



B&S Group 9M 2021 trading update

Performance driven by online Beauty and higher margin business in Liquor, turnover growth in Q3 limited following product scarcity.

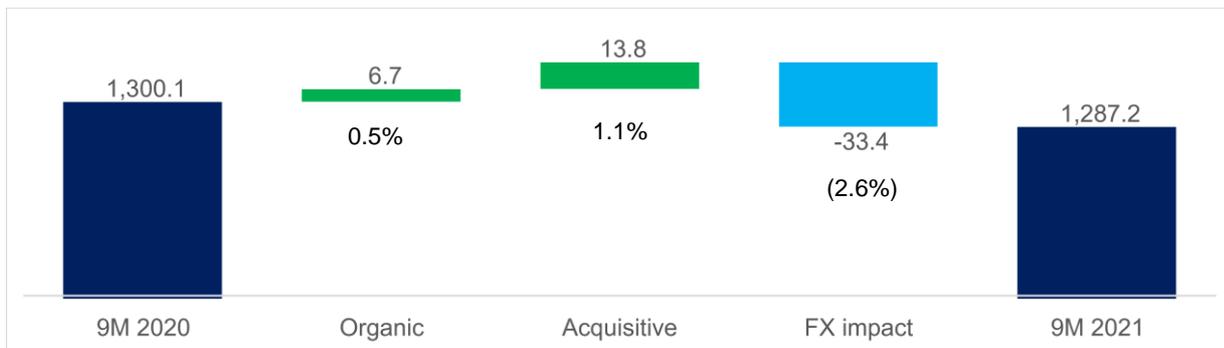
Mensdorf, Luxembourg – November 8, 2021 (07:00 CET)

B&S Group S.A. (“B&S Group” or “B&S”), a global distribution partner for consumer goods, today published its trading update for the first nine months of 2021 (“9M 2021”).

Highlights 9M 2021 (compared to 9M 2020)

- Overall turnover amounted to € 1,287.2 M, a decrease of 1.0% (+1.6% at constant currency);
- 2.1% organic turnover decrease (+0.5% at constant currency);
- Turnover growth in Q3 held back by product scarcity in Beauty, Liquors and Personal Care;
- Performance driven by online Beauty and focus on higher margin business in Liquors;
- Financial position remained solid with continued focus on working capital.

Turnover breakdown 9M 2021 in € million (unless otherwise indicated)



Highlights Q3 2021 (compared to Q3 2020)

- Overall turnover amounted to € 463.6 M, a decrease of 0.2% (+0.2% at constant currency);
- 0.6% organic turnover decrease (-0.2% at constant currency);



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Tako de Haan, CEO: “Our strategy execution is on track as we continue to look at new opportunities to expand online, in new geographies and by adding new services to our offering. As an example, we launched our new concept in the B&S Beauty segment to serve premium beauty brands with a distinct brand growth proposition. Most recently we welcomed NAIF Natural Skincare and CTZN cosmetics to our developing brand portfolio.

Now Covid-19 restrictions have been lifted in Europe, our EU Liquor and Personal Care business experience recovery in demand, although container shortages and product scarcity hold back sales growth. We do feel encouraged by the recovery of our travel retail business in Q3 and positively look to the future as expansion of our store portfolio and geographical footprint is on the horizon. The international travel related markets in Food and Health on the other hand recovered only slowly in Q3. Results in these segments were further pressured by the drop in tender business related to Afghanistan.

Our financial position remained solid with working capital levels increasing towards the seasonally stronger fourth quarter – in particular for the Liquor and Beauty category. With the completion of our overarching e-commerce backbone, we are rolling out new B2B and consumer sites for several product categories to further develop our business on both our own and reseller platforms.”

Segmental review**

Turnover split per segment

€ million (unless otherwise indicated)	9M 2021 reported	9M 2021 organic	9M 2021 acquisitive	9M 2021 FX	9M 2020 reported*	Δ (%) reported	Δ (%) constant currency
B&S Liquors	372.2	(12.1)		(9.6)	393.9	(5.5%)	(2.4%)
B&S Beauty	454.4	40.5	13.8	(16.8)	416.9	9.0%	(4.0%)
B&S Personal Care	199.0	6.6			192.4	3.4%	0.0%
B&S Food	201.7	(9.0)		(6.6)	217.3	(7.2%)	(3.0%)
B&S Health	34.3	(8.4)		(0.2)	42.9	(20.0%)	(0.5%)
B&S Retail	25.6	(11.0)		(0.2)	36.8	(30.4%)	(0.5%)
Holding & eliminations	-	0.1			(0.1)	(100%)	0.0%
TOTAL TURNOVER	1,287.2	6.7	13.8	(33.4)	1,300.1	(1.0%)	(2.6%)



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€ million (unless otherwise indicated)	Q3 2021 reported	Q3 2021 organic	Q3 2021 acquisitive	Q3 2021 FX	Q3 2020 reported*	Δ (%) reported	Δ (%) constant currency
B&S Liquors	141.4	(12.9)		(0.3)	154.6	(8.5%)	(0.2%)
B&S Beauty	152.4	3.3	2.0	(1.1)	148.2	2.8%	(0.7%)
B&S Personal Care	74.3	(1.4)			75.7	(1.8%)	0.0%
B&S Food	68.7	4.2		(0.3)	64.8	6.0%	(0.5%)
B&S Health	11.8	0.4			11.4	3.5%	0.0%
B&S Retail	15.1	5.5			9.6	57.3%	0.0%
Holding & eliminations	(0.1)	(0.1)					
TOTAL TURNOVER	463.6	(1.0)	2.0	(1.7)	464.3	(0.2%)	(0.4%)

*The comparative information has been re-presented due to the new segment structure as per 2021

**A detailed set of figures containing the quarterly sales for the new segments as well as segmented profit and loss figures for HY + FY 2019 and HY + FY 2020 is published on the corporate website.

B&S Liquors overall turnover for 9M 2021 continued to see impact from industry wide scarcity and continued container shortages. Despite the impact of Brexit on sourcing routes and shortage of several A-brand products, sales levels in our European Liquor business were above 2019 levels, with Q3 sales higher than Q3 last year. This was the result of our focus on selected EU countries. In the international Liquor business, continued focus on higher margin business impacted turnover yet resulted in higher gross profit margin. All in all, turnover declined 5.5% in 9M 2021 or 8.5% in Q3 2021.

B&S Beauty managed to increase overall sales despite scarcity of goods that impacted B2R and especially B2B sales. Our B2C channels continued growth in online sales, driven by international geographical expansion and decreased EUR/USD FX impact. Further B2C growth in Q3 was held back by product scarcity. Overall, turnover increases 9.0% in the first nine months of 2021. As expected and communicated at HY 2021, margins for our online sales in Q3 were back at pre-covid levels.

B&S Personal care performed in line with the same period last year yet above HY 2021 expectations. This was the result of continued shop openings in Europe by key clients during the third quarter as well as sales to new customers. Further sales development was held back by high container prices which put pressure on availability and prices of the private label assortment. All in all, 9M 2021 sales were up 3.4%.

B&S Food saw overall turnover increase in Q3 following sales growth in domestic markets that benefited from relaxation of Covid-19 restrictions. This growth was partly offset by the remote business where turnover declined further due to abrupt ending of all military related business in Afghanistan on top of the already anticipated withdrawal of troops in H1 2021. Overall turnover as such declined by 7.2% in the first nine months 2021.



B&S Health turnover in Q3 2021 was in line with Q3 last year. Year to date, turnover decreased compared to 2020 as the first nine months of last year benefitted from Covid-19 related sales. In Q3, the travel vaccine business recovered only slowly as many travelers select destinations closer to home whereas delayed care treatments resulted in reduced demand for hospital supplies. Turnover declined by 20% when compared to 9M 2020 with a 3.5% increase in the third quarter when compared to Q3 2020.

B&S Retail benefitted from the easing of travel restrictions from end Q2 onwards, further aided by the summer holiday season. Nearly all our shops have reopened and turnover approached HY 2021 expectations. The first new business opportunities are also starting to materialize as evidenced by the recently signed Memorandum of Understanding for Hamad International Airport, therewith expanding our presence in the Middle East. With the steep increase in sales of 57.3% in Q3, 9M 2021 sales arrived at € 25.6 M.

Outlook 2021

We expect our Liquors, Beauty and Personal Care business to accelerate overall performance in terms of sales and margin in Q4 - traditionally the strongest quarter. The Food and Health segment are not expected to enhance performance compared to Q3, as the tender business that was originally expected from Afghanistan in H2 will not materialise. The upward trend in Retail is expected to continue in the fourth quarter.

Overall turnover growth for 2021 is held back by the aftermath of Covid-19 impact in terms of product scarcity, container shortages and later than anticipated recovery of international travel related markets. We remain confident on meeting our 2021 EBITDA margin target following our continued focus on higher margin business.

Conference call

Our CEO Tako de Haan and CFO Peter Kruithof will host an analyst call at 10:30 CET this morning to discuss the 9M 2021 trading update.

The call will be recorded and archived for playback purposes and will be available on our website shortly after the call.



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Financial calendar

February 28, 2022	FY 2021 results (07:00 CET)
March 8, 2022	Annual Report 2021
May 16, 2022	Q1 2022 trading update (07:00 CET)
May 17, 2022	Annual General Meeting
August 22, 2022	HY 2022 results (07:00 CET)
November 7, 2022	9M 2022 trading update (07:00 CET)

Upcoming events

December 9, 2021	ING Benelux conference
January 6 & 7, 2022	ODDO BHF Forum

For additional information please contact

Anke Bongers, Director Corporate Communications & IR

T: +31 (0)78 653 4128

E: investor.relations@bs-group-sa.com

About B&S Group

B&S Group is a global distribution partner for consumer goods to Business-to-business (B2B), Business-to-reseller (B2R) and Business-to-consumer (B2C) channels. With a well-trained and experienced workforce of over 2,000 employees, B&S provides essential distribution and marketing services that drive conversion and increase reach. This way, it connects suppliers to wholesalers, retailers and consumers globally.

B&S operates a flexible, increasingly digitised and highly efficient distribution platform that comes with strong barriers to entry. Powered by high capacity warehouses and delivered with expertise in customs and compliance, B&S offers a long-tail assortment of consumer goods to a wide range of customers in all the far corners of the world.

Visit our corporate website: www.bs-group-sa.com.



Forward-looking information / disclaimer

This press release includes forward-looking statements. Other than reported financial results and historical information, all statements included in this press release, including, without limitation, those regarding our financial position, business strategy and management plans and objectives for future operations, are, or may be deemed to be, forward-looking statements. These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements are based on our current expectations and projections about future events and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond B&S Group's ability to control or estimate precisely, such as future market conditions, the behaviour of other market participants and the actions of governmental regulators. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release and are subject to change without notice. Other than as required by applicable law or the applicable rules of any exchange on which our securities may be traded, we have no intention or obligation to update forward-looking statements.