



ANNUAL | 20 *REPORT* | 20



Didier Soumet
President
& CEO LINXIS Group



Tim Cook
President & CEO of Shick Esteve
& Vice-President LINXIS Group

Globally, 2020 was a year of turmoil as the Covid crisis took hold. In a world where travel suddenly became impossible or very difficult, our teams had to focus on finding solutions to continue serving our customers, both for new or ongoing projects and for the maintenance of installed equipment.

We are proud to share once again the success and strength of our companies that have shown a new attribute in this unique year: resilience. The commitment of the teams allowed all our companies to continue operating, with very few cases of Covid even at the height of the lockdowns.

In addition, they have been able to work together and take advantage of their international locations to continue serving our customers with local teams.

Taking a step back, the unusual year that was 2020 showed the strength of our organizational model: 5 strong and agile companies in 4 different countries, able to work together to serve our customers.

The focus of this annual report is therefore on the presentation of our companies, particularly in our North American region: Unifiller and Shick Esteve Kansas City have made great progress in 2020 and significantly contributed to the success of the entire Group.

We also continued to develop our synergies and Group projects to create a new internal community: the Service community, which now has its Group leader. This activity confirms the growing importance of service within our strategic direction.

And of course, our resolutely international orientation remains on the agenda: a trend confirmed in the evolution of our operations but also in our relationships with customers and external partners.

In short, 2020 has been a busy year for the Group, as you will discover through these pages.

Enjoy reading



I- The Group 04

- History and corporate strategy..... 04
- After Sales: our clear ambitions..... 06
- Digitalization: key for success..... 08
- “Working together”: an asset for our customers worldwide 10
- Key elements 2020 14

II- Areas of application 16

III- The key to success in North America 19

IV- Our values 22

- DIOSNA 24
- SHICK ESTEVE 26
- UNIFILLER SYSTEMS 28
- VMI..... 30



Didier Soumet
President
& CEO LINXIS Group



Tim Cook
President & CEO of Shick Esteve
& Vice-President LINXIS Group

Anne Brifault
Vice-President
and CFO LINXIS Group



What do you remember about the very unusual year that was 2020?

Didier Soumet: 2020 was obviously a difficult year as the global economy slowed down very sharply. But we quickly noticed that the markets we serve (*Food, Health, Cosmetics*) are **inherently resilient**, unlike others, and have never really shut down, even in the midst of the Covid crisis.

On the other hand, the lockdowns and travel restrictions considerably complicated and

sometimes slowed down our clients' projects. And it was in this context where **we made a difference**. The combination of the agility of our companies and the shared processes set up in recent years has allowed us to better understand the needs of our customers, be more coordinated in our commercial actions, and **deliver excellence** in our After Sales activities.

The message from LINXIS Group is therefore optimistic. Why?

Tim Cook: 2020 was a **year of performance** for all of our companies. From a financial point of view, we ensured an EBITDA for the entire Group that was higher than we had projected in our budgets. Also of note is an order book that on 31 December was **even better than our projection**.

Anne Brifault: This performance has strengthened our **relationship of trust** with our majority shareholder, IK Investment Partners, and allows us to approach 2021 with new external growth objectives. We are also confident in our ability to increasingly **extract the full potential of acquired companies**, but also of future buildups.



1988
Creation of the Group



2011
Esteve Processing acquisition

2016
Shick Solutions acquisition

2018
Unifiller Systems acquisition



1998
VMI and Diosna acquisition



2015
IsernHäger acquisition



2017
IK Investment Partners shareholder majority



2021
Larramore and Bakon acquisition

After Sales: our clear ambitions

Gatien COMA
Group Service Manager



Where does the need for a Group Service Manager position come from?

Didier Soumet / Tim Cook: For several years now, and especially in recent months, our customers associate our know-how as a manufacturer of innovative equipment with strong service delivery. Customers who have trusted us for many years increasingly have the expectation that their equipment suppliers will be **knowledgeable and efficient**, to ensure the continuity of their operations and the ongoing performance of the equipment.

With this ambition in mind, we are enabling companies and the Group to **invest in better organization, team training, and tooling** to allow us to be more responsive, proactive, and efficient for our global customers. The creation of the position of Group Service Manager at the beginning of 2020 was a natural extension of this focus.

What is the Group strategy for Service?

Gatien Coma: The objective is to make Service a major and sustainable activity at LINXIS Group. This means being able to offer our customers, wherever they are and whatever LINXIS company they are in contact with, **the best level of service**. We need to keep pace with customer expectations and new technological opportunities.

Our companies all carry unique know-how as manufacturers of equipment and processes, and as a Group we are driven by **the same**

ambition of excellence for our customers. The approach is to always raise our standards and to rely on the strengths of each company, to adapt our methods to demand, and to advance across the board.

Thanks to the **dynamic new Service community** and the sharing of common methodologies and tools, we will strengthen our ability to support our clients with ever increasing efficiency and performance.

What are the current projects?

Gatien Coma: Today, the Group is focused on enabling our companies to continue to excel in the field of Customer Service. We are working on several complementary priorities:

- Developing the availability of spare parts and maintenance solutions for our equipment, from the newest to the oldest.
- A consistent pricing policy within the Group.
- The deployment of a powerful ticketing tool to better track requests processed by Customer Service (CRM). This is to support the growing business and better meet the expectations of our customers.
- The implementation of common indicators to steer and improve our performance.
- Roll-out of consistent Service catalogues in the Group with a commitment to high service quality.

2020 was the year we launched these joint projects, and 2021 is expected to be the year where the first positive impacts will be felt by customers.

Focus on VMI

In 2020, VMI structured and developed a comprehensive Service offering, including the standardization of Customer Support, Service Contracts, equipment maintenance and upgrades, testing, and Analysis Center and Service Packs.

Our new CRM monitoring tool allows our teams to have a global view of customer requests processed or in progress, and to understand needs as closely as possible and respond to them in a personalized way.

Additionally, VMI e-service continues to gain new users, allowing them to easily identify a spare part and order it online after checking its availability.





Support



Parts



Training



Maintenance



Equipment improvement



E-service



Digitalization: Key for success



2020 was a year of strong digitalization within LINXIS Group. Why?

Didier Soumet / Tim Cook: Last year, we began a major shift in IIoT to support our clients' needs (cf. 2019 Annual Report) and this year, we focused particularly on solutions to help our own teams. The pandemic and the need to work remotely was a clear factor in this movement. Letting each company face common problems individually would have been counterproductive. Instead, we enabled the IT community to mobilize around common topics, to move forward faster and even more confidently towards digitalization.

What were the key IT topics in 2020?



Thomas BRETON
Group IT Manager

Thomas Breton: When we talk about 2020, we immediately think about **remote working**, the possibility of accessing business data even outside the office, and **cybersecurity topics**. As a result, we worked hard by company and together to ensure that teams were enabled to work efficiently despite the Covid-related lockdowns. Like many companies, we used

video-conferencing even more than before. And we innovated with new processes: setting up virtual trade fairs, **developing webinars** with our customers, closing sales without in-person meetings and even **“virtual commissioning”**. All this is in compliance with our concerted Cybersecurity policy, which remains a major topic for the Group.



How do you see the next steps?

Thomas Breton: Some of these practices will be sustainable and all have accelerated the movement towards the digitalization of our daily work. Now, working remotely, setting up dashboards through the BI or initiating a CRM for all Group teams are “natural” topics.

We have been working on the topic of digitalization for several years now and Covid really shed new light on **the efficiency** that these processes bring. We still have much to explore and refine so that this ongoing digitization remains active, strategic, and sustainable, taking full account of our business needs.



Tim Cook
President & CEO of Shick Esteve
& Vice-President LINXIS Group



How did LINXIS Group strike a balance between local and global presence in 2020?

Tim Cook: Given that we do business in more than 100 countries, and 54% of our revenue comes from export markets, all our companies are heavily focused on **servicing the global market**. In staying true to our belief that we need to be local for our global customers, we

have established or expanded group offices in China, Russia, and the United States. Going forward we will continue to strengthen our presence around the globe **to be local for our customers wherever they do business**.

Were the “cross-selling” strategies previously implemented able to continue?

Tim Cook: “Cross-selling” is the process by which 2 or more of our market-leading brands work together to **provide an integrated solution for our customers**. During the pandemic, we had projects in Russia, France, and the U.S. where we combined 2 or more of our companies to provide some combination

of ingredient automation, dough fermentation and mixing technologies. Because we are comfortable working together seamlessly, we were able to **keep our projects moving ahead with the local team** taking the lead in coordinating and supporting the other LINXIS Group companies.

What tools do you use to facilitate the work of global teams?

Tim Cook: With limited global travel over the last two years, our teams were greatly challenged to work together in taking care of our customers. This challenge both confirmed our **ability to work as one company across brands** and, also, demonstrated the great advantage of doing so. We utilized several

powerful tools including Microsoft Teams, digital document sharing, Salesforce and our ability to **leverage the local teams** in each market. As a result, we kept our joint projects moving throughout this travel-restricted pandemic period.

“Working together”:
an asset for our customers
worldwide





Could you describe this collaborative project?

Henrik from DIOSNA: The first part of the project for DIOSNA (*at that time IsernHäger*) was the negotiation of the delivery of three fermentation systems, consisting of one megaline system for rye sourdough, one megaline for wheat sourdough, and one megaline for wheat poolish, including CIP systems. One month later, we supplied kneading systems for a laminating line, an artisanal line, and handcrafted bakery. Then we supplied the liquid yeast CIP system.

Why did these customers choose us?

Ondrej from DIOSNA: The project started when I received the initial request to participate from the Shick Esteve Rians' Sales Director. At that time we already had strong collaboration because of a previous project in Eastern Europe in which I invited Shick Esteve Rians for a **synergistic cooperation**.



Yann from Shick Esteve Rians: During the first contact, we were able to show to our customer a **global turnkey solution from the silo to the mixer**. At that time, it was a unique solution on the market. **Nobody was able to offer what we were offering:** one Group, one contract, all interfaces already developed, no coordination necessary between Mixing and Dosing (*coordination is done inside the Group*). We closed the deal!

Valery from Shick Esteve: A meaningful role was also played by **our Russian office**, which was continuously **supporting our teams locally** and especially during the pandemic in 2020, when it was really challenging to put the system into operation. Our Russian team was the front runner during the installation phase. We also managed visas/permissions for German and French technicians to enter Russia and keep the work going. During the negotiation, we also understood that for our customer, our ability to offer **After Sales support** directly through our Moscow office was a key asset.



Why was this joint work positive for our customers?

DIOSNA: Our biggest advantage was the possibility to supply a **really substantial part of the line** - from raw material dosing, through fermentation systems and kneading. It was clear to customers that they would **not have to worry** about interfaces between systems and that contracts would be the same for both companies. In meetings we always presented ourselves as a **united team** - LINXIS.

Valery from Shick Esteve: DIOSNA and Shick Esteve also worked with **the same local support company** for installation works, which makes the job really easy and seamless. We received consistent positive feedback from the customer's management on how both our teams were communicating and managing the project.

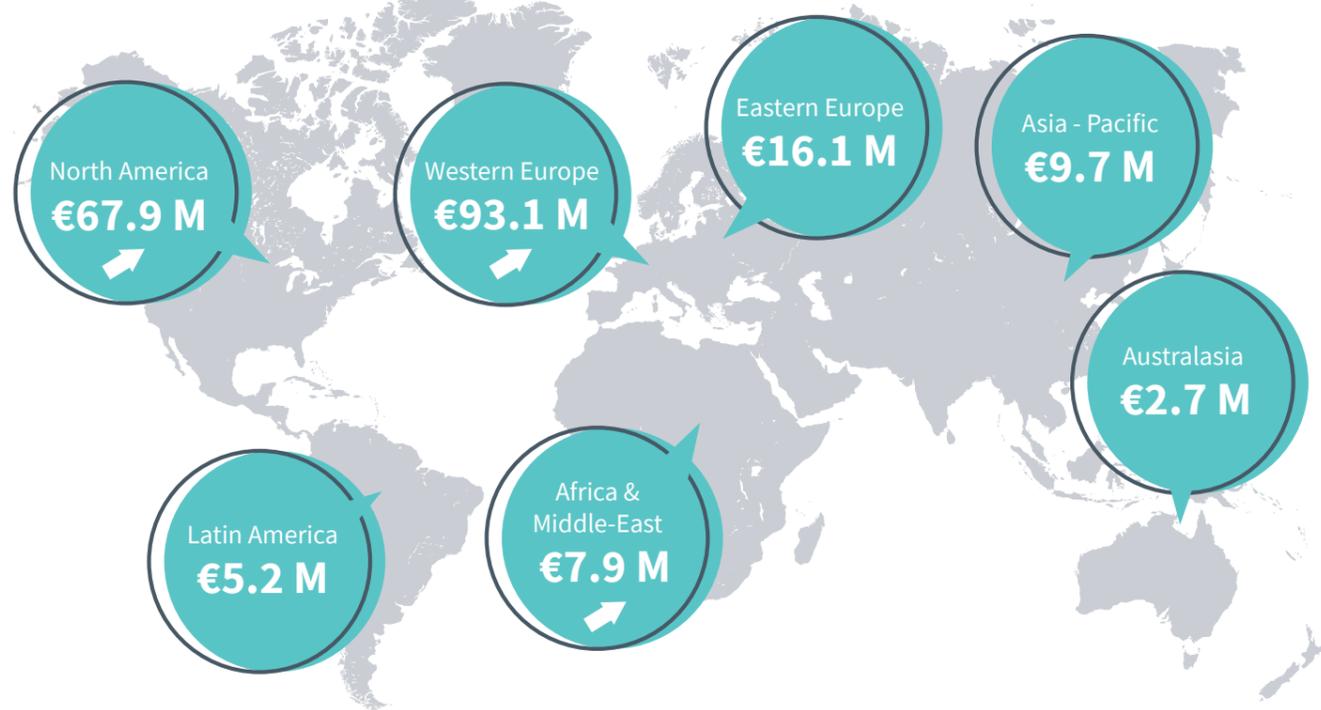
How do you see the future of that sort of collaborative projects?

DIOSNA: Shared projects such as this are not rare within LINXIS companies, especially between us and Shick Esteve Rians. Our customers in Central and Eastern Europe appreciate our partnerships, especially in the case of big projects, because they are mostly turnkey projects, and we are clearly able to offer the **necessary synergies** between our companies.



2020 Map of turnover by region

Trend vs 2019



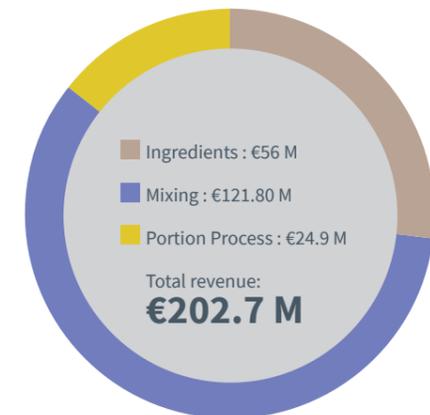
Our know-how

December 2020 data (whole Group)

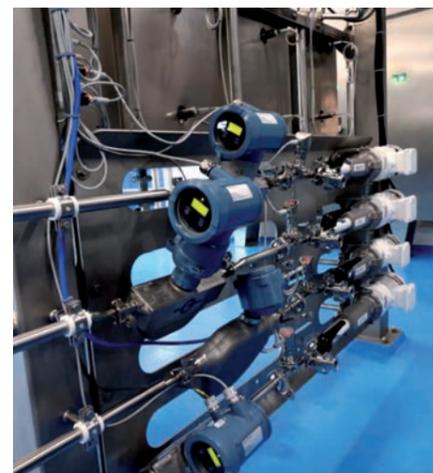
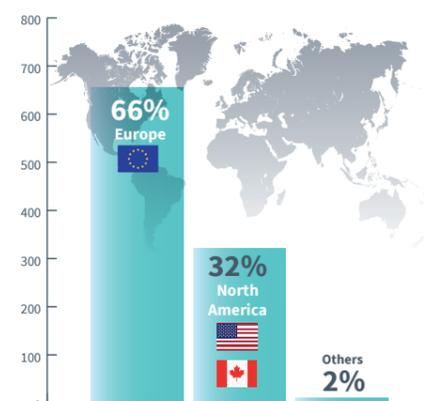
- Sales & Marketing: 14% - 134 people
- General & administrative: 10% - 100 people
- Engineering and R&D: 19% - 180 people
- Operations: 57% - 558 people



2020 Revenue by Division



Our worldwide team - 2020



LINXIS in 2020

In one word
resilience

If it were an animal
a bee
groundwork and mutual commitment allowed us to continue building our Group

If it were a fact
an exceptional year
for the Ingredients Division (Shick Esteve Rians and Kansas City): great order taking and optimized project management

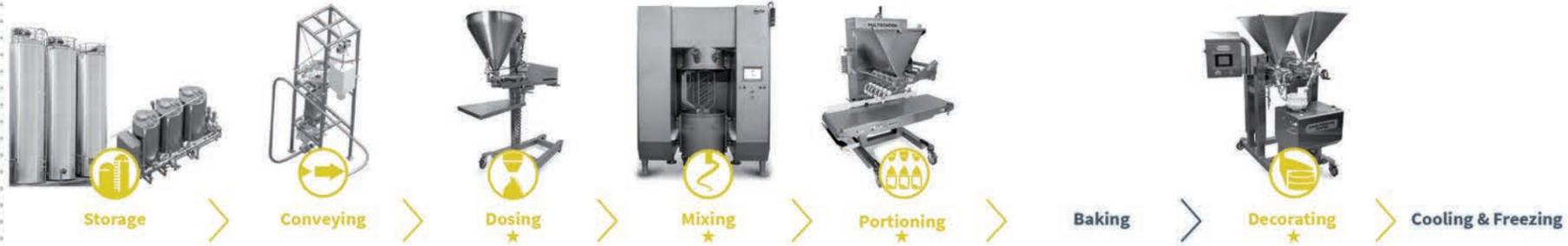
If it were an expression
"We are LINXIS Group"
communities and connections have never been so necessary and so strong

LINXIS Group positioning along the production process

Baked Goods

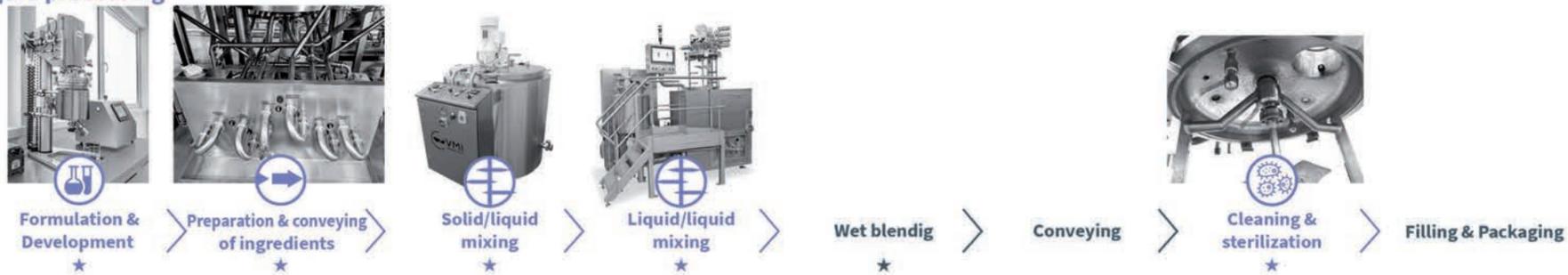


Cakes & pastries



Liquid processing

Cosmetics & Pharmaceuticals



Powder processing



Not handled by the companies of LINXIS Group ☆ Critical steps

- 
Support
- 
Parts
- 
Training
- 
Maintenance
- 
Equipment improvement
- 
E-service

The key to success in North America

Didier Soumet: 2020 was significant in many ways. Our success in 2020 has been accomplished through the efforts of the companies in North America. Our Kansas City company excelled through the consistent development of ambitious projects. And our Canadian team achieved their success through their constant and ongoing presence with clients and their diverse and specific needs.

SHICK ESTEVE KC

How has your company maintained a good level of activity despite 2020 being marked by reduced orders in many markets?

Tim Cook: Being a part of our nation's "critical supply chain" gave us the authority to keep working and traveling during the pandemic. Our great people gave us the desire to work and the discipline to stay safe.

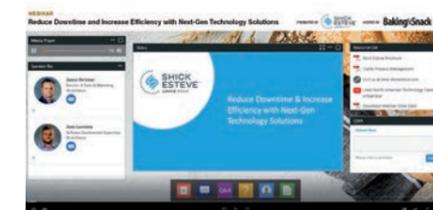
Jason Stricker: We were fortunate in that we supply across multiple segments and channels of the Food and Beverage industry. While many of our Food Service clients experienced significant disruption to their business, our retail clients were receiving the benefit of more people eating at home. So, **projects going into the retail sector remained active.** Having a strong and diverse pipeline afforded Shick Esteve KC the opportunity to avoid a negative impact to our incoming orders during the pandemic. **Diversity in the channels we serve have been beneficial** as people continue to eat at home more often while slowly returning to traditional and Quick Serve restaurants.



What has been positive about 2020?

Blake Day: In addition to the ability to serve our customers during a pandemic through sales, engineering, project management and manufacturing, we were also able to reach them **on a digital level.** Through collaboration with LINXIS partners, we were able to provide webinars, virtual tradeshow and streaming with video to our LINXIS North American Technology Center for customer interactions and demonstrations. From video content to social media platforms, our engagement with

our customers, LINXIS partners and associates has been invaluable during a year that made it difficult to be face to face.



UNIFILLER

How do you explain that the company maintained a good level of activity, despite a year marked by a reduction in load in many sectors?

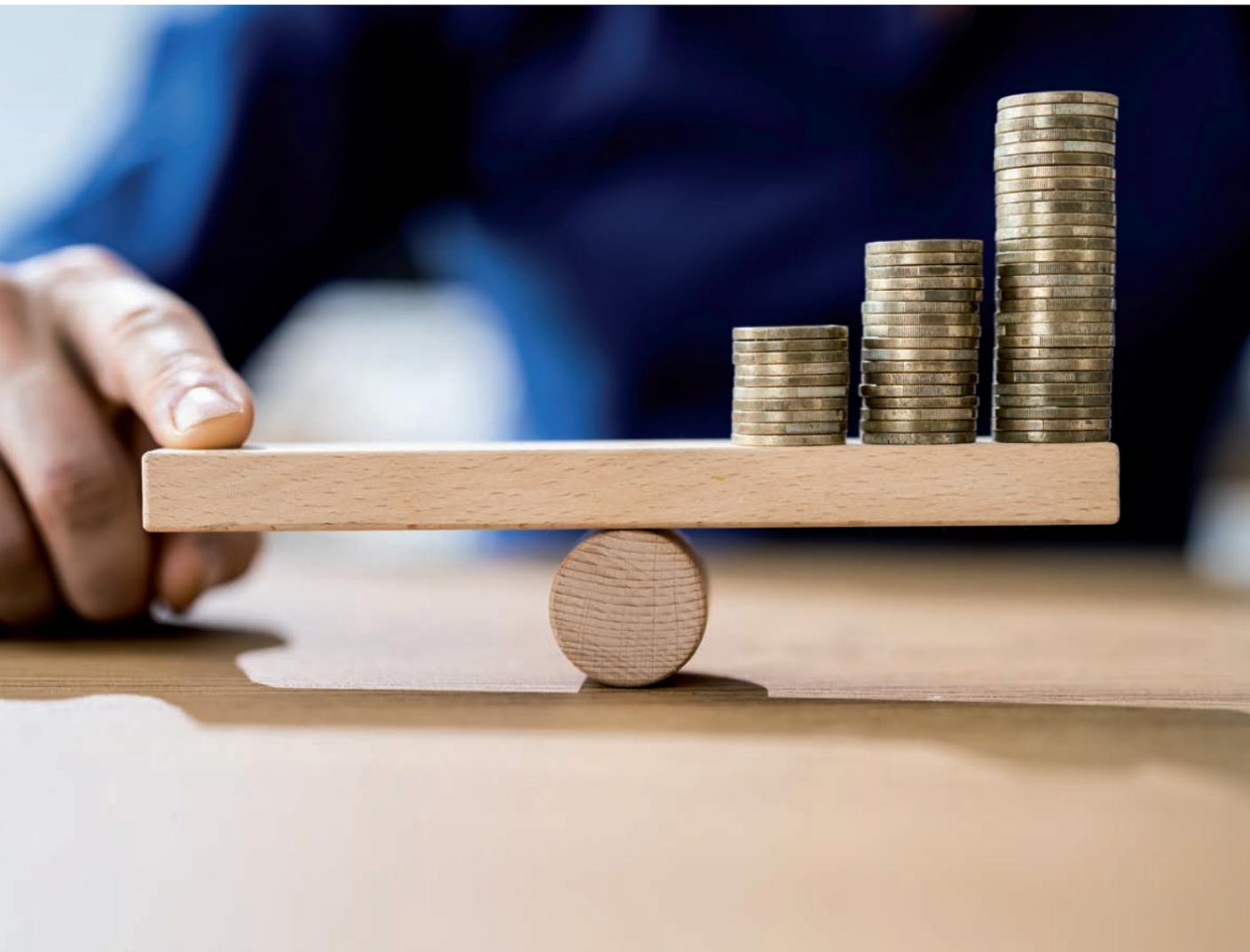
Martin Murphy: Unifiller was one of the Group's companies most affected by the Covid crisis. For my part, I had just taken up my position mid-summer and was able to provide a fresh look at Unifiller's activity. The industry was busy trying to find **ways to handle the new difficulties** as they arose. The demand for our products grew rapidly and we had to adapt quickly to new and serious challenges. The negative impact was evident in early 2020 at Unifiller, and we responded with a clear focus to enable our customers to adapt to these restrictions. **We focused our energy on sales in the US and Canada** to ensure future readiness to meet delivery commitments. Our efforts proved rewarding as we rebounded with increased support for our local customers.

Our **expertise in automation** was particularly valuable as our customers needed to be safe and protect their employees in the factories. Our automated solutions reduced their presence while continuing to enable our customers to meet increased demand. Our equipment eases the daily life of our customers' operators, which allows them to maintain quality and quantity of production in line with demand.

We have also capitalized on **our unique culture:** at Unifiller, we value teams and team spirit, even when working remotely, and we have continued to support each other. I am confident that this renewed strength will serve us well in securing our ongoing efficiency.

And what was positive about 2020?

Growth in our market areas: we, as a global presence, have rediscovered our ability to serve our customers, primarily in our local market and our customers have shown their appreciation of our improved presence.



Universal 1000i



MultiStation



Hopper Topper Powerlift

Our values

express our mindset
and company signature
around the world



Excellence in action



Passionate
professionalism



Trusted
and respectful
relationships



Fully dedicated
support for
our customers



Solution-driven
innovations



Ingredients



Mixing



Portion process





Am Tie 23 D-49086 Osnabrück - GERMANY
 Tel. +49 (0)541 331040
 www.diosna.com

We are... specialists for pre-dough and dough production and experts in granulation and mixing technology.

We design and manufacture... reliable, sustainable and high-quality Made in Germany solutions for pre-dough production, mixing, and pharmaceutical production.

We serve... Bakery / Food / Pharmaceuticals / Cosmetics / Fine Chemicals



Henrik OEVERMANN
 President & CEO of DIOSNA

How was 2020 for DIOSNA?

The year was largely dominated by the pandemic that kept the world in suspense. In retrospect, DIOSNA took on this challenge very well. Management decisions were made carefully and quickly with **a focus on customer orientation** and also with **careful health protection** for its employees. The company quickly adapted to using **digital** internal and external communication channels to offset global travel restrictions and lead projects to success.

There has been a shift within the customer groups, as a result of which the industrial sector is more represented, so that the figures are only slightly below sales expectations. Thanks to its **committed employees**, DIOSNA emerged stronger from this exceptionally challenging situation. We are still concerned with the pandemic, but we have no doubt that DIOSNA will overcome this hurdle thanks to its committed employees.

What is your outlook?

We are optimistic: the Pharmaceutical market has proven to be primary, and with our expertise both in Bakery and Pharmaceuticals we will **continue to meet customer demand**. The entire DIOSNA team has proven its strength in 2020 and keeps on being the company's power source.

DATA (Dec 31, 2020)

Total revenue
€67.8 M

Export share
71 %

Commercial areas
83
 countries

Workforce
316





4 Place des Noyers
18220 RIANS - FRANCE
Tel. +33 (0)2 48 66 60 60

4346 Clary Blvd, Kansas City, MO 64130
UNITED STATES
Tel. +1 (877)744-2587

www.shickesteve.com

We are... global leaders in ingredient automation solutions and process design for the Food industry.

We design and manufacture... automation of bulk, minor/micro, liquid ingredients, and process design.

We serve... Baking / Food / Pet Food



Blake Day
Executive Vice President
and CFO of Shick Esteve

What contributed to your success in 2020?

We are optimistic about our organization when it comes to ingredient automation and our ability to design, engineer, and manufacture the systems needed for the markets we serve. Our ability to be able to continue our work with our customers during the pandemic has been a **team effort** and **the result of many years of investment** in our infrastructure and personnel. We have learned during this crisis that we are able to work well even when not in the office. Our manufacturing personnel have been continuing to come to work and perform at a high level. We are well positioned to be able to withstand a similar crisis if it were to happen. It is **our people who have made the difference** through this pandemic, and we are very thankful for their efforts.

Any observations on 2020 and goals for 2021?

At the start of the pandemic, we committed ourselves to **staying safe while remaining productive** in the face of the pandemic. By all measures, we succeeded:

- Minimal incidence of Covid within the company
- Financially met our profitability goal for 2020
- Bookings remain extremely strong heading into 2021.

In addition to these top line measures of success, we have **made progress** in other areas that will help us continue to be strong in the years ahead:

- Cost reduction efforts through standardization, inventory-management process improvement, and procurement savings
- Significant advances in our efforts to enter the Pet Food industry with the addition of Chris Wiley, Business Unit Manager - Pet Food.



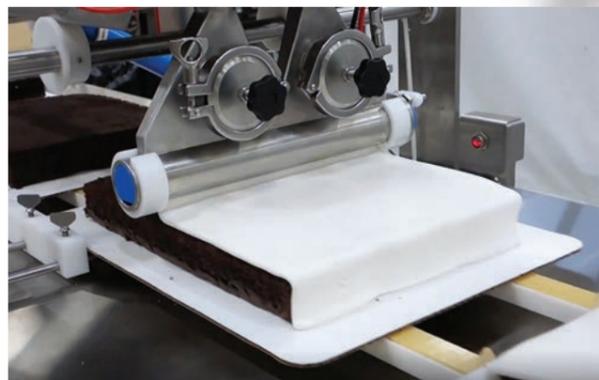
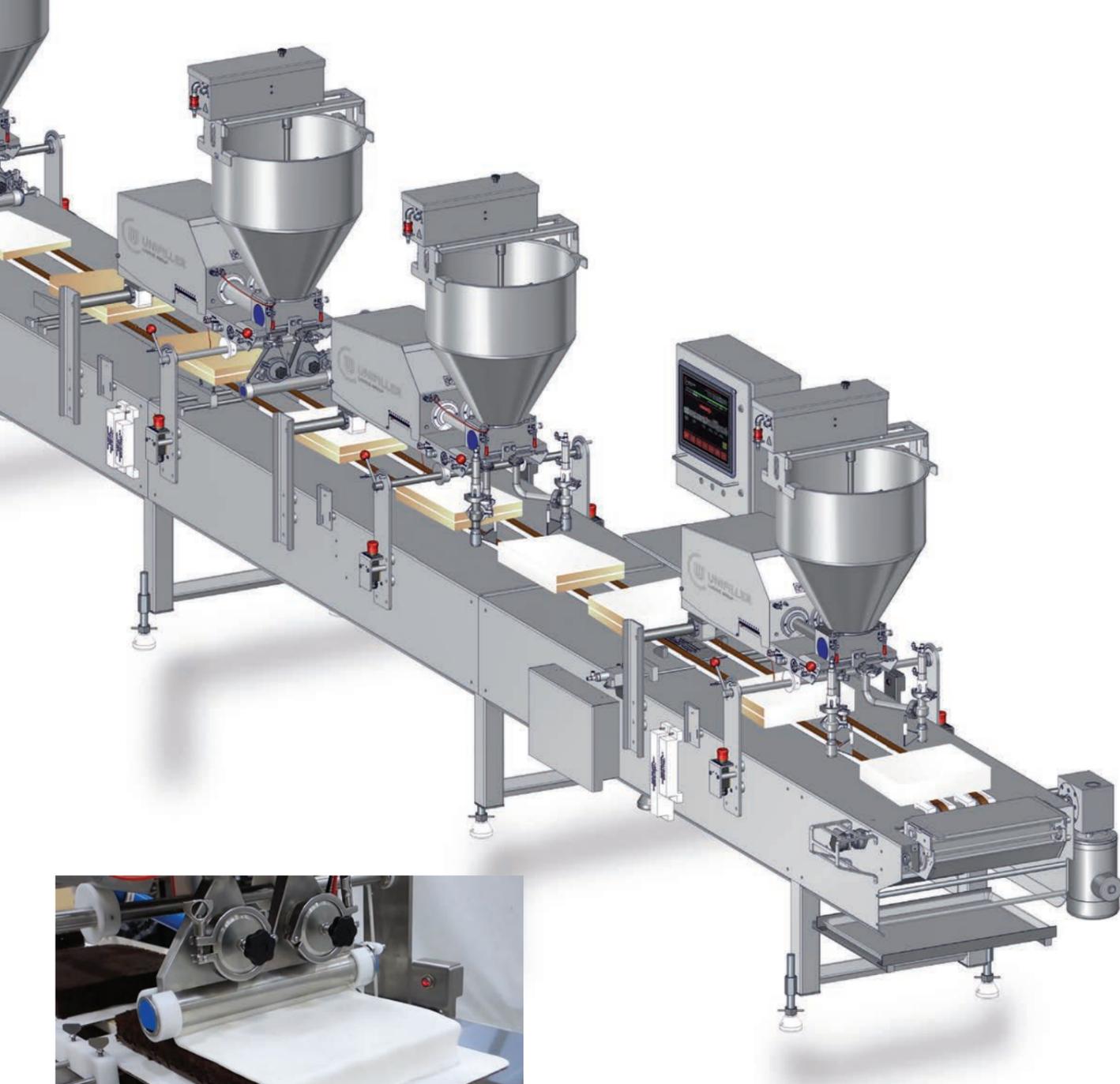
DATA (Dec 31, 2020)

Total revenue
€56 M

Export share
60 % (for Shick Esteve Rians)

Commercial areas
40
countries

Workforce
270



Unifiller Systems
7621 MacDonald Road, Delta BC V4G 1N3
CANADA
Tel. +1 (0)604 940 2233

We are... a global player that designs and manufactures serving and dispensing equipment for Bakery and Food customers around the world.

We design and manufacture... pistons, transfer pumps, filling machines, cake decoration equipment, automated and semi-automated lines.

We serve... Bakery / Food



Martin Murphy
Unifiller CEO

How was 2020 for Unifiller?

We cannot hide the fact that the beginning of 2020 and this Covid crisis had a serious impact on us and led us to question ourselves. Firstly, we made sure **our employees were safe** and all had tools made available to them to successfully work remotely.

We also kept personal connections alive and made sure that everyone could **see something positive in this situation**: for example, we organized training courses on topics of personal wellbeing, teamwork, and new communication ideas. We were able to **reinvent ourselves** during this period, as we understood it was key to keep up some buoyancy in 2020. Our results are proof of this, and this echoes within the ongoing positivity and commitment of our employees.

What is your outlook?

With a bit of hindsight, we see that 2020 was **a boost to our automation business**. We were already able to offer solutions to facilitate the work of our customers' teams or to increase their performance. Now, even more, our customers are convinced of this, and our R&D department has been busy **creating solutions** that will allow our customers to continue to improve with our equipment in the future.



DATA (Dec 31, 2020)

Total revenue
€24.9 M

Export share
90 %

Commercial areas
65
countries

Workforce
154



70 Rue Anne de Bretagne
 PA Marches de Bretagne
 85600 MONTAIGU-VENDÉE France
 Tel. +33 (0)2 51 45 35 35
 www.vmimixing.com

We are... leaders in premium mixing and kneading solutions, covering all the process needs of the Food, Bakery, Cosmetics, and Pharmaceuticals industries.

We design and manufacture... modular laboratory facilities to pilot units to production platforms and automated systems

We serve... Artisanal Bakery / Industrial Bakery / Food industry / Pharmacy / Cosmetics



Dominique DENOËL
 VMI's CEO

How was 2020 for VMI?

The Food and Health sectors have remained very active. While specific segments, such as makeup in Cosmetics, were in sharp decline, others such as **Bakery and Skincare enabled our activity to remain stable**. Our teams adapted quickly through **digitalization**. Remote FAT, efficient document exchange platforms, and webinars ... everything has been done to ensure an effective and **constant link with our customers**.

This global crisis forced us to accelerate digitalization across all of our activities, and our employees assumed full collective and individual responsibility for the company's performance. In 2020, we also took the time to **strengthen and structure our CSR approach** and define an action plan with active and regular management.

What is your outlook?

We are confident that **the industry can maintain its growth** and momentum. We have deepened our capacity for risk analysis and management and we believe the trends we are seeing in our markets will undoubtedly strengthen.

For example, hygiene measures, control of production methods, and the absence of cross contamination have become pivotal in a climate in which threats of a virological or bacterial nature may occur.

Our expertise in process mixing solutions for Pharmaceuticals and Cosmetics, sometimes in confined or sterile environments, is an asset. From materials to certifications and quality controls to the cleaning and sterilization technologies we supply: we are equipped to fully respond to this trend which is set to develop even further in all our markets, including Bakery.

A comprehensive and hands-on understanding of the challenges facing our markets and our customers will remain our priority. From the development of processes to the commissioning of equipment to their maintenance and sustainability: a key to our excellence and professionalism is now clearly the development of our Service offering.



DATA (Dec 31, 2020)

Total revenue
€54 M

Export share
52 %

Commercial areas
90
 countries

Workforce
222



Unifiller Systems
7621 MacDonald Road, Delta BC V4G 1N3
CANADA
Tel. +1 (0)604 940 2233
info@unifiller.com
www.unifiller.com



4 Place des Noyers
18220 RIANS
FRANCE
Tel. +33 (0)2 48 66 60 60
info@shickesteve.fr

4346 Clary Blvd Kansas City, MO 64130
UNITED STATES
Tel. +1 (877)744-2587
info@shickesteve.com

www.shickesteve.com



70 Rue Anne de Bretagne
PA Marches de Bretagne
85600 MONTAIGU-VENDEE
FRANCE
Tel. +33 (0)2 51 45 35 35
contact@vmi.fr
www.vmimixing.com



Stanleyweg 1
4462 GN Goes
THE NETHERLANDS
Tel +31 (0)113 244 330
info@bakon.com
www.bakon.com



Am Tie 23
D-49086 OSNABRÜCK
GERMANY
Tel. +49 (0)541 331040
info@diosna.de
www.diosna.com



Ingredients



Mixing



Portion Process



3 Rue Menou
44000 Nantes
FRANCE
www.linxisgroup.com

Tel. +33 (0)2 40 73 26 04
contact@linxisgroup.com