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PRESS RELEASE

A project that will give structure to the poultry value chain in Brittany and France

The LDC Group announces the launch of exclusive discussions with the Eureden Group with a view to acquiring the assets of the company Ronsard in Brittany, Aquitaine, Bresse and Ile-de-France. The Ronsard Group, number 4 on the French market for the slaughter and processing of poultry, achieved €160 in turnover and employed a staff of more than 750 in 2019.

The Eureden Group wants to entrust its poultry processing activities to a third party for which those activities are its core business. For this, it is prioritizing an alliance with the top actor in France, with the aim of sustaining French poultry production in the long run.

The completion of this operation would increase the LDC Group's poultry-based processing capacities and strengthen its regional portfolio in line with consumer expectations.

In Brittany, this would allow Société Bretonne de Volailles (SBV), a subsidiary of LDC, to supplement its poultry-based product lines and its range of local poultry.

This project should reinforce the Breton value chain, secure jobs in the regions (particularly those in Bignan, which would otherwise have been threatened) and win back the domestic market where imports have been on the rise for many years now.

To meet this major challenge facing French poultry farms, the LDC Group has concluded a supply contract with the Eureden co-operative's farmers and plans to build a new abattoir in Bignan, which will be vital to ensuring the global competitiveness of the Breton value chain.

As a result, in view of this opportunity but also the size of the ensuing investments, the LDC Group will need to adjust its orientations.

The project, which was initially planned in Châteaulin, has been suspended while the investment in Bignan is carried out and to ensure its financial equilibrium. The LDC Group also wants to make it clear that it has received none of the financial aid which was promised by the Brittany Region for the "Châteaulin 2" project.

The Region has confirmed that it assisted SBV with the examination of this project and maintains its agreement in principle to contribute to the funding of the planned investments in Châteaulin, a commitment it had made before the Rennes Commercial Court in 2017.

The Region is also satisfied with the positive outcome for Bignan, that will keep industrial jobs there and give local farmers the visibility they need to continue to upgrade their operations.

The acquisition of Ronsard will be subject to consultation with staff representatives and to signature of a final agreement after an audit of the sites, as well as to the prior authorization of the French competition authority.

At this stage, discussions are under way, and there is no indication thus far as to what the outcome may be.

This defining project would save jobs, a priority shared by LDC, Eureden and the Brittany Region.

LDC and Eureden are pro-actively committed to the dynamics promoted by the Brittany Region, with the aim of achieving food autonomy whilst responding to climate, diversity and animal welfare issues. Alignment with those dynamics was a condition of the Region's support for the renovation and construction of new chicken coops that meet the objectives of improving livestock farming conditions, as demanded by consumers today.

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