

2020 RESULTS

Deoleo reports like-for-like net profit of €57m, reinforces its market position

- Outstanding results driven by volume growth of 22%, which boosted market share in company's main regions – Spain, Italy and US)
- Sales rise 18.4% to €665m, up from €561m in previous year
- EBITDA, increases by €44m to €72m while lower financial costs and sale of non-core assets generates €36m in cash, compared to €5m the previous year
- Net financial debt stands at €150M, compared to €557M at the end of 2019, as a result of positive cash generation a refinancing agreement closed in June

MADRID, FEBRUARY 25, 2021 – Deoleo, the world's leading olive oil producer, closed 2020 having consolidated the positive trend it maintained throughout what proved to be a key year for the company. It posted recurrent net profit of €57m, compared to a loss of €11m the previous year. Taking into account the extraordinary impact its debt restructuring process has had on the financial results, net profit amounted to €290m.

Among key aspects, Ebitda rose 160% to €72m, compared to €27.7m at the end of 2019. These figures reflect the growth in sales volume (+22%), impacted by both an increase in household consumption due to the pandemic and strategic commercial initiatives that were implemented. This is also reflected in revenue progression (+18.4%), which stood at €665m compared to €561m the previous year. These figures bear witness to the turnaround initiated in mid-2019 and consolidated in 2020.

The improvements enabled the company to generate cash of €36m compared to €5m in 2019, with a year-end cash position of €73m. This, together with the closing of a refinancing agreement in June, has brought a €407m reduction in net financial debt to €150m compared with €570m a year ago.

Ignacio Silva, chairman and CEO of Deoleo said: “2020 marked a turning point for the company. We are in a situation of financial stability and we have a solid cash position that places us in a privileged position within the sector. This, coupled with a commercial strategy that is already bearing fruit, and also the strength of our brands, encourages us to be optimistic about a future that in the medium term will continue to be marked by the uncertainty of the environment in which we operate.”

Improved market share in key geographies

The company has been able to leverage the strength of its brands and its knowledge of the markets in which it operates, translating into volume growth in all business units. The increase in the market share of Deoleo's olive oil brands has been higher than that of the markets in the main locales in which it operates. According to IRI data, market share during 2020 rose by 2.8 percentage points in the United States, while Nielsen studies show it has increased by 1.1 percentage points in Spain and by 0.7 in Italy.

Adapting to a future marked by uncertainty

Despite the strong performance of the business, it should not be forgotten that the market continues to operate amid great uncertainty, which will persist in the short and medium terms. Future developments in the health situation will influence the behaviour of the different markets in which the company is present and the impact this may have on the consumer in the long term is still uncertain. Although we expect the effects of the pandemic to be much less harrowing in 2021, Deoleo has a growing business platform that it expects to be sustained this year.

Lastly, in view of the positive results obtained this past year, Deoleo has decided to carry out a strategic review in preparation for launching a new five-year Business Plan that reflects the changes in the market and its future potential. This fresh plan will naturally continue to maintain our commitment to quality, the need to drive higher valuations for olive oil, and giving prime relevance to consumers' preferences on which to base our strategic decisions.

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About Deoleo

Deoleo is a Spanish multinational in the food sector, world leader in marketing olive oil. It has a presence in more than 70 countries in the five continents, with mills in Spain and Italy and commercial offices in 15 countries. Deoleo has leading brands all over the world, such as Bertolli (the biggest seller in the US), Carapelli and Sasso; and Spain's Carbonell, Hojiblanca and Koipe. More information: www.deoleo.com.

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