personnel costs, whereas the interest component is recognised in finance costs.

The Group operates several defined benefit plans: two for employees in Germany and additional plans in Italy, France and Austria. As mentioned above, the defined benefit plan of Greenyard Fresh Netherlands and Prepared Netherlands transferred into defined contribution plans in respectively AY 20/21 and AY 19/20.

The actuarial valuation method used is the projected unit credit cost method. This method allocates future accruals to the year in which the benefit is earned. The sum of accruals for prior years is the liability for the present value of defined benefit obligations. The plan assets were valued using the fair value method. For the insured plans, the fair value takes into account the present value of the expected future cash flows.

One of the plans in which the Group participates is the Gustav Scipio Stiftung Fund (GUSS), a multi-employer defined-benefit pension fund in Germany. The assets and liabilities attributable to each member of the fund at the end of each accounting year are determined by an independent actuary, as are the contributions due from members. The ratio of contribution obligations is determined within the GUSS articles of association. Contributions are based upon the ratio of unfunded liabilities between members. Unfunded liabilities are determined as the fund liabilities minus assets allocated to members. If, according to the annual actuarial report, the Group has no further obligations to beneficiaries of the plan and ceases to be liable under the GUSS, it will be entitled to a reimbursement payment in cash minus any negative tax impact on the other members. According to the GUSS articles of association, entities are not liable for the liabilities of the other entities within the fund. In the event of a wind-up of the fund, all assets and liabilities will be split between the members in the proportions determined by an independent actuary. Such a wind-up would require the approval from the GUSS Board of Directors and the Bremen State Authority.

The Group has several other long-term benefit liabilities (e.g. jubilees) and post-employment benefit liabilities.

Employee benefit liabilities	31 March 2021 €'000	31 March 2020 €'000
Obligations for defined benefit plans	17 610	16 172
Obligations other employee benefits	1 521	1 799
TOTAL	**19 131**	**17 971**

Defined benefits - income statement	AY 20/21 €'000	AY 19/20 €'000
Employee benefit expense	(574)	1 139
Interest expense	270	283
TOTAL	**-304**	**1 422**

The net defined benefit obligation detail and movement can be summarised as follows:

Defined benefit - amounts recognised in the statement of financial position	31 March 2021 €'000	31 March 2020 €'000
Present value of defined benefit obligation	29 527	31 648
Fair value of plan assets	-11 917	-15 475
Net liability	**17 610**	**16 172**

Movement in defined benefit obligation	AY 20/21 €'000	AY 19/20 €'000
Balance at the end of the preceding period	**31 648**	**41 909**
Current service cost	568	1 201
Past service cost	-	-
Interest cost	546	404
Remeasurement:		
- Experience gain (-)/loss	-13	-555
- Gain (-)/loss due to demographic assumption changes	-109	-29
- Gain (-)/loss due to financial assumption changes	3 266	-906
Expected plan participant contributions	-	82
Benefits paid	-943	-563
Curtailments/plan closures	-6 634	-9 837
Other events	1 240	-
Settlements	-41	-67
Translation differences	-	9
Balance at the end of the period	**29 527**	**31 648**

Movement in fair value of plan assets	AY 20/21 €'000	AY 19/20 €'000
Balance at the end of the preceding period	**15 475**	**24 753**
Interest income	276	121
Actual expenses, taxes and premiums paid		-5
Employer contributions	711	1 006
Plan participant contributions		82
Return on plan assets (excluding interest income)	646	-398
Benefits paid from plan assets	-897	-252
Plan closure	-5 533	-9 837
Other events	1 240	-
Translation differences	-	5
Balance at the end of the period	**11 917**	**15 475**

"Curtailments/plan closures" in AY 20/21 relates to the defined benefit plan at Greenyard Fresh Netherlands that became premium free early 2020. In AY 19/20, plan closure referred to the defined benefit plan of Greenyard Prepared Netherlands. Both plans are now classified as defined contribution plans (see above).

The "Other events" relates to an upgross of both the pension asset and liability of the Belgian defined contribution plans meeting the definition of a defined benefit plan, but without impact on the net liability.

The following table summarises the components of the net benefit expenses recorded in either directly in equity (other comprehensive income) or in the income statement:

Defined benefit - development of accumulated other comprehensive income	AY 20/21 €'000	AY 19/20 €'000
Experience gain (-)/loss	-13	-555
Gain (-)/loss due to demographic assumption changes	-109	-29
Gain (-)/loss due to financial assumption changes	3 266	-906
Return on plan assets (excluding interest income)	-646	398
Translation differences	-	-17
Total movement in other comprehensive income	**2 497**	**-1 109**

Defined benefit - expense recognised in the income statement	AY 20/21 €'000	AY 19/20 €'000
Current service cost	568	1 201
Curtailments	-1 101	-
Other events	-41	-67
Interest cost	546	404
Interest income	-276	-121
Actual expenses, taxes and premiums paid	-	5
Expense recognised in income statement	**-304**	**1 422**

The actuarial assumptions and average duration of the major pension plans are detailed below:

Principal actuarial assumptions	The Netherlands [1]		Germany		Italy	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Discount rate	-	1,9%	1,0%	1,9%	1,0%	1,9%
General wage increases	-	1,4%	1,8%	2,0%	2,2%	1,9%
Inflation	-	1,4%	1,7%	2,0%	1,7%	1,4%
Average duration of pension plans	-	26	13,9	14,3	12,9	12

[1] The pension plan of Greenyard Fresh Netherlands was converted into a collective defined contribution plan early 2020.

For the major plans the sensitivity of the defined benefit obligation is as follows:

Sensitivity of defined benefit obligation - major plans	31 March 2021			31 March 2020		
	DBO at discount rate	Impact increase of 0,50%	Impact decrease of 0,50%	DBO at discount rate	Impact increase of 0,50%	Impact decrease of 0,50%
The Netherlands (1)	-	-	-	5 575	-659	769
Germany	15 629	-1 060	1 185	14 457	-956	1 066
Italy	2 564	-161	167	2 262	-136	139
TOTAL	**18 192**	**-1 221**	**1 352**	**22 294**	**-1 751**	**1 974**

[1] The pension plan of Greenyard Fresh Netherlands was converted into a collective defined contribution plan early 2020.

The plan assets mainly consist of:

Detail of plan assets	The Netherlands (1)		Germany	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Insurance contracts	-	100%	-	-
Equity instruments	-	-	-	-
Corporate bonds	-	-	100%	100%
Cash	-	-	-	-

(1) The pension plan of Greenyard Fresh Netherlands was converted into a collective defined contribution plan early 2020.

The expected employer contributions to be paid during AY21/22 amount to € 0,7m.

6.15. Provisions

Provisions 31 March 2021	Legal claims	Decommis-sionning	Onerous contracts	Environ-ment Costs	Restruc-turing	Tax expo-sure	TOTAL
	€000	€000	€000	€000	€000	€000	€000
Balance at 31 March 2020	**4 876**	**5 984**	**1 248**	**-**	**279**	**-**	**12 389**
Additions	2 949	20	155	-	33	-	3 158
Unused amounts reversed	-277	-	-134	-	-113	-	-524
Used during period	-34	5	-102	-	-166	-	-297
Translation differences	-0	-	-	-	2	-	1
Balance at 31 March 2021	**7 514**	**6 008**	**1 167**	**-**	**36**	**-**	**14 727**
Analysis of total provisions							
Non-current	4 301	6 008	-0	-	-	-	10 310
Current	3 213	-	1 168	-	36	-	4 417
TOTAL	**7 515**	**6 008**	**1 168**	**-**	**36**	**-**	**14 727**

Provisions 31 March 2020	Legal claims	Decommis-sionning	Onerous contracts	Environ-ment Costs	Restruc-turing	Tax expo-sure	TOTAL
	€000	€000	€000	€000	€000	€000	€000
Balance at 31 March 2019	**3 238**	**6 653**	**2 862**	**-**	**10 401**	**3**	**23 158**
Additions	1 965	28	-	-	222	-	2 215
Unused amounts reversed	-309	-641	-999	-	-4 424	-	-6 373
Used during period	-16	-55	-615	-	-3 879	-3	-4 567
Translation differences	-3	-	-	-	-69	-	-72
Transfer to lease liabilities	-	-	-	-	-1 972	-	-1 972
Balance at 31 March 2020	**4 876**	**5 984**	**1 248**	**-**	**279**	**-**	**12 389**
Analysis of total provisions							
Non-current	2 020	5 984	32	-	113	-	8 149
Current	2 855	-	1 217	-	167	-	4 239
TOTAL	**4 876**	**5 984**	**1 248**	**-**	**280**	**-**	**12 389**

The increase in provisions of € 2,3m is mainly attributable to additions in the legal claims (€ 2,9m). This increase is offset by reversals of amounts which were unused (€ -0,5m) and used provisions (€ -0,3m). For further information concerning pending disputes, refer to note 7.2. *Main Disputes*.

6.16. Interest-bearing loans

Interest-bearing loans at 31 March 2021	Due within 1 year €'000	Due between 1 and 5 years €'000	Due after 5 years €'000	TOTAL €'000
Convertible bond	122 531	-	-	122 531
Term loan	7 500	181 106	-	188 606
Revolving credit facility	-	98 791	-	98 791
Other bank loans	191	1 763	-	1 955
Bank overdrafts	1 909	-	-	1 909
TOTAL	**132 131**	**281 661**	**-**	**413 792**

Interest-bearing loans at 31 March 2021	Fixed €'000	Floating €'000	TOTAL €'000
Total	124 440	289 352	413 792

Interest-bearing loans at 31 March 2021	Secured €'000	Non-secured €'000	TOTAL €'000
Total	287 397	126 394	413 792

Interest-bearing loans at 31 March 2020	Due within 1 year €'000	Due between 1 and 5 years €'000	Due after 5 years €'000	TOTAL €'000
Convertible bond	-	119 327	-	119 327
Term loan	12 000	113 352	-	125 352
Revolving credit facility	64 816	234 024	-	298 839
Other bank loans	-	5 511	-	5 511
Bank overdrafts	1 077	-	-	1 077
TOTAL	**77 893**	**472 214**	**-**	**550 107**

Interest-bearing loans at 31 March 2020	Fixed €'000	Floating €'000	TOTAL €'000
Total	120 404	429 702	550 107

Interest-bearing loans at 31 March 2020	Secured €'000	Non-secured €'000	TOTAL €'000
Total	430 779	119 327	550 107

Bank loans

By the end of the financial year AY 20/21, Greenyard has refinanced its financing through an amendment and restatement of its 2016 Facilities Agreement (as amended and modified from time to time) into a new Amended and Restated Facilities Agreement for the amount of € 467,5m. The new Amended and Restated Facilities Agreement was signed on 29 March 2021. The banks participating in the 2016 Facilities Agreement have continued their support and credit lines towards Greenyard. The Facilities Agreement now comprises a € 190,0m term loan, and a € 152,5m revolving credit facility, the latter including a € 15,0m guarantee line. In addition, it was agreed that a second committed term loan of € 125,0m is available as of December 2021, intended to repay the current outstanding € 125,0m convertible bond. The new Facilities Agreement matures on 31 March 2024 (to the extent the extension option is not exercised for the continuation in the subsequent year). The Flemish Government, through its investment vehicle Gigarant, has guaranteed € 62,5m of the total loans.

Consequently, Greenyard secured sufficient financial means to finance its working capital and investment needs in line with its business plan. Also payment of instalments on the term loan (as from March 2022) and the repayment of the convertible bond in December 2021 have been foreseen. Thanks to its strong operational transformation, significant revenue growth and the new equity, Greenyard managed to decrease its leverage ratio below 3,0x, actually 2,9x end March 2021, more than one year faster than the intention expressed in the semi-annual report. Moreover, it has sharpened its deleveraging ambition to evolve towards a sustainable leverage between 2,0 and 2,5x to be achieved in the coming two years.

Considering a) the strengthening of the group's equity and an extension of the credit lines for a period of 3 years b) an assessment of the cash flow forecast for a period not less than 12 months c) taking into account the risks and uncertainties as described in the related paragraph of this annual report, the group has prepared its financial statements for the financial year ending on 31 March 2021 on a going concern basis and does not consider any more separate uncertainties or key challenges to be mentioned and evaluated.

The cash accordion line of € 85,5m granted under the previous Facilities Agreement has been fully repaid throughout the year and has been cancelled.

The term loans bear / will bear a margin between 1,5% and 3,25%, based on a leverage grid. Installments are made on a half yearly basis, starting on 31 March 2022 for an aggregate (both term loans) amount of € 15,0m. The revolving credit facility bears a margin of between 1,25% and 3,00%, based on a leverage grid. Short-term bank debt varies in function of cash generated by operations, working capital needs and factoring drawdown. The withdrawn amount on the revolving credit facility as at 31 March 2021 amounted to € 98,8m. The fee for the Gigarant guarantee is included in the term loan and revolving credit facilties' margins.

The Group also avails of bilateral facilities with individual financial institutions outside of the syndicate banks for an amount of € 13,9m, € 1,9m of which was used as a bank overdraft at 31 March 2021.

All interest-bearing bank liabilities at 31 March 2021 are expressed in euros and concluded at market conditions. Following contractual agreements with some financial institutions, most overdrafts are presented net of cash.

For further information on bank covenants and the rights and commitments not included in the financial statement, refer to note 7.3. *Off-balance sheet commitments*.

We note that in our analysis of the accounting treatment regarding the debt refinancing, we considered the refinancing as a whole and not as separate loans as such. Although the refinancing of Greenyard qualifies as a debt modification (i.e. the same lenders), the change is considered substantial due to the fact that the structure of the loans changed significantly and a change was made to the covenants and interest basis. Consequently, the existing debt was derecognised and the impact was directly recorded in P&L (impact ad € 0,5m). The bank loans are recorded at amortised cost, net of transaction costs.

Reconciliation nominal to carrying amount bank loans at 31 March 2021	Term loan €'000	Revolving credit facility €'000	Other bank loans €'000	TOTAL €'000
Nominal amount	**190 000**	**99 800**	**3 863**	**293 663**
Transaction costs at inception	-1 394	-1 009	-	-2 403
Amortisation transaction costs	-	-	-	-
Carrying amount	**188 606**	**98 791**	**3 863**	**291 261**

Reconciliation nominal to carrying amount bank loans at 31 March 2020	Term loan €'000	Revolving credit facility €'000	Other bank loans €'000	TOTAL €'000
Nominal amount	**126 000**	**300 020**	**6 588**	**432 608**
Transaction costs at inception	-1 872	-2 807	-	-4 679
Amortisation transaction costs	1 222	1 627	-	2 849
Carrying amount	**125 352**	**298 839**	**6 588**	**430 779**

Bond loans

In December 2016, the Group issued a convertible bond with a nominal amount of € 125,0m, a gross coupon of 3,75% fixed interest and due in December 2021. The terms and conditions allowed Greenyard to redeem the convertible bonds in cash, new and/or treasury ordinary shares or a combination thereof at choice upon conversion of the convertible bonds by the bondholders. In November 2017, Greenyard gave notice to the bondholders it would unilaterally, irrevocably and unconditionally waive its right to make a Cash Alternative Election from the date of the notice. At 31 March 2021, no conversion of convertible bonds into shares occurred.

The convertible bond is considered as a hybrid debt instrument containing a host contract and an embedded derivative. The host contract, being the obligation to make scheduled repayments of interests and principal on maturity, is considered as a financial liability presented within the interest-bearing loans. The initial carrying amount of the host contract was determined as the residual amount between the fair value of the convertible bond and the fair value of the embedded derivative, net of transaction costs. Subsequently, the host contract is measured at amortised cost, using the effective interest method allowing for the transaction costs that are included in the effective interest rate over the expected life of the debt.

Reconciliation nominal to carrying amount bond loans at Convertible bond	31 March 2021 €'000	31 March 2020 €'000
Nominal amount	**125 000**	**125 000**
Conversion option at inception	-12 059	-12 059
Amortisation conversion option	10 051	7 446
Transaction costs at inception	-2 771	-2 771
Amortisation transaction costs	2 310	1 711
Carrying amount	**122 531**	**119 327**

6.17. Trade and other payables

Trade and other payables	31 March 2021 €'000	31 March 2020 €'000
Other payables	**3 653**	**2 228**
Non-current	**3 653**	**2 228**
Trade payables	**649 628**	**592 821**
Tax	36 044	23 150
Remuneration and social security	38 755	37 822
Accrued charges	29 025	28 435
Other	16 139	16 516
Other payables	**119 964**	**105 923**
Current	**769 591**	**698 745**

The significant increase in trade and other payables is apart from the business growth thanks to the strengthening of the financial situation of Greenyard and active working capital management.

The accrued charges include accrued interest charges for an amount of €- 4,3m at 31 March 2021 (31 March 2020 € - 8,6m). The decrease in accrued interest charges is mainly explained by the decreasing leverage ratio.

The table below gives an overview of the most important current and non-current trade and other payables in foreign currency.

Trade and other payables: foreign currencies	31 March 2021 €'000	31 March 2020 €'000
GBP	37 445	33 358
USD	13 568	10 320
PLN	13 836	9 556
CZK	13 762	8 153
Other	2 608	9 125

6.18. Risk management policy

The Group's activities are exposed to a variety of financial risks: market risk (foreign exchange risk and interest rate risk), credit risk, and liquidity risk. The Group's overall risk management programme seeks to minimise potential adverse effects of the financial risks on the Group's financial performance. In order to manage certain market risks, the Group uses derivative financial instruments.

The Board of Directors has overall responsibility for the establishment and management of the Group's risk management, including financial risk management. The Audit Committee is responsible for developing and monitoring the Group's risk management policies. Internal audit, under the direction of the Audit Committee, undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

The daily financial risk management is carried out by Corporate Treasury under the corporate treasury policies. Corporate Treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units.

6.18.1. Market risk

Market risk is the risk of changes in market parameters, such as foreign exchange rates and interest rates, which can influence the Group's performance. The objective is to control and manage this market risk within the limits of acceptable parameters, while optimising the return earned by the Group.

In the normal course of business, the Group uses financial derivatives to manage the market risks. All these transactions are carried out in line with corporate treasury policy. It is Group policy not to undertake speculative transactions.

Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures. The currency exposure is partly linked to the Group's operations in the UK, the Czech Republic, the US and Poland and to non-euro transactions in eurozone entities. Foreign exchange exposure arises from future commercial transactions and recognised assets and liabilities.

Foreign exchange risk arises when future commercial transactions are denominated in a currency that is not the entity's functional currency.

The receivables and liabilities in foreign currency can give rise to a realised gain or loss depending on whether the daily exchange rate at the time of receipt or payment differs from the exchange rate at which the receivable or payable is recorded.

Management has set up guidelines to require Group entities to manage their foreign exchange risk with regard to their local currency. Subsidiaries are required to hedge their entire foreign exchange risk exposure with Corporate Treasury. To manage its foreign exchange risk arising from future commercial transactions, the Group uses foreign exchange forward contracts.

Corporate Treasury's foreign exchange risk management practice applies the following hedging ratios per currency pair:

Period	Hedging ratios
Up to 3 months	100%-75%
Over 3 months up to 6 months	75%-50%
Over 6 months and up to 1 year	50%-0%

If required for commercial reasons, a cash flow can be hedged at 100%.

Foreign exchange sensitivity

The sensitivity analysis is applied to third-party and intercompany loans and deposits and trade and other receivables and liabilities, in so far as the foreign currency differs from the functional currency of the Group. A 10% fluctuation in foreign exchange rates is taken into account when calculating the foreign exchange sensitivity below. These fluctuations would affect the profit before income tax.

The sensitivity analysis is also applied on the outstanding forward agreements for a 10% fluctuation in the foreign exchange rate. These fluctuations would affect equity.

The analysis below reflects the sensitivity for US dollar and British pound. The exposure to foreign currency changes for all other currencies is not material. A positive sign represents a gain; a negative sign represents a loss.

Foreign exchange sensitivity	31 March 2021		31 March 2020	
	Effect on profit before income tax €'000	Effect on equity €'000	Effect on profit before income tax €'000	Effect on equity €'000
GBP				
+10%	2 225	3 148	-227	1 200
-10%	-2 719	-3 847	278	-1 466
USD				
+10%	1 105	-1 880	-1 042	-2 177
-10%	-1 351	2 298	1 273	3 020

The sensitivity is based on a net receivable position per 31 March 2021 of € -24,5m for GBP (31 March 2020 € 2,5m) and € -12,2m for USD (31 March 2020 € 11,5m).

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The floating interest rate debt of the Group arises mainly from its Facilities Agreement and the financing retrieved from the multi-country factoring programme.

The Group analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration renewal of existing positions, alternative financing and hedging. Based on these scenarios, the Group calculates the impact on profit and loss of a defined interest rate shift. The scenarios are run only for liabilities that represent the major interest-bearing positions.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate interest-bearing loans. The Group kept 30,1% of its interest rate exposure at fixed rates of interest. For the financing facilities with floating interest rates, given the current low interest rate environment and maturity of the financing in December 2021, substantially no financial instruments were used to hedge the risk of interest rate fluctuations.

Financial liabilities at amortised cost	31 March 2021 €'000	31 March 2021 Average effective interest rate	31 March 2020 €'000	31 March 2020 Average effective interest rate
Floating interest rate				
EUR	289 352	2,82%	429 702	3,57%
Fixed interest rate				
EUR	124 440	3,75%	120 404	3,75%
TOTAL	**413 792**		**550 107**	

Despite the hedging strategy on the basis of financial derivatives, it cannot be excluded that the Group's future net result will be subject to interest rate fluctuations.

Interest rate sensitivity	Nominal value at 31 March 2021 €'000	Impact 20 bps increase of interest rate €'000	Impact 20 bps decrease of interest rate €'000	Nominal value at 31 March 2020 €'000	Impact 20 bps increase of interest rate €'000	Impact 20 bps decrease of interest rate €'000
Bank loans	293 663	49	-49	432 608	91	-91
IRS	369	1	-1	462	2	-2

Interest rate risk: maturity of financial assets and liabilities

Remaining terms of financial assets and liabilities at 31 March 2021	Average effective Interest Rate %	Total carrying value €'000	< 1 year €'000	1-5 year €'000	> 5 year €'000
Assets and liabilities with fixed interest rates					
Bond loans	3,75%	122 531	122 531	-	-
Lease liabilities	4,17%	235 445	28 496	81 213	125 736
Assets and liabilities with floating interest rates					
Cash and cash equivalents	-	81 250	81 250	-	-
Bank loans	2,82%	289 352	7 691	281 661	-
Bank overdrafts	2,86%	1 909	1 909	-	-

Remaining terms of financial assets and liabilities at 31 March 2020	Average effective Interest Rate	Total carrying value	< 1 year	1-5 year	> 5 year
	%	€'000	€'000	€'000	€'000
Assets and liabilities with fixed interest rates					
Bond loans	3,75%	119 327	-	119 327	
Lease liabilities	4,61%	235 191	26 409	87 575	121 207
Assets and liabilities with floating interest rates					
Cash and cash equivalents	-	132 709	132 709	-	-
Bank loans	3,57%	429 702	76 816	352 887	-
Bank overdrafts	3,21%	1 077	1 077	-	-

All financial assets and liabilities are classified at amortised cost at 31 March 2021 and 31 March 2020.

Foreign exchange risk and interest rate risk: derivative financial instruments

Outstanding derivatives: nominal amounts at maturity date	31 March 2021			31 March 2020		
	Due within 1 year	Due between 1 and 5 years	Due after 5 years	Due within 1 year	Due between 1 and 5 years	Due after 5 years
	€'000	€'000	€'000	€'000	€'000	€'000
Foreign exchange risk						
Forward agreements	225 237	-	-	198 122	-	-
Interest rate risk						
IRS	-	369	-	-	462	-
TOTAL	**225 237**	**369**	**-**	**198 122**	**462**	**-**

Derivatives are reported at fair value and hedge accounting is applied for all derivatives. For financial derivatives, no offsetting has been applied.

The forward agreements expire on 14 March 2022 at the latest. The maturity date of the IRS is no later than 21 November 2024.

The fair value of derivatives is calculated using pricing models taking into account current market rates. For IRS, this information is provided by the Group's financial institutions with which the financial instruments have been concluded. For the forward agreements, Corporate Treasury calculates the fair value.

Fair value by type of derivative	31 March 2021				
	Assets	Liabilities	Net Position	Movement through income statement	Movement through equity
	€ '000	€ '000	€ '000	€ '000	€ '000
Foreign exchange risk					
Forward agreements	519	2 408	-1 889	-	-3 191
Interest rate risk					
IRS	-	-	-	-	-
TOTAL	**519**	**2 408**	**-1 889**	**-**	**-3 191**

Fair value by type of derivative	31 March 2020				
	Assets	Liabilities	Net Position	Movement through income state-ment	Movement through equity
	€ '000	€ '000	€ '000	€ '000	€ '000
Foreign exchange risk					
Forward agreements	2 125	823	1 302	1	1 791
Interest rate risk					
IRS	-	37	-37	11	26
TOTAL	**2 125**	**860**	**1 265**	**12**	**1 817**

6.18.2. Credit risk

Credit risk is the risk of financial loss to the Group through a customer or a financial counterparty being unable to fulfil its contractual obligations. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Group's exposure to credit risk on operating activities is influenced mainly by the individual characteristics of each customer. To protect itself against customer defaults and bankruptcies, the Group uses the services of international credit insurance companies, and also applies internal customer credit limits.

The Group's credit policy does not identify any material credit risk exposure on its customers. Receivables for the ten largest debtors are credit insured and the three largest customers represent 53,0% of sales, as disclosed in note 4.1. *Information about major customers*. Please also refer to note 3.2. *Key sources of estimation uncertainty*, where the impact of COVID-19 on the outstanding receivables has been addressed and the potential impact on AY 20/21 is considered to be limited.

Non-credit insured receivables are reviewed for impairment risk, based on the ageing of the receivables.

Credit insurance is mandatory for all trade receivables sold to the factor company. Certain entities benefit also from credit insurance although their receivables are not factored.

Credit risk exposure on non-credit insured customers is continuously monitored by Corporate Treasury and any customer whose credit limit exceeds a predefined amount, is subject to a credit check. The credit check and customer rating are based upon the customers' shareholders and group structure, the balance sheet and profit and loss accounts of the last two calendar years and related audit report and the weighted average days paid late. An internal credit limit is mandatory for non-credit insured customers before confirming the order to the customer and before shipping the goods. Approval of the internal credit limits is subject to the Greenyard Authority Matrix as approved by the Audit Committee in December 2019. Impairment losses are recorded on an individual basis.

The Group also makes advances to key suppliers, generally to secure produce in key categories. Advances made are generally interest bearing and recovered through deduction from payments made in respect of produce delivered by the counterparty.

Financial investments are only allowed if the counterparties meet the minimum acceptable credit ratings at the time of initiation of the investment without exceeding a maximum concentration per counterparty. Investment counterparties must be of Western government credit (US, Canada, EC-countries) with banks and issuers with a credit rating of BBB (Standard & Poor's), Baa (Moody's Investor Service) or better.

Credit risk covers only the instrument category of 'loans and receivables' (L&R). For the other instrument categories, the credit risk is limited or non-existent, given that counterparties are banks with a high creditworthiness.

6.18.3. Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations on their due date. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stress conditions without incurring unacceptable losses or risking damage to its reputation.

The Group monitors its risk of a shortage of funds using a cash positioning tool. Short-term cash flow forecasting is performed in the operating entities of the Group and aggregated by Corporate Treasury. Corporate Treasury monitors forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

Most of the subsidiaries are part of a cash pool scheme, as such funds are collected on a daily basis on the bank accounts held by Corporate Treasury. For subsidiaries not part of a cash pool scheme, surplus cash above balances required for working capital purposes are transferred to Corporate Treasury.

The Group's policy is to have adequate facilities available at all times to cover unanticipated financing requirements. The Group has approval of committed term and revolving borrowings of up to € 467,5m per 31 March 2021 (€ 463,6m per 31 March 2020).

At 31 March 2021, the Group has € 53,7m of unused available lines under its Facilities Agreement (31 March 2020 € 37,6m). The total uncommitted bilateral facilities for an amount of € 13,9m were unused for € 10,0m at 31 March 2021 (31 March 2020 € 12,8m).

For a discussion of the existing lines and their terms and conditions, see note 6.16. *Interest-bearing loans*.

The table below categorises the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The undiscounted cash flows reflect net interest payments and principal repayments. Derivative financial assets and liabilities are included in the analysis for the residual cash flows.

Remaining terms of financial debt at 31 March 2021	Contractually agreed undiscounted cash flows			
	Due within 1 year	Due between 1 and 5 years	Due after 5 year	TOTAL
	€'000	€'000	€'000	€'000
Bank loans	17 513	584 271	-	601 784
Bond loans	129 688	-	-	129 688
Lease liabilities	37 514	121 849	134 261	293 624
Trade and other payables	680 908	3 653		684 562
Non-derivatives	**865 623**	**709 773**	**134 261**	**1 709 657**
IRS	5	14	-	18
Forward agreements	2 114	-15	-	2 099
Derivatives	**2 119**	**-1**	-	**2 118**
TOTAL	**867 742**	**709 772**	**134 261**	**1 711 775**

Remaining terms of financial debt at 31 March 2020	Contractually agreed undiscounted cash flows			
	Due within 1 year	Due between 1 and 5 years	Due after 5 year	TOTAL
	€'000	€'000	€'000	€'000
Bank loans	82 861	385 564	-	468 425
Bond loans	4 700	127 350	-	132 050
Lease liabilities	36 720	117 193	147 355	301 268
Trade and other payables	627 397	2 228	-	629 624
Non-derivatives	**762 054**	**632 335**	**147 355**	**1 531 367**
IRS	-	462	-	462
Forward agreements	198 122	-	-	198 122
Derivatives	**198 122**	**462**	-	**198 584**
TOTAL	**960 176**	**632 797**	**147 355**	**1 729 951**

All instruments held at the reporting date and for which payments had been contractually agreed are included. Forecasted data relating to future, new liabilities are not included. Amounts in foreign currencies have been translated at the closing rate. The variable interest payments arising from financial instruments were calculated using the applicable forward interest rates.

6.18.4. Financial assets and liabilities – fair value

Derivative financial instruments are measured at fair value at inception and at each reporting date, with the movement recognised in the income statement unless they are designated as cash flow hedges. Where instruments are classified as cash flow hedges, they are accounted for under hedge accounting rules with gains or losses arising on the effective portion of the derivative instrument recognised in the cash flow hedge reserve, as a separate component of equity. Gains or losses on any ineffective portion of the derivative are recognised in the income statement. When the hedged transaction matures, the related gains or losses in the cash flow hedge reserve are transferred to the income statement. The net carrying amounts and respective fair values are analysed for the various classes of financial assets and liabilities. The table below only includes the financial assets and liabilities for which the fair value differs from the carrying amount. For all other financial assets and liabilities, the Group considers the carrying amounts to approximate the fair values.

The fair value of bank loans is calculated as the present value of the future cash flows (level 2 input). The fair value of the host component of the convertible bond is calculated as the present value of the future cash flows taking into account the reference swap rate and credit spread (level 3 input).

Financial assets and liabilities by class and category at 31 March 2021	Net carrying amount	Fair value
	€'000	€'000
Host component of the convertible bond	122 531	125 150
Bank loans	289 352	294 273

Financial assets and liabilities by class and category at 31 March 2020	Net carrrying amount	Fair value
	€'000	€'000
Host component of the convertible bond	119 327	86 875
Bank loans	429 702	431 872

6.18.5. Capital structure

To maintain a strong capital base and sustain market confidence, the Board of Directors regularly reviews and monitors the Group's capital structure. This involves evaluating dividend policy and return on capital (based on shareholders' equity).

The Board of Directors is authorised to acquire own shares up to a legal maximum of 20%. On 31 August 2017, the Group completed a share buyback programme started in March 2017 with a total of 1 750 000 ordinary shares repurchased at a total cost of € 30,0m, including associated costs. These shares are held as treasury shares unless reissued or cancelled. Currently, the Group still holds 1 363 854 treasury shares.

The Group also constantly seeks to optimise its capital structure (balance between debts and equity) to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt to equity ratio. The Group is determined to reduce its leverage ratio to a level structurally below 2,5x over the coming periods.

The Group targets a flexible structure in terms of periodicity and credit type, which enables it to seize potential opportunities. Note 6.12. *Issued capital, share premium and other capital instruments* and note 6.16. *Interest-bearing loans* provide more detail on equity and debt components.

The Group has leverage ratio covenants as detailed in note 7.3. *Off-balance sheet commitments*.

6.18.6. Fair value hierarchy included in the statement of financial position

Assets and liabilities at fair value	31 March 2021				31 March 2020			
	Level 1	Level 2	Level 3	TOTAL	Level 1	Level 2	Level 3	TOTAL
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Financial assets at fair value								
Derivatives - Forward agreements, IRS and equity investments	-	519	5	524	-	2 125	106	2 232
Total	-	**519**	**5**	**524**	-	**2 125**	**106**	**2 232**
Financial liabilities at fair value								
Derivatives - Forward agreements and IRS	-	2 408	-	2 408	-	860	-	860
Total	-	**2 408**	-	**2 408**	-	**860**	-	**860**

The table above analyses the Group's financial instruments of initially measured at fair value, sorted by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: fair value measurement: the fair values of other financial assets and liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments. This mainly relates to derivative financial instruments.
  - Forward agreements are measured using quoted forward exchange rates and yield curves derived from quoted interest rates with matching maturities.
  - Interest rate swaps are measured at the present value of future cash flows estimated and discounted using the applicable yield curves derived from quoted interest rates.
- Level 3: fair value measurement: the fair value of the remaining financial assets and liabilities is derived from valuation techniques which include inputs that are not based on observable market data.

During the past financial year, there were no transfers of financial assets or liabilities between levels 1 and 2.

7. Other elements

7.1. Subsidiaries, associates, joint ventures and investments recorded at cost

The parent company of the Group is Greenyard NV, Sint-Katelijne-Waver, Belgium. The subsidiaries, associates, joint ventures and investments recorded at cost of the Group as per 31 March 2021 are presented below.

Long Fresh

Long Fresh: Subsidiaries	Country of incorporation	Consolidation method	% of interest	
			31 March 2021	31 March 2020
Greenyard Frozen Langemark NV	Belgium	Full	100%	100%
Greenyard Frozen Belgium NV	Belgium	Full	100%	100%
Pinguin Langemark NV	Belgium	Full	100%	100%
Greenyard Prepared Investments BE NV	Belgium	Full	100%	100%
Greenyard Prepared Belgium NV	Belgium	Full	100%	100%
BND CV [4]	Belgium	Full	25%	25%
Greenyard Frozen Brazil Ltda	Brazil	Full	100%	100%
Greenyard Frozen Investments FR (Moréac) SAS	France	Full	66%	66%
Greenyard Frozen Investments FR (Comines) SAS	France	Full	66%	66%
Greenyard Frozen Comines SAS	France	Full	100%	100%
Greenyard Frozen France SAS	France	Full	100%	100%
Greenyard Frozen Holding FR SAS	France	Full	100%	100%
Greenyard Frozen Investments PL Sp. Z o.o.	Poland	Full	100%	100%
Greenyard Frozen Poland Sp. Z o.o.	Poland	Full	100%	100%
LiliCo Hungary Kft. [1]	Hungary	Full	100%	100%
Greenyard Frozen UK Ltd.	UK	Full	100%	100%
Greenyard Prepared UK Ltd.	UK	Full	100%	100%
Greenyard Prepared Netherlands B.V.	The Netherlands	Full	100%	100%

Long Fresh: Investments recorded at cost	Country of incorporation	Consolidation method	% of interest	
			31 March 2021	31 March 2020
Alberts NV	Belgium	Not consolidated	7%	7%

Fresh

Fresh: Subsidiaries	Country of incorporation	Consolidation method	% of interest	
			31 March 2021	31 March 2020
Bakker Belgium NV	Belgium	Full	100%	100%
Greenyard Fresh NV	Belgium	Full	100%	100%
Greenyard Fresh Belgium NV	Belgium	Full	100%	100%
Greenyard Fresh Direct Belgium NV	Belgium	Full	100%	100%
Greenyard Transport Belgium NV	Belgium	Full	100%	100%
Greenyard Logistics Belgium NV	Belgium	Full	100%	100%
Lunasoft BV (1)	Belgium	Full	-	100%
Greenyard Fresh Holding NL B.V.	The Netherlands	Full	100%	100%
Greenyard Fresh Netherlands B.V.	The Netherlands	Full	100%	100%
Greenyard Fresh Investments NL B.V. (1)	The Netherlands	Full	100%	100%
Bakker Barendrecht B.V.	The Netherlands	Full	100%	100%
Bakker Barendrecht Transport B.V.	The Netherlands	Full	100%	100%
Holland Crop B.V.	The Netherlands	Full	100%	100%
Bakker Centrale Inkoop B.V.	The Netherlands	Full	100%	100%
Greenyard Flowers Netherlands B.V.	The Netherlands	Full	100%	100%
Greenyard Supply Chain Services B.V.	The Netherlands	Full	100%	100%
Greenyard Fresh France SAS	France	Full	100%	100%
Agrisol SAS (2)	France	Full	-	100%
Delta Stocks Sarl	France	Full	100%	100%
Greenyard Fresh Beteiligungs GmbH	Germany	Full	100%	100%
Greenyard Fresh Holding DE GmbH & Co KG	Germany	Full	100%	100%
Greenyard Fresh Trade International GmbH	Germany	Full	100%	100%
Greenyard Fresh Germany GmbH	Germany	Full	100%	100%
Fresh Solutions GmbH	Germany	Full	100%	100%
Greenyard Fresh Services GmbH	Germany	Full	100%	100%
Greenyard Fresh Austria GmbH	Austria	Full	100%	100%
Greenyard Fresh Spain SA	Spain	Full	100%	100%
Greenyard Logistics Portugal - logistica e transportes SA (3)	Portugal	Full	-	100%
Mor K.B. International Ltd	Israel	Full	65%	65%
Amore Srl	Italy	Full	46%	46%
Biofarm Srl	Italy	Full	100%	100%
Greenyard Fresh Italy Srl	Italy	Full	100%	100%
Bardsley Fruit Enterprises Ltd.	UK	Full	50%	50%
Greenyard Fresh UK Ltd.	UK	Full	100%	100%
Pastari International Ltd (1)	Turkey	Full	60%	60%
Greenyard Logistics Poland Sp. Z o.o.	Poland	Full	100%	100%
Bakker Trans sro	Czech Republic	Full	100%	100%
Bakker sro	Czech Republic	Full	100%	100%

Greenyard USA Co	US	Full	100%	100%
Seald Sweet LLC	US	Full	90%	90%
Greenyard Logistics USA Inc	US	Full	100%	100%
Mor U.S.A. Inc	US	Full	65%	65%
DFM Brazil Ltda	Brazil	Full	100%	100%
Greenyard Fresh Brazil Ltda	Brazil	Full	100%	100%
Greenyard Fresh Peru SAC	Peru	Full	100%	100%
Greenyard Fresh Chile Ltda	Chili	Full	100%	100%
Greenyard Fresh Colombia SAS	Colombia	Full	100%	100%
M.I.S.A. Int. (Pty) Ltd	South Africa	Full	65%	65%

Fresh: Joint ventures and associates	Country of incorporation	Consolidation method	% of interest	
			31 March 2021	31 March 2020
Grupo Yes Procurement Marketing SL	Spain	Equity method	50%	50%
Logidis Sistem SL	Spain	Equity method	50%	50%
Mahindra Greenyard Private Ltd. (3)	India	Equity method	-	40%
Agritalia Srl	Italy	Equity method	33%	33%

Fresh: Investments recorded at cost	Country of incorporation	Consolidation method	% of interest	
			31 March 2021	31 March 2020
Pison Srl (1)	Italy	Not consolidated	25%	25%
Campoverde Spa Agricola	Italy	Not consolidated	2%	2%
Carpe Naturam Soc. Consortile ARL	Italy	Not consolidated	9%	9%
Kiwi Passion S.r.l. Consorzio	Italy	Not consolidated	7%	7%

(1) Liquidated or in liquidation
(2) Merger
(3) Divestment
(4) Greenyard has 'de facto' control based on certain statements in the articles of association: on the one hand they have more rights and blocking possibilites and on the other hand they are always involved in the representation in and out of court of the CV.

Significant restrictions

There are no significant restrictions (e.g. resulting from borrowing arrangements, regulatory requirements or contractual arrangements between investors with significant influence over a subsidiary) on the ability of subsidiaries to transfer funds to their parent company in the form of cash dividends, or to repay loans or advances made by the parent company, except for those mentioned in note 7.3. *Off-balance sheet commitments*, with the approval of the majority shareholder. In addition, there are no significant restrictions on the Company's or its subsidiaries' ability to access or use the assets and settle the liabilities of the Group, except for those mentioned in note 7.3. *Off-balance sheet commitments*.

Changes in the consolidation scope

The following major changed occurred in the consolidation scope during AY 20/21:

- In June 2020, Greenyard finalised the sale of Greenyard Logistics Portugal for a net consideration of € 5,0m and realised a gain of €3,0m.
- In March 2021, the stake in Mahindra was sold without any gain or loss resulting from this sale.

During AY 19/20 the following changes were noted:

- In May 2019, Greenyard reached an agreement to increase the investment in Bardsley Fruit Enterprises (formerly known as Bardsley England). Greenyard now owns 50,1% of the shares and has control over the entity. Consequently, the consolidation method changed from equity to full consolidation method.
- Greenyard acquired the remaining 50% of the shares in Lunasoft in May 2019. Consequently, the consolidation method changed from equity to full consolidation method.
- On 14 October 2019 the Group announced the divestment of Greenyard Flowers UK to Yellow Holdings Ltd. The total consideration amounts to € 9,7m, consisting of € 5,7m for the shares and € 4,0m for the debt settlement. Cumulative translation adjustments for an amount of € -1,4m were recycled to the income statement ad a loss on disposal of € 22,5m was recognised.

7.2. Main disputes

To the extent the expected outcome of the disputes mentioned below would result in a potential financial impact for Greenyard, a provision has been recorded or an existing one has been revised.

Tax dispute

Greenyard Frozen Brazil Ltda. imports frozen fruit and vegetables from Europe for which the company has received an exemption from paying ICMS (tax on circulation of goods and services) from the state of São Paulo. Frozen fruit and vegetables are considered basic and natural products which are generally exempt from ICMS. However, local tax authorities do not consider frozen fruit and vegetables to be natural products and claim administrative penalties for such imports. This is general practice in the frozen vegetables business. The total litigations of Greenyard in this respect amount to R$ 22,5m (€ 6,1m) relating to the period 2010-2016 for which no amounts were paid nor accrued. A final favourable court decision was pronounced by the Supreme Court on 17 August 2017. Procedures before the courts of first instance to execute the Supreme Court judgement and cancel the total amount of fines imposed by the local tax authorities are pending.

Banana license dispute

In 2002, Greenyard Fresh Italy S.r.l. (formerly Univeg Trade Italia S.r.l. and previously Bocchi Import Italia S.r.l.) received a claim relating to allegedly unpaid customs duties on banana imports between October 1998 and November 1999. The tax authorities claimed that false licenses to trade bananas were used by the company. It appears that the company purchased the false licenses in good faith. The Greek tax authorities claim a payment of € 2,8m (including interest). However, because of new legislation which has entered into force, there is likely to be a positive outcome in favour of the company. Legal proceedings before the Greek High Court are pending.

Dispute with a large banana supplier

Greenyard Fresh Handelsgesellschaft GmbH, which was merged into Greenyard Fresh Germany GmbH, entered into a banana ripening and distribution agreement in 2013 with a large banana supplier, who unilaterally decided to partly deviate from this agreement, whereas Greenyard continued to comply with it. A writ of summons has been filed against Greenyard Fresh Germany GmbH and Greenyard NV in the amount of € 6,0m, against which an objection has been filed. The legal proceedings are pending in first instance before the commercial court.

Outstanding receivables towards Polish customer

Greenyard Logistics Poland is taking part as a creditor in the restructuring proceedings initiated before the Polish court by a Polish customer which owes outstanding receivables of PLN 5,7m (or approximately € 1,3m) in total to the company.

Dispute with a Central American banana supplier

Greenyard's German subsidiary Greenyard Fresh Germany GmbH entered into a supply agreement with a supplier for the sourcing of bananas in Central America. The sea freight of the bananas was organised by Greenyard Supply Chain Services B.V. at the expense of the supplier. In the course of 2018, Greenyard Fresh Germany GmbH brought claims against the supplier as a result of certain quality issues. During the same period, there were also arrears on the part of the supplier with regard to the freight costs. The supplier has filed a writ of summons against Greenyard Fresh Germany GmbH in the amount of € 2,3m, against which objection as well as a counterclaim in the amount of € 1,7m has been filed. The legal proceedings are pending in first instance before the regional court.

Loan debt due by Peruvian grower

Greenyard Fresh Peru SAC and a local grape grower signed an agreement whereby the grower undertook to deliver (at least) 2k tons of grapes per season, in the period between 2014 and 2018. In order to finance the purchase of additional plantations by the grower, the company granted a long-term loan of USD 500k, repayable in annual instalments from 2015 to 2019. Since the grower remains in breach of its obligation to repay the loan, Greenyard Fresh Peru SAC has initiated proceedings to enforce its collateral.

Dispute regarding the bankruptcy of a contractor

In 2016, Greenyard Frozen UK Ltd. entered into an equipment lease agreement with a Belgian contractor for the construction and rental of a combined heat and power plant (*CHP*) on its site. Greenyard NV issued a corporate guarantee, securing the obligations of its subsidiary under the lease agreement. As the contractor did not comply with most of the contractual obligations to deliver, install and commission the CHP, Greenyard Frozen UK Ltd. was required to mobilize external resources and to incur additional costs in order to get the CHP operational. Due to the fact that the CHP was never commissioned by the contractor, the lease agreement never started. The contractor was declared bankrupt in February 2019.

The contractor's financing institution (which claims to be a subrogated creditor) disputed the fact that the lease never commenced and sued Greenyard NV for the payment of allegedly outstanding lease and interest payments of € 1,5m. In December 2020 the commercial court of first instance decided in favour of the refinancing institution. Greenyard NV has filed an appeal before the court of appeal, which proceedings are pending.

7.3. Off-balance sheet commitments

7.3.1. Commitments concerning purchases of property, plant and equipment and fresh vegetables

Per 31 March 2021 and 31 March 2020, the Group committed for the purchase of property, plant and equipment, and fresh fruit and vegetables an amount of:

Purchase commitments	31 March 2021 €'000	31 March 2020 €'000
Fresh fruit and vegetables	110 953	85 234
Property, plant & equipment	2 970	5 385
Other	725	483
TOTAL	**114 648**	**91 102**

The Group has concluded sowing and purchase contracts with a number of farmers for the procurement of fresh fruit and vegetables. The contracted amounts can still fluctuate as a function of climate conditions and market prices for fresh fruit and vegetables.

7.3.2. Factoring

In accordance with IFRS 9 Financial instruments: Recognition and Measurement, all non-recourse trade receivables, including in factoring programmes, are derecognised for the non-continuing involvement part.

As of 31 March 2021, total derecognised trade receivables amounted to € 345,5m.

7.3.3. Bank and bond covenants and undertakings

The Group has a convertible bond (€ 125,0m) and an amended Facilities Agreement (€ 467,5m) signed in March 2021.

Group convertible bond

In December 2016, Greenyard Fresh NV, a wholly-owned subsidiary of the Company, issued a senior, unsecured, guaranteed convertible bond of € 125,0m with a gross coupon of 3,75% fixed interest rate, due in December 2021. The convertible bond is guaranteed by the Company. The terms and conditions allowed Greenyard Fresh NV to redeem the convertible bonds in cash, new and/or treasury ordinary shares or a combination thereof at choice upon conversion of the convertible bonds by the bondholders. On 23 November 2017, Greenyard Fresh NV gave notice to the bondholders that it was unilaterally, irrevocably and unconditionally waiving its right to make a Cash Alternative Election, as provided in clause 6(m) of the terms and conditions, effective from that date.

Greenyard Fresh NV has the option of calling in all outstanding convertible bonds on or after 22 January 2020 at par plus accrued interest, in accordance with the terms and conditions of the convertible bonds, provided that the volume weighted average price of the Company's shares exceeds 130% of the conversion price over a specified period, or, at any time, if 15% or less of the principal amount of the convertible bonds remains outstanding.

The conversion price of the convertible bond was set at € 17,430 at the launch, representing a premium of 25% on the volume weighted average price of the Company's shares on Euronext Brussels between opening and closing of the market on the placement date. On 26 March 2021, the Company informed its bondholders through a press release that the conversion price was reset to € 16,6534 pursuant to the € 50,0m capital increase.

The terms and conditions of the convertible bond include, amongst other things, some specific clauses on dividend protection and change of control. The convertible bond is not subject to financial covenants.

Group Facilities Agreement

In March 2021, the Group refinanced its bank loans through an Amended and Restated Facilities Agreement for an amount of € 467,5m consisting of a € 190,0m term loan 1 facility, a € 125,0m term loan 2 facility, intended to refinance the € 125,0m convertible bond and a € 152,5m revolving credit facility with the same consortium of banks with whom it had entered into its earlier Facilities Agreement, which would mature in December 2021. The term loans are repayable in periodical instalments per half year, with an aggregated EUR 15,0m repayable by end of March 2022 for the term loan 1 and the term loan 2 facility.

The facilities bear interest composed of EURIBOR plus a margin. The margin is not the same for the term loan as it is for the revolving credit facility. The margin is based on the Group's leverage. The term loans bear / will bear a margin between 1,5% and 3,25%, based on a leverage grid. The revolving credit facility bears a margin of between 1,25% and 3,00%, based on a leverage grid. Short-term bank debt varies in function of cash generated by operations, working capital needs and factoring drawdown.

Next to a change of control clause and customary general covenants, the Facilities Agreement includes financial covenants being an interest cover ratio and a leverage ratio which are tested on a semi-annual basis (30 September and 31 March) and reported to the lenders. At 31 March 2021, Greenyard complied with its covenants. For the coming financial year (2021/2022), the leverage ratio covenant is set at 3,5x and 3,2x (September 2021 and March 2022 respectively), where the interest cover ratio covenant is set at 3,0x and 3,5x (September 2021 and March 2022 respectively). Greenyard intends to gradually decrease its leverage towards 2,5x.

The Facilities Agreement also foresees a Guarantor Cover requirement for which the Guarantors need to meet certain minimum levels on coverage of total consolidated gross assets, total consolidated net sales and consolidated adjusted EBITDA. The guarantor cover test is required annually at year-end and Guarantors need to be added to the Facilities Agreement in case that the guarantor test is not met.

Securities

In March 2021, the Group successfully refinanced its bank facilities and entered into the Facilities Agreement. These facilities are secured through different types of asset pledges. In general, main assets, mostly including shares, cash balances, property, plant and equipment, inventories, trade and other receivables of the Group's subsidiaries, located in Belgium, France, the Netherlands, Poland, UK, Spain, Germany, Czech Republic and the US, are pledged or secured through mortgages. On a consolidated basis, meaning excluding intercompany positions, total pledged assets amounted to € 2 815,0m at 31 March 2021 of which € 2 310,0m related to business assets, € 185,4m to property, plant and equipment, € 244,6m to inventories and receivables, € 75,0 to cash and cash equivalents.

The convertible bond is not secured.

The Company will issue comfort letters to some of its subsidiaries confirming financial support until their General Shareholders' Meeting in 2022.

Bank and corporate guarantees

On 31 March 2021, the Group has outstanding bank guarantees amounting to € 12,7m and outstanding corporate guarantees amounting to € 181,9m. The main beneficiaries are tax/customs authorities, landlords, tenants, lenders, suppliers and customers. Of these amounts, bank guarantees amounting to € 0,6m are not considered to be in the ordinary course of business.

7.3.4. Contingent liabilities

There are no contingent liabilities, other than the above-mentioned responsibilities and warranties.

7.4. Related parties

Transactions between Greenyard NV and its subsidiaries have been eliminated in the consolidation and are therefore not included in this note. Transactions with joint ventures and associates are included.

For an overview of the application of articles 7:96 and 7:97 BCAC, reference should be made to the *Corporate Governance Statement* chapter.

The Fruit Farm Group

Until December 2019, Greenyard Group had a strategic fruit sales, marketing and distribution agreement with The Fruit Farm Group. Since, Greenyard entities is only doing business with local individual key suppliers within The Fruit Farm Group.

The Fruit Farm Group is ultimately owned by the reference shareholder of the Group.

Joint ventures

Transactions with joint ventures relate to sourcing, packing and selling of fruit and vegetables and logistic services.

Related parties	31 March 2021 €'000	31 March 2020 €'000
The Fruit Farm Group		
Purchase of products, services and other goods	19 477	47 745
Sales of services and other goods	84	2 085
Interest and similar revenue	-	9
Trade receivable incl advances	36	1 061
Trade payables	3 375	1 084
Other entities		
Purchase of products, services and other goods	2 938	-
Joint ventures		
Purchase of products, services and other goods	13 062	12 756
Sales of services and other goods	94	75
Interest and similar revenue	-	-
Trade receivable incl advances	10	17
Trade payables	2 330	3 344

Remuneration of the Board of Directors and Leadership Team

Remuneration	AY 20/21 €'000	AY 19/20 €'000
Board of Directors[1]	482	546
Leadership Team[2]	5 373	5 368

[1] Excluding Mr Hein Deprez (as permanent representative of Deprez Invest NV) who receives a management fee in his capacity of co-CEO.

[2] The Leadership Team's remuneration consists of the fixed remuneration and bonus of the Leadership Team members (including the co-CEOs).

The total annual remuneration paid to the Board of Directors for AY 20/21 decreased with € 0,1m compared with AY 19/20. This decrease is mainly due to the difference in the number of Board of Directors' meetings held in AY 20/21 (11 meetings, 4 of which were update meetings which do not entitle directors to attendance fees) compared to AY 19/20 (15 meetings, 4 of which were update meetings).

The Leadership Team's total annual remuneration includes the remuneration of both co-CEOs, Mr Hein Deprez (as permanent representative of Deprez Invest NV) and Mr Marc Zwaaneveld (as permanent representative of MZ-B BV), and the remuneration of the other Leadership Team members.

For more detailed information in this respect and with respect to disclosures relating to the 2020 Code, reference should be made to the *Corporate Governance Statement* chapter.

7.5. Events after balance sheet date

On 11 June 2021, Greenyard and Cornerstone Investment Management have signed a Share Purchase Agreement pursuant to which Cornerstone Investment Management, a Polish private equity investment firm, will acquire 100% of the shares of Greenyard Prepared Netherlands, specialised in the supply of high quality, freshly harvested mushrooms in cans and jars to a worldwide customer base, subject to customer regulatory approvals and closing conditions.

There are no other major events subsequent to the balance sheet date which have a major impact on the further evolution of the Group.

7.6. Fees group auditor

During AY 20/21, additional services for a total amount of € 87k were provided by the statutory auditors and persons working under cooperative arrangements with them. These services mainly consist of supplementary audit and advisory services.

The audit fees charged to the Group for the accounting year ending 31 March 2021 amounted to € 1,5m.

All additional fees were presented in advance to the Audit Committee for approval. The Group's Audit Committee gave a positive decision on this extension.


CARGO

Statement of responsible persons

Declaration regarding the information given in this financial report for the 12-month period ended 31 March 2021.

Sint-Katelijne-Waver, 10 June 2021

The undersigned, in the name and on behalf of Greenyard NV, declare that, as far as they are aware:

- The financial statements, established in conformity with the applicable accounting standards, give a true and fair view of the equity, the financial position and the results of Greenyard NV, including its consolidated subsidiaries;
- The financial report for the 12-month period ended 31 March 2021 contains a true and fair statement of the important events, the results and the position of Greenyard NV, including its consolidated subsidiaries, as well as a comment on the principal risks and uncertainties confronting the Group.

Ahok BV, represented by Mr Koen Hoffman, Chairman of the Board of Directors

Deprez Invest NV, represented by Mr Hein Deprez, co-CEO and managing director

MZ-B BV, represented by Marc Zwaaneveld, co-CEO

Chilibri BV, represented by Mr Geert Peeters, CFO


PROMO
Bio
APPEL/POMME 3,81
ORANGE 4,40
PROMO
GROENTEN & FRUIT FRUITS & L

Statutory auditor's report on the consolidated financial statements

Statutory auditor’s report to the shareholders’ meeting of Greenyard NV for the year ended 31 March 2021 - Consolidated financial statements

In the context of the statutory audit of the consolidated financial statements of Greenyard NV (“the company”) and its subsidiaries (jointly “the group”), we hereby submit our statutory audit report. This report includes our report on the consolidated financial statements and the other legal and regulatory requirements. These parts should be considered as integral to the report.

We were appointed in our capacity as statutory auditor by the shareholders’ meeting of 21 September 2018, in accordance with the proposal of the board of directors (“bestuursorgaan” / “organe d’administration”) issued upon recommendation of the audit committee and presentation of the works council. Our mandate will expire on the date of the shareholders’ meeting deliberating on the financial statements for the year ending 31 March 2021. Due to a lack of online archives dating back prior to 1997, we have not been able to determine exactly the first year of our appointment. We have performed the statutory audit of the consolidated financial statements of Greenyard NV for at least 23 consecutive periods.

Report on the consolidated financial statements

Unqualified opinion

We have audited the consolidated financial statements of the group, which comprise the consolidated statement of financial position as at 31 March 2021, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flow for the year then ended, as well as the summary of significant accounting policies and other explanatory notes. The consolidated statement of financial position shows total assets of 1 942 133 (000) EUR and the consolidated income statement shows a profit for the year then ended of 1 201 (000) EUR.

In our opinion, the consolidated financial statements give a true and fair view of the group’s net equity and financial position as of 31 March 2021 and of its consolidated results and its consolidated cash flow for the year then ended, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISA), as applicable in Belgium. In addition, we have applied the International Standards on Auditing approved by the IAASB applicable to the current financial year, but not yet approved at national level. Our responsibilities under those standards are further described in the “Responsibilities of the statutory auditor for the audit of the consolidated financial statements” section of our report. We have complied with all ethical requirements relevant to the statutory audit of consolidated financial statements in Belgium, including those regarding independence.

We have obtained from the board of directors and the company’s officials the explanations and information necessary for performing our audit.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matters
Goodwill impairment assessment	
The group's goodwill is relative to the Cash Generating Unit 'Fresh' and amounts to 477 MEUR. We focused on this area due to the size of the goodwill balance (477 MEUR as at 31 March 2021) and because the directors' assessment of the "value in use" of the Group's CGUs involves judgements about the future results of the business and the discount rates applied to future cash flow forecasts. The group disclosed the nature and the value of the assumptions used in the impairment test in note 6.2 to the consolidated financial statements. The key estimates embedded in the impairment test are disclosed in note 3.2 to the consolidated financial statements.	In response to this matter, we obtained an understanding of the impairment assessment process and tested the design and implementation of the relevant internal control procedures. Our substantive audit procedures included amongst others the challenge of the methodology and management's assumptions. Key assumptions relate to forecasted revenue growth, average EBITDA margin and discount rate applied. We involved internal valuation experts to assist us in this challenge especially in respect of assessing the reasonableness of the discount rate. We critically challenged management's assumptions with reference to historical data, and where applicable, to external benchmarks. We carried out audit procedures on management's sensitivity calculations and related available information. We critically assessed the historical accuracy of management's budgets and forecasts. We compared current performance with forecasts and corroborated previous forecasts with actual data. We assessed the adequacy of the disclosures with respect to the impairment test and the sensitivity analyses.

Going concern consideration	
A number of adverse non-recurring events along with fierce competition and market pressure caused a steep decrease in profitability in AY 18/19 and consequently triggered uncertainty around the liquidity position and the going concern consideration of the company. In response to these circumstances a number of restructuring measures & transformation measures were taken by management. A new business plan considering these measures was created and executed over the past 24 months. The Board of Director's performed a going concern assessment, considering: • management's 12 months forward looking cashflow analysis; • the amended and restated bank agreement the company signed with the syndicated lenders per March 2021; • management's assessment of potential risks and uncertainties as described in the annual report. Considering the pervasive impact of the going concern assumption on the financial statements and the material uncertainty in this respect identified in prior accounting periods, we consider this to be a Key Audit Matter. The group disclosed their going concern assessment in note 7.16 to the consolidated financial statements.	In response to this matter, we obtained an understanding and tested the design and implementation of relevant internal controls in relation to the going concern assessment. We critically challenged the documentation that served as a basis for the Board of Director's going concern assessment. We challenged management's assumptions and sought appropriate evidence for any anticipated improvements in major assumptions such as sales growth & cost reductions or working capital movements. We assessed the historical accuracy of management's estimates through retrospective review, performed covenant sensitivity analysis as well as stress-testing of the cash flow model. We involved debt restructuring specialists in the review of the overall debt structure of the company. We considered the appropriateness of the disclosure provided in note 7.16 'Bank loans' and the disclosure around general Risks & Uncertainties.

Changes in finance systems and processes	
The IT systems within the Group form a critical component of the Group's financial reporting activities and impact all account balances. In the past year the group commenced its finance transformation in the Fresh division with the implementation of a new ERP Platform in the German subsidiary Fresh Solutions GmbH. We focussed on this area because during a period of finance operational and systems changes there is an increased risk to the internal financial control environment. Deficiencies in controls surrounding key business processes lead to an increased risk of material misstatement in the financial statements. The group disclosed the potential risk as part of its general Risks & Uncertainties and in Note 3.2 to the consolidated financial statements.	We performed the following procedures in respect of the new ERP implementation: • Walkthroughs of new processes and review of the Design & Implementation of relevant controls identified in processes that are relevant to the preparation of the financial statements; • Obtained an understanding of the data cleaning that occurred prior to the migration and tested data migration with associated reconciliations; • Discussed and assessed IT access and segregation of duties for all users. Whilst our audit strategy did not seek to rely on controls over the processes impacted by the changes in finance operations and the ERP implementation, in performing our audit procedures we evaluated the robustness of the financial statements closing process. Such evaluation, as well as an assessment of the impact of all unremediated control deficiencies, served as a basis for our risk assessment and determination of our audit plan. Where relevant, the audit plan was adjusted to include the testing of additional manual business process controls and additional substantive procedures to mitigate the unaddressed risk mainly situated in the Cost of Sales. We considered the appropriateness of the disclosure provided in the Group financial statements in respect of the potential risks resulting from the change in finance and operational systems.

Responsibilities of the board of directors for the preparation of the consolidated financial statements

The board of directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the board of directors is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters to be considered for going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the group or to cease operations, or has no other realistic alternative but to do so.

Responsibilities of the statutory auditor for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a statutory auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

During the performance of our audit, we comply with the legal, regulatory and normative framework as applicable to the audit of consolidated financial statements in Belgium. The scope of the audit does not comprise any assurance regarding the future viability of the company nor regarding the efficiency or effectiveness demonstrated by the board of directors in the way that the company's business has been conducted or will be conducted.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control;

evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;

conclude on the appropriateness of the use of the going concern basis of accounting by the board of directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern;

evaluate the overall presentation, structure and content of the consolidated financial statements, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and we communicate with them about all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes any public disclosure about the matter.

Other legal and regulatory requirements

Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the directors’ report on the consolidated financial statements, the statement of non-financial information attached to the directors’ report on the consolidated financial statements and other matters disclosed in the annual report on the consolidated financial statements.

Responsibilities of the statutory auditor

As part of our mandate and in accordance with the Belgian standard complementary to the International Standards on Auditing (ISA) as applicable in Belgium, our responsibility is to verify, in all material respects, the director’s report on the consolidated financial statements, the statement of non-financial information attached to the directors’ report on the consolidated financial statements and other matters disclosed in the annual report on the consolidated financial statements, as well as to report on these matters.

Aspects regarding the directors’ report on the consolidated financial statements and other information disclosed in the annual report on the consolidated financial statements

In our opinion, after performing the specific procedures on the directors’ report on the consolidated financial statements, this report is consistent with the consolidated financial statements for that same year and has been established in accordance with the requirements of article 3:32 of the Code of companies and associations.

In the context of our statutory audit of the consolidated financial statements we are responsible to consider, in particular based on information that we became aware of during the audit, if the directors’ report on the consolidated financial statements and other information disclosed in the annual report on the consolidated financial statements are free of material misstatements, either by information that is incorrectly stated or otherwise misleading. In the context of the procedures performed, we are not aware of such a material misstatement.

The non-financial information as required by article 3:32, § 2 of the Code of companies and associations, has been disclosed in the directors’ report on the consolidated financial statements. This non-financial information has been established by the company in accordance with the GRI standards. In accordance with article 3:80 § 1, 5° of the Code of companies and associations we do not express any opinion on the question whether this non-financial information has been established in accordance with these standards.

Statements regarding independence

Our audit firm and our network have not performed any prohibited services and our audit firm has remained independent from the group during the performance of our mandate.

The fees for the additional non-audit services compatible with the statutory audit, as defined in article 3:65 of the Code of companies and associations, have been properly disclosed and disaggregated in the notes to the consolidated financial statements.

Other statements

This report is consistent with our additional report to the audit committee referred to in article 11 of Regulation (EU) No 537/2014.

Signed at Ghent.

The statutory auditor

Digitally signed by
Kurt Dehoorne
DocuSign
Signed By: Kurt Dehoorne (Signature)
Signing Time: 14-Jun-2021 | 15:16 CEST
C: BE
Issuer: Citizen CA
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Deloitte Bedrijfsrevisoren/Réviseurs d’Entreprises BV/SRL
Represented by Kurt Dehoorne

Deloitte.

Deloitte Bedrijfsrevisoren/Réviseurs d’Entreprises BV/SRL
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Member of Deloitte Touche Tohmatsu Limited

Statutory auditor's report to the shareholders' meeting, in accordance with article 4 of the Transparency Directive[1], in the context of the compliance of the consolidated financial statements in the form of an electronic file of Greenyard NV as of 31 March 2021 with the ESEF requirements and taxonomy under Delegated Regulation (EU) 2018/815[2]

In accordance with article 4 of the Transparency Directive[3], the statutory auditor's mission is to report on the compliance of the XBRL tagging of the consolidated financial statements in the form of an electronic file ("digital consolidated financial statements") of Greenyard NV ("the company") with the ESEF requirements and taxonomy, in particular with the provisions stipulated in the ESEF Regulatory Technical Standard ("ESEF RTS") applicable to the digital consolidated financial statements as of 31 March 2021.

Responsibilities of the board of directors

The board of directors is responsible for the preparation of the digital consolidated financial statements in accordance with the ESEF requirements and taxonomy (in particular, the provisions stipulated in the ESEF RTS applicable to the digital consolidated financial statements as of 31 March 2021).

This responsibility includes the selection and application of the most appropriate methods for preparing the digital consolidated financial statements. The responsibility of the board of directors furthermore includes the design, implementation and follow-up of systems and processes relevant for the preparation of the digital consolidated financial statements that are free from any material misstatement, whether due to fraud or error. The board of directors must verify that the digital consolidated financial statements correspond to consolidated financial statements which are readable by the user.

Responsibility of the statutory auditor

Based on the work we performed, it is our responsibility to express a conclusion as to whether the XBRL tagging of the company's digital consolidated financial statements as of 31 March 2021 complies in all material respects with the ESEF RTS.

We conducted our work in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) "Assurance engagements other than audits or reviews of historical financial information". This standard requires that we comply with all ethical requirements and that we plan and perform this mission in order to obtain reasonable assurance that nothing has come to our attention that causes us to believe that the digital consolidated financial statements have not been prepared, in all material respects, in accordance with the ESEF RTS that have been applied by the company.

The selection of the procedures performed is based on our professional judgment and on our assessment of the risks of material misstatement in the digital consolidated financial statements and in the statements made by the board of directors. The work performed consisted of, amongst others, the following procedures:

- Obtaining an understanding of the processes followed by the company for the XBRL tagging of the digital consolidated financial statements and of the internal control relevant to the certification, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control, which are intended to provide reasonable assurance that the XBRL tagging of the digital consolidated financial statements is, in all material respects, in compliance with ESEF RTS;

[1] Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004 on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market and amending Directive 2001/34/EC. This directive has been implemented into Belgian law by the royal decree of 14 November 2007 regarding the obligations of issuers of financial instruments admitted to trading on a regulated market. The provisions relating to the ESEF requirements have however not yet been transposed.

[2] Delegated Regulation (EU) 2018/815 of the Commission per 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regulatory technical standard to specify a uniform electronic reporting format. The delegated regulation is directly applicable in Belgian law.

[3] Ibid. 1.

- Reconciling the tagged data with the audited consolidated financial statements of Greenyard NV, 0402.777.157, as of 31 March 2021;
- Assessing the completeness of the tagging of the digital consolidated financial statement prepared by the company;
- Assessing the appropriateness of the use of the iXBRL elements of the ESEF taxonomy by the company and assessing the creation of the extension taxonomy;

Our independence and quality control

We have complied with all independence and other ethical requirements stipulated by law and regulations in Belgium that are applicable in the context of our mission. These requirements are founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our audit firm applies International Standard on Quality Control (ISQC) 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with the ethical requirements, professional standards and applicable legal and regulatory requirements.

Conclusion

Based on the procedures performed, in our opinion, the XBRL tagging of the digital consolidated financial statements of Greenyard NV as of 31 March 2021 is, in all material respects, in compliance with the ESEF requirements and taxonomy (in particular, the current provisions stipulated in the ESEF RTS applicable to the digital consolidated financial statements as of 31 March 2021).

The purpose of this report is not to express an audit opinion nor a conclusion of a limited review or any other assurance conclusion on the consolidated financial statements itself. Our audit opinion with respect to the consolidated financial statements of the group is set out in the statutory auditor's report dated 31 March 2021.

Other matter

The consolidated financial statements of Greenyard NV and its affiliates (together "the group") have been prepared by the board of directors of the company on 9 June 2021 and have been subject to a statutory audit. Our statutory auditor’s report signed on 14 June 2021 comprises an unqualified opinion on the true and fair view of the group’s net equity and consolidated financial position as of 31 March 2021 and of its consolidated results and its consolidated cash flow for the year then ended in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Signed at Ghent.

The statutory auditor

Digitally signed by
Kurt Dehoorne
DocuSign
Signed By: Kurt Dehoorne (Signature)
Signing Time: 14-Jun-2021 | 15:15 CEST
C: BE
Issuer: Citizen CA
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Deloitte Bedrijfsrevisoren BV
Represented by Kurt Dehoorne

Condensed statutory accounts

of the parent company Greenyard NV, according to Belgian accounting standards

The statutory financial statements of the parent company, Greenyard NV, are presented below in a condensed form. The statutory auditor issued an unqualified report on the financial statements of Greenyard NV. In accordance with Belgian company law, the directors' report and financial statements of the parent company, Greenyard NV, together with the statutory auditor's report, will be deposited with the National Bank of Belgium.

They are available on our website www.greenyard.group and on request from:
Greenyard NV
Strijbroek 10
BE – 2860 Sint-Katelijne-Waver Belgium
www.greenyard.group

ASSETS	Codes	31 March 2021 €'000	31 March 2020 €'000
NON-CURRENT ASSETS	20/28	282 359	233 319
Formation expenses	**20**	**696**	**208**
Intangible assets	**21**	**1 962**	**1 465**
Tangible assets	**22/27**	**268**	**11 234**
Land and buildings	22	-	9 094
Plant, machinery and equipment	23	39	56
Furniture and vehicles	24	27	33
Leasing and other similar rights	25	91	121
Other tangible assets	26		-
Assets under construction and advance payments	27	111	1 930
Financial assets	**28**	**279 433**	**220 411**
Affiliated enterprises	280/1	279 233	220 211
Participating interests	280	279 233	220 211
Amounts receivable	281	-	-
Other enterprises linked by participating interests	282/3	-	-
Participating interests	282	-	-
Amounts receivable	283	-	-
Other financial assets	284/8	200	200
Shares	284	200	200
Amounts receivable and cash guarantees	285/8	-	-
CURRENT ASSETS	29/58	319 539	378 312
Amounts receivable after more than one year	**29**	**270 251**	**340 370**
Trade receivables	290	-	-
Other amounts receivable	291	270 251	340 370
Stocks and contracts in progress	**3**	-	-
Stocks	30/36	-	-
Raw materials and consumables	30/31	-	-
Work in progress	32	-	-
Finished goods	33	-	-
Goods purchased for resale	34	-	-
Immovable property acquired or constructed for resale	35	-	-
Advance payments	36	-	-
Contracts in progress	37	-	-
Amounts receivable within one year	**40/41**	**8 021**	**3 467**
Trade receivables	40	7 020	2 991
Other amounts receivable	41	1 001	476
Investments	**50/53**	-	-
Own shares	50	-	-
Other investments and deposits	51/53	-	-
Cash at bank and in hand	**54/58**	**30 301**	**11**
Deferred charges and accrued income	**490/1**	**10 966**	**34 464**
TOTAL ASSETS	20/58	601 898	611 631

LIABILITIES	Codes	31 March 2021 €'000	31 March 2020 €'000
EQUITY	10/15	386 952	332 838
Capital	**10**	**343 852**	**293 852**
Issued capital	100	343 852	293 852
Uncalled capital	101	-	-
Share premiums	**11**	-	-
Revaluation surplus	**12**	-	-
Reserves	**13**	**46 241**	**46 241**
Legal reserve	130	9 474	9 474
Reserves not available for distribution	131	23 930	23 930
In respect of own shares held	1310	23 905	23 905
Other	1311	25	25
Untaxed reserves	132	1 477	1 477
Reserves available for distribution	133	11 360	11 360
Profit/ loss (-) carried forward	**14**	**-3 141**	**-7 254**
Investment grants	**15**	-	-
Advance to shareholders on the split of net assets	**19**	-	-
PROVISIONS AND DEFERRED TAXATION	16	-	-
Provisions for liabilities and charges	160/5	-	-
Pensions and similar obligations	160	-	-
Taxation	161	-	-
Major repairs and maintenance	162	-	-
Environment liabilities	163	-	-
Other liabilities and charges	164/5	-	-
Deferred taxation	168	-	-
CREDITORS	17/49	214 946	278 792
Amounts payable after more than one year	**17**	**206 218**	**206 697**
Financial debts	170/4	205 863	205 891
Subordinated loans	170	-	-
Unsubordinated bonds	171	-	-
Leasing and other similar obligations	172	63	91
Credit institutions	173	-	-
Other loans	174	205 800	205 800
Trade debts	175	355	805
Suppliers	1750	355	805
Bills of exchange payable	1751	-	-
Advances received on contracts in progress	176	-	-
Other amounts payable	178/9	-	-

Amounts payable within one year	**42/48**	**6 827**	**70 129**
Current portion of amounts payable after more than one year	42	34	36
Financial debts	43	-	-
Credit institutions	430/8	-	-
Other loans	439	-	-
Trade debts	44	5 580	3 659
Suppliers	440/4	5 580	3 659
Bills of exchange payable	441	-	-
Advances received on contracts in progress	46	-	-
Taxes, remuneration and social security	45	1 193	781
Taxes	450/3	231	86
Remuneration and social security	454/9	962	695
Other payables	47/48	20	65 654
Accrued charges and deferred income	**492/3**	**1 901**	**1 966**
TOTAL EQUITY AND LIABILITIES	**10/49**	**601 898**	**611 631**

INCOME STATEMENT	Codes	AY 20/21 €'000	AY 19/20 €'000
Operating income	**70/76A**	**21 849**	**21 114**
Turnover	70	19 032	19 100
Increase (+) ; Decrease (-) in stocks of finished goods and work and contracts in progress	71	-	-
Own construction capitalised	72	-	-
Other operating income	74	2 061	2 014
Non-recurring operating profit	76A	756	-
Operating charges	**60/66A**	**22 822**	**22 753**
Raw materials. consumables and goods for resale	60	-	-
Purchases	600/8	-	-
Increase (-) ; Decrease (+) in stocks	609	-	-
Services and other goods	61	12 666	14 827
Remuneration, social security costs and pensions	62	4 253	3 585
Depreciation of and other amounts written off formation expenses, intangible and tangible assets	630	1 593	2 111
Increase (+) ; Decrease (-) in amounts written off stocks, contracts in progress and trade receivables	631/4	-	1
Increase (+) ; Decrease (-) in provisions for liabilities and charges	635/8	-	-
Other operating charges	640/8	4 310	2 229
Operating charges capitalised as reorganisation	649	-	-
Non-recurring operating charges	66A	-	-
Operating profit/loss (-)	**9901**	**-973**	**-1 639**
Financial income	**75/76B**	**12 248**	**10 833**
Recurring financial income	75	12 248	10 833
Income from financial assets	750	2 000	8
Income from current assets	751	9 905	10 823
Other financial income	752/9	343	1
Non-recurring financial income	76B	-	-
Financial charges	**65/66B**	**7 156**	**13 259**
Recurring financial charges	65	7 156	13 259
Interest and other debts charges	650	6 618	12 855
Increase (+) ; Decrease (-) in amounts written off current assets other than stocks, contracts in progress and trade receivables	651	-	-
Other financial charges	652/9	538	404
Non-recurring financial charges	66B	-	-
Profit/loss (-) for the period before taxes	**9903**	**4 119**	**-4 066**
Transfer from deferred taxation	**780**	-	-
Transfer to deferred taxation	**680**	-	-
Income taxes	67/77	5	5

Income taxes	670/3	5	5
Adjustment of income taxes and write-back of tax provisions	77	-	-
Profit/loss (-) of the period	9904	4 114	-4 070
Transfer from untaxed reserves	789	-	-
Transfer to untaxed reserves	689	-	-
Profit/loss (-) for the period available for appropriation	**9905**	**4 114**	**-4 070**

APPROPRIATION ACCOUNT	Codes	AY 20/21 €'000	AY 19/20 €'000
Profit/loss (-) to be appropriated	**9906**	**-3 141**	**-7 254**
Profit/loss (-) for the period available for appropriation	(9905)	4 114	-4 070
Profit/loss (-) brought forward	14P	-7 254	-3 184
Transfers from equity	**791/2**	-	-
From capital and share premiums	791	-	-
From reserves	792	-	-
Transfers to equity	**691/2**	-	-
To capital and share premiums	691	-	-
To legal reserve	6920	-	-
To other reserves	6921	-	-
Profit/loss (-) to be carried forward	**(14)**	**-3 141**	**-7 254**
Shareholders' contribution in respect of losses	**794**	-	-
Distribution of profit	**694/7**	-	-
Dividends	694	-	-
Directors' emoluments	695	-	-
Employees	696	-	-
Other allocations	697	-	-


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Financial definitions

CAPEX	Capital expenditures
EBIT	Operating result
EPS	Earnings per share
IRS	Interest rate swap
Liquidity	Current assets (including assets classified as held for sale)/Current liabilities (including liabilities related to assets classified as held for sale)
Leverage	NFD/LTM adjusted EBITDA
Net financial debt (NFD)	Interest-bearing debt (at nominal value) before the impact of IFRS 16 as of AY 20/21, less derivatives, bank deposits, cash and cash equivalents and restricted cash
Net financial debt (post IFRS 16)	Interest-bearing debt (at nominal value) after the impact of IFRS 16 as of AY 20/21, less derivatives, bank deposits, cash and cash equivalents and restricted cash
Net result	Profit/loss (-) for the period
Adjusting items	Adjusting items are one-off expenses and income that in management's judgement need to be disclosed by virtue of their size or incidence. Such items are included in the consolidated income statement in their relevant cost category, but separately disclosed in the chapter Key financial information reconciling EBIT to adjusted EBITDA. Transactions which may give rise to adjusting items are principally restructuring and reorganisation activities, impairments, disposal of assets and investments, claims, IFRS 3 acquisition accounting and merger & acquisition projects and the effect of the accelerated repayment of certain financial indebtedness.
Adjusted EBITDA	EBIT corrected for depreciation, amortisation and impairments excluding adjusting items, excluding EBIT corrected for depreciation, amortisation and impairments from minor divested operations (not within the scope of IFRS 5) and excluding the impact of IFRS 16.
Adjusted EBITDA (post IFRS 16)	EBIT corrected for depreciation, amortisation and impairments excluding adjusting items, excluding EBIT corrected for depreciation, amortisation and impairments from minor divested operations (not within the scope of IFRS 5) and including the impact of IFRS 16.
LTM	Last twelve months
LTM adjusted EBITFA	Last twelve months adjusted EBITDA, corrected for acquisitions
Working capital	Working capital is the sum of the inventories, trade and other receivables (non-current and current) and trade and other payables (current). In this respect trade and other receivables are corrected for long-term (financing) receivables and accrued interest income and trade and other payables exclude accrued interest expenses and dividend payable.
AY 20/21	Accounting year ended 31 March 2021
AY 19/20	Accounting year ended 31 March 2020

About Greenyard

Greenyard (Euronext Brussels: GREEN) is a global market leader of fresh, frozen and prepared fruit & vegetables, flowers and plants. Counting Europe's leading retailers amongst its customer base, Greenyard provides efficient and sustainable solutions to customers and suppliers through best-in-class products, market leading innovation, operational excellence and outstanding service.

Our vision is to make lives healthier by helping people enjoy fruit & vegetables at any moment, easy, fast and pleasurable, whilst fostering nature.

With more than 9,000 employees operating in 23 countries worldwide, Greenyard identifies its people and key customer and supplier relationships as the key assets which enable it to deliver goods and services worth approx. € 4,4 billion per annum.

Greenyard NV / Strijbroek 10 / 2860 Sint-Katelijne-Waver / Belgium
www.greenyard.group

for a healthier future