

TER BEKE 06/2022 RESULTS

ANALYST MEETING

August 26th, 2022



Agenda

- ◆ Davai!
- ◆ H1 2022 financials – looking back
- ◆ H2 2022 & Beyond
- ◆ Imperial-Stegeman update
- ◆ Q&A session



Davai – Plant Based Snacks

- ◆ 1st Startup-investment
- ◆ Plant based Snacks – dumplings (100%vegan)
- ◆ Sold to
 - ◆ Online Retailers
 - ◆ Foodservice
 - ◆ Retail (recent listing)
- ◆ BE & NL mainly but with ambition to expand
- ◆ 50% stake – with option to become 100% owner over time

- ◆ <https://www.davaidumplings.com/>
- ◆ <https://www.instagram.com/davaidumplings/>
- ◆ <https://www.facebook.com/DavaiDumplings/>





H1 2022 FINANCIALS

CONSOLIDATED RESULTS – H1 2022

HEADLINES

◆ Solid sales Growth

- ◆ Foodservice rebound, esp. in UK
- ◆ Full year effect of Non-profitable contracts ended within Processed Meats
- ◆ Price increases (cost pass-thru)
- ◆ Limited impact of non-delivery due to contractual discussions customers

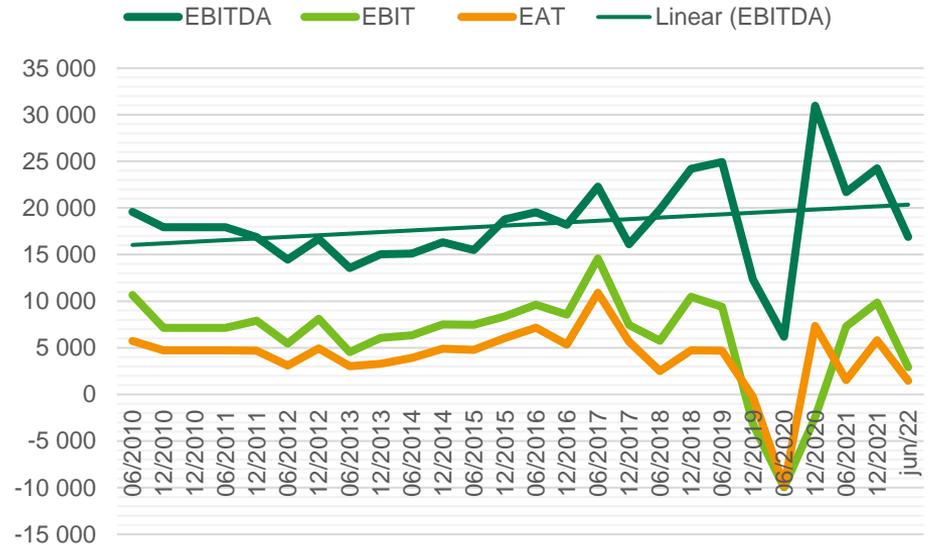
◆ EBITDA suffered due to cost inflation:

- ◆ Cost inflation huge on all categories
- ◆ Pass-thru in retail typically delayed
- ◆ Transparent way of working

◆ Solid net debt performance:

- ◆ 75 Mio EUR, Leverage 1,7 x U-EBITDA

LONG TERM EVOLUTION



NON UNDERLYING ITEMS (IN 000 EUR)

HEADLINES

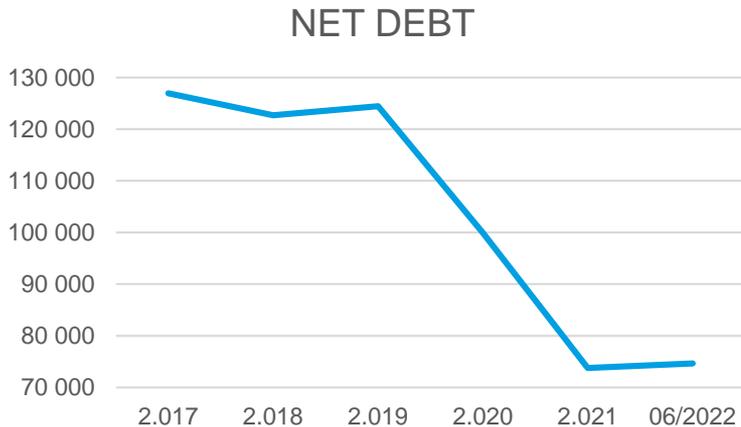
In '000 EUR	<u>30/06/2022</u>	<u>30/06/2021</u>
Profit from operating activities (EBIT)	2.915	7.297
Costs of acquisitions	899	
Recruitment expenses CEO		151
Redundancy fee CEO		934
Impact sale captive TB Luxemburg		4.329
Underlying profit from operating activities (UEBIT)	3.814	12.711
EBITDA	16.882	21.700
Severance payments		
Costs of acquisitions	899	
M & A costs		
Recruitment expenses CEO	0	151
Redundancy fee CEO	0	934
Loss on sale captive TB Luxemburg	0	4.329
Underlying EBITDA	17.781	27.114

- ◆ Acquisition expenses related to Imperial-Stegeman acquisition



NET DEBT

HEADLINES



- ◆ Lower operating cash flow due to cost inflation impact on results
- ◆ Limited working capital impact as increased inventory (10 Mio impact) to make supply chain more rigid was almost neutralized by payables improvement
- ◆ Capex cashflow -13 Mio, partly related to projects already started in 2021. (H1 2021 was only -9 Mio if excluding the building sales).
- ◆ Leverage 1,7 x U-EBITDA
- ◆ Extended RCF Facility to mid 2025 on same terms & conditions



AWARDS KK FINE FOODS

SIX AWARDS AT BRITISH FROZEN FOODS AWARDS GALA



Trio of Arancini – TOP winner at BFFF

- ◆ Foodservice Product of The Year 2022
- ◆ Best New Meat-Free Foodservice Product



Picture by Danny Barnett



H2 2022 &
Beyond



H2-2022 & Beyond

HEADLINES

◆ **Cost inflation & pass-thru**

- ◆ Continued inflation & pass-thru being done
- ◆ Transparent mechanism to help absorb large fluctuations up or down in the future
- ◆ Salary & Energy inflation expected to continue in 2023 & pass-thru is being agreed with customers

◆ **Strategy:**

- ◆ Renewed strategy agreed with Board
- ◆ Roll-out being started

◆ **People:**

- ◆ Chief People Officer recruited in line with strategic focus on human talent & staff engagement
- ◆ Legal Counsel & Corporate Affairs director recruited
- ◆ Increased focus on R&D – to adapt to consumer needs & trends

◆ **ESG:**

- ◆ Sustainability manager appointed
- ◆ Materiality matrix agreed – Focus on core actions continued
- ◆ Dedicated programme being developed, key in future strategy





Imperial Stegeman Update

Imperial-Stegeman

Update

◆ Regulatory

- ◆ 1st phase completed. Both Belgium & The Netherlands in 2nd phase
- ◆ Time consuming process
- ◆ Visibility on exact timing = difficult

◆ Works councils

- ◆ Positive advice obtained – teams fully on board regarding strategic fit
- ◆ Seeing value for consumers, innovation, geographic expansion etc.

◆ Strategy remains unchanged



