



# ACTIVITY REPORT

## 2020 ■ 2021

*terre  
Nouvelle* ♣

♣ Lur Berri means New Land in Basque.

[www.lurberri.fr](http://www.lurberri.fr)

# EVENTS

2020 • 2021

## JULY 2020

Merger of the subsidiaries Agrirobot and Ax'El to form one single entity Ax'el - Lely.

Contribution in capital by the subsidiary Coustenoble to FnB Europe Fund SLP, thanks to the creation of the Company Colibri.

Chickpea harvest and first provisions from Blini and Atelier Blini.

## SEPTEMBER 2020

Launching of the partnership with COPPAC - Duck producers cooperative in Adour Chalosse.

Partnership with the Bigard Group with the creation of Arcadie Viandes.

1<sup>st</sup> edition of the foie gras heritage days.

## NOVEMBER 2020

Setting up of the new mash food production process, following the modernisation work carried on in the Pedefer factory in Coarraze: 1.7 M€ investment.

## DECEMBER 2020

Thanks to biosecurity investments, the Lur Berri breeders were able to confine almost all of their ducks, during the 3<sup>rd</sup> outbreak of avian influenza.

Depopulation of Lur Berri duck farms following the outbreak of avian flu.

## JANUARY 2021

Following on from the EGalim Law which imposes the separation of sales and advice activities, the Lur Berri Group chose to retain the sale of crop protection products.

## FEBRUARY 2021

Organisation of Section Meetings and the General Meeting for the financial year 2019/2020 by video conferences.

## APRIL 2021

Closure of the Labeyrie Fine Foods site at Wisches (France).

## MAY 2021

Launching by Labeyrie of the Jambon de Bayonne IGP (Bayonne Ham) 14-month curing of our Lur Berri sector "porcs fermiers Label Rouge" (farm pigs bred in the open air).

## JULY 2021

Recognition by the Broiler Poultry Producers' Organisation of the chicken sector.

Refinancing of the Labeyrie Fine Foods Group.

Construction of new Cornelis silos in Fronton to improve the allotment of cereals and the promotion of new sectors: 1.1 M€ investment.

# AGRICULTURAL DIVISION Vegetal Branch



## Maize seed sector

4 807 hectares

- The surfaces increased by + 1,5% in 2020, which is a historical record.
- The unfavourable climatic conditions disrupted the sowing and the harvesting. The conventional yields reach the set objectives whereas those for Organic Farming have gone down.
- The annual production agreements and the insurance conditions have made it possible to safeguard farmers' incomes.
- The Aïciris factory has registered a good coefficient of unit manufacturing: 101% and shows excellent levels of varietal purity.

## LBS Seeds



107 000 units

- The brand has registered a good progression thanks to the mobilization of all its teams, their professional expertise and their know-how (quality, supply chain). This took place thanks to a brand platform and by the extension of digital strategies.
- The sales of LBS Seeds increased by +8% in a bear market of -9.5% in maize and -12% in sunflowers, which shows a significant increase in market shares and hectares covered.
- LBS Seeds has consolidated its partnership with Corteva Agriscience.

## Vegetable sector

1 900 hectares

- The economic results are satisfactory, with production surfaces showing a significant increase +31% mainly of green beans and 90 hectares of potatoes.
- The poor weather conditions in the spring led to differences in income/hectare.
- The market demand for food security and service criteria (harvesting, maturity...) continues to increase considerably. Our sustainable agriculture approach answers the social demand and that of our partner Congelados De Navarra.

## Agricultural Supplies & Cereals



### SUPPLY

Turnover: 31,1 M€

- Maintenance of the business turnover and the sale of units of maize, in spite of a reduction in the surface area of -6.5% and a reduction in crop protection products.
- First financial year in the framework of the new regulations concerning the separation of sales/advice.
- The sales of fertilizers show good results. The liquid digestate campaign, in partnership with Fonroche, continues to increase with 105 000 m<sup>3</sup> spread.

### CEREALS COLLECT

264 600 tons

- The drought in the summer of 2020 led to a historical reduction in volumes (-30%).
- Maize prices have been bullish, accompanied by a high market volatility over the year.
- The surface areas of Organic maize have decreased, compensated for by new contractual productions.
- Development of our local soy sector, namely for animal fodder.
- Return to the normal surface area for straw cereals and investment on the Cornelis site.

### SERVICES



- The service provision activity for farmers has gone up by +12%.
- The services are expanding over and above the regulatory offer with, namely, a new rise in surfaces insured by group contracts.
- This know-how and these services are retained by more than 900 farms.



### Duck Sector West & South West (France)

**2 497 000 animals**

- The financial year was marked by 2 unexpected turns of event which disrupted the industry and led to a sharp decrease in volumes:
  - > The Covid-19 crisis impacted the catering business of Labeyrie Fine Foods.
  - > The 3<sup>rd</sup> outbreak of Avian Influenza led to the depopulation of ducks and a shutdown of production sites for up to 5 months.
- In spite of this context, the transformed foie gras market remained stable.
- The Armonia 5S breeding buildings and the maximum biosecurity methods enabled the temporary confinement of animals, in accordance with the administrative decisions.



### Chicken Sector

**1 177 000 animals**

- The Avian Influenza virus led to 18 weeks of chicken production stoppage.
- Recognition within the cooperative of the broiler poultry Producers Organization.
- The regional partnership with the LDC Group and its slaughterhouse in Bazas (France) continues its development by the registering of 100% of the everyday poultry farms under the brand Le Gaulois "Oui c'est bon!" (Yes, it's good!) and by replying to the charter "Nature d'Éleveurs" (Type of Breeders).



### Bovine Sector

**28 600 animals**

- Bovine activity decreased in volume with the voluntary reduction in exportation and a drop in the availability of some categories of animals.
- Deployment of a new organisation with our subsidiary Arcadie Viandes.
- The young bovine activity is subject to the unexpected turns of event in the market and the rise in price of raw materials for cattle fodder.
- The reduction in export volume has gone hand in hand with a better promotion of grazers.
- The setting up of a new price list for Bœuf de Chausse IGP & Label Rouge and Bœuf Excellence Label Rouge, together with a specific bonus for Lur Berri animal fodder.
- In this context, the sectors with quality labels (IGP, Label Rouge...) or with a local action are holding their own by maintaining numbers.



### Ovine Sector

**94 480 animals**

- The numbers of suckling lambs and cull ewes have gone up by +5.7% over the whole sector. Nonetheless, the number of heavy lambs is going down.
- The "Agneau de lait des Pyrénées IGP & Label Rouge" (suckling lambs) benefit from a dynamic marketing campaign and the support of the top Starred Chefs for this unique product.



### Porcine Sector

**120 240 animals**

- The production of standard pigs is going down and the numbers of farm and Duroc pigs continue to rise. The increase in the animals' average weight partly makes up for the reduction in numbers of the Lur Berri porcine sector.
- The end of exportations to China has led to a surplus of piglets in Europe.
- The decree concerning the end of castration without an anaesthetic is followed closely, with a necessary adaptation to come about in farms on 1<sup>st</sup> january 2022, in line with the improvement of animal welfare.
- The launching and development by Labeyrie of the Jambon de Bayonne IGP (Bayonne Ham) 14-month curing, coming from our branch of "porcs fermiers Label Rouge" (farm pigs bred in the open air).

### Research, Innovation & Development\*



Conceiving, managing and promoting value-added projects for farmers and the Group are the tasks of the subsidiary Lur'Innov. Its RID\* strategy is deployed thanks to 4 cornerstones:

**Animal welfare  
& agroecology**

**Traceability  
& responsible sourcing**

**Digitalisation  
& production management**

**Environment  
& healthcare**



## Shops - Fuel

Turnover: 34,8 M€

Gamm vert 

Mr. Bricolage



- All the shops have had an exceptional season, with an ever-increasing turnover: +20%. This is the result of agile organisation, of reactivity on the part of the teams faced with the sanitary crisis and an offer of products adapted to the customers' needs and expectations. The network also set up "click & collect" websites.
- The double-signed shops bringing together Gamm Vert & Mr. Bricolage under the same roof at Cambo-les-Bains and Hasparren, have confirmed their success as an economic model.
- The very good results of 4 Mr. Bricolage shops must be noted, in particular the one at Saint-Jean-de-Luz which registered a turnover of +29%.
- Very dynamic activity in the After Sales Service / repair workshop in Saint-Palais.
- Because of a fall in demand, Lur Berri Fuels have recorded a fall in volume of -1.5% (following on from a +13% increase in the previous financial year).

## Animal Fodder

148 720 tons



- Following on from the Avian Influenza crisis, there was a significant drop in the volumes of fodder for ducks and chickens.
- The reduction in bovine milk livestock led to a decline in volumes which was offset by the increase in volumes of bovine meat livestock fodder.
- The volumes for ovines and porcines registered an increase of +5%.
- The promotion of the range of fodder for goats continues and corresponds to the local territorial needs.
- The start of a new mash food production unit at the factory Pedefer in Coarraze.

## Livestock breeding equipment

Turnover: 2,6 M€



- The Avian Influenza epidemic led to a slight reduction in activity.
- The start of new partnerships with: Arradoy (laying hens), Vliebo / Sobeval (veal calves), Green2Gas (methanation), COPPAC (Label Rouge ducks), Volailles d'Albret (poultry), La Maison du Poulet and Aldabia (chickens).
- An After Sales Service was set up: 7 days a week, 24 hours a day with 3 technicians on call.
- The site in Montardon remains the exclusive Lely distributor in the South West, for milking robots, innovative solutions and personalized services for dairy farming.

## Building & Environmental Services



- The Building & Environmental Services accompany farmers in their breeding projects with offers of structured services to carry out their administrative procedures and respect the environmental regulations.
- The three ranges of services proposed are: administrative & regulatory support, the demands for farming subsidies and project follow-up.

## Veterinary service

- The Avian Influenza epidemic had an impact on the veterinary service.
- To improve breeding performance and continue the in-depth work for prevention and biosecurity, breeders have at their disposal a team of five specialized veterinary surgeons.
- The veterinary pharmacy is located in Saint-Palais and ensures the dispatchment of veterinary products to breeders by a system of express deliveries.

terre Nouvelle



## Labeyrie Fine Foods

**LABEYRIE**  
FINE FOODS

- This financial year was affected by the sanitary crises: Covid-19 and Avian Influenza which led to the temporary shutdown of the slaughterhouse in Came. In spite of these disruptions, the festive season at the end of the year was satisfactory both as regards volumes and assets.
- The project for the merger of the subsidiaries "One Co" will enable a simplification and a better organization.
- The Labeyrie Fine Foods Group carried out successfully the refinancing of its debt, as well as the extension and the reducing of its PIK (Payment in Kind) financing, to which Lur Berri subscribed 15 M€.
- In spite of the slowing down of the catering business because of Covid-19, the activities United Kingdom, France Brands and Aqualande were consolidated.
- Thanks to its strengths, the Labeyrie Fine Foods Group is reinforcing its EBITDA significantly.
- The Group has structured its strategy and its CSR commitments which have now become operational.
- Based on its purpose of being a mission-led company, the ambition of LFF is to bring together great pleasure and responsibility, starting from a strategic project based on the development of the brands, the international market, the omni-channel and the veggie business.



### CSR - Corporate Social Responsibility - Approach :

- > **SAFEGUARD** the ecosystems linked to the production sectors.
- > **MASTER** procedures and know-how thanks to sound practices.
- > **RESPECT** the men & women who produce, transform and consume the products.

**The mission of Labeyrie Fine Foods and its collaborators:**  
give to as many people as possible the keys to responsible consumer pleasure.



## Arcadie Viandes

**30 % participation**

**275 employees | Turnover: 100 M€ | 4 sites**



- Arcadie Viandes was created by Lur Berri (30%) and the Bigard Group (70%). This common structure has taken over the sites in Anglet, Auch, Tarbes, and Mont-de-Marsan and is specialized in the slaughtering, cutting, transformation as well as the commercialisation of meat under the quality signs for the bovine, ovine and porcine business sectors.

- The partnership synergies between Lur Berri, Arcadie Viandes and the Bigard Group will enable new outlets to be developed by creating added value for the quality meat sectors, stemming from the work of 2 500 cooperative breeders.
- A local actor in the distribution of meat under quality marks, Arcadie Viandes supplies local butchers or traditional counters in supermarkets and hypermarkets, as well as catering establishments.

## Martiko Partnership

**637 600 fattened ducks**

**ADP Subsidiary : 50 % participation**



- Lur Berri and Martiko (Spanish foie gras and smoked salmon leader) are partners on an equal basis in a common company: ADP (Agropecuaria Del Pato).
- Lur Berri plans the production, provides the food and the technical support for a production of fattened ducks destined exclusively for the Spanish market.

# FIGURES & PRIORITIES LUR BERRI COOPERATIVE GROUP



**5 100**  
farmers

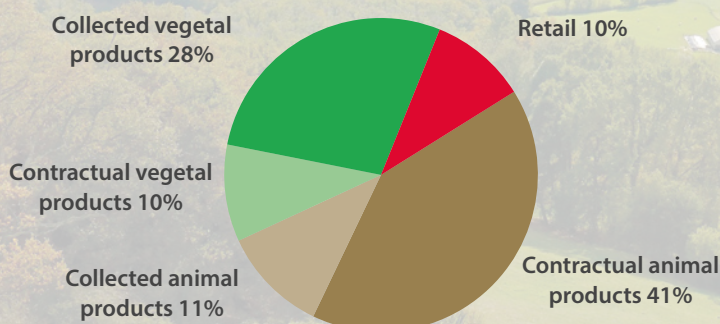


**430** employees Cooperative  
**5 030** employees  
Consolidated Group

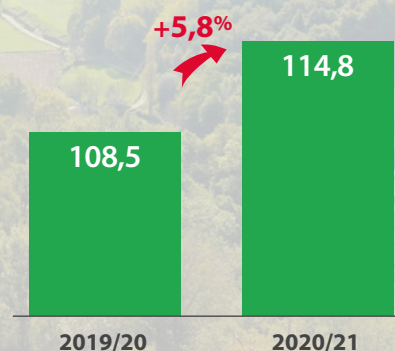


**1 333 M€**  
2020/2021 consolidated  
group's turnover

## Turnover distribution 2020/2021 (excluding the agrifood sectors)



## EBITDA (in M€) Earnings Before Interest, Taxes, Depreciation and Amortization



## Skill development

The cooperative develops a training policy to help its collaborators progress and reply to the farmers' needs.

On average, a trained Lur Berri employee has benefited from 35.6 hours of training.



**35,6 hours**  
of training

## Digital transition

In a rapidly changing world, our challenge is to accompany both the farmers and our customers and partners in setting up **the best sustainable business model**.



## CSR Commitments

**CORPORATE  
SOCIAL  
RESPONSIBILITY**



**PRIORITIZING**  
the collective  
and the human

**ANSWERING**  
the consumer's  
needs

**ACTING**  
for animal  
welfare

**PRESERVING**  
our territory's  
natural  
resources

**LUR BERRI COOPERATIVE GROUP**

Route de Sauveterre ■ 64120 Aïcirits ■ France  
Tél. 05 59 38 72 00 ■ Fax 05 59 65 80 60  
contact@lurberri.fr



**www.lurberri.fr**

