

**HALF-YEAR FINANCIAL REPORT
TER BEKE 30/06/2022**

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1. KEY FIGURES AND HEADLINES

Ter Beke Group:

The first half of the year was characterized by sharp inflation of raw material prices, packaging prices and other costs. The delayed recharging of these costs to the customers translates into a decrease in results compared to the first half of 2021. A transparent pass-through of cost increases remains essential for the group and Ter Beke handles the price increases of its products in a responsible and transparent manner.

The net debt remains stable and the leverage (net debt / underlying EBITDA in the last 12 months) slightly increased to 1.7 times.

This resulted in the following key results:

- An increase in revenue from EUR 342 million to EUR 373 million
- A decrease in underlying EBITDA from EUR 27 million to EUR 18 million
- A decrease in EBIT from EUR 7 million to EUR 3 million
- A normalization of tax charges resulting in a stable net result of EUR 1.5 million.
- Net debt remained stable at EUR 74.6 million (end of previous financial year: EUR 73.8 million)

The result is the combination of:

- An increase in turnover of 9%. In 2021 turnover was still negatively influenced by Covid-19. In 2022 Ter Beke sees a recovery to the 2019 level. The recovery is mainly visible in the ready meals segment (where KK Fine Foods in the UK saw its turnover normalize again after a difficult Covid period). In processed meats, we see a decline in market demand.
- High cost inflation for energy and raw materials - which was transparently but belatedly passed on to customers.
- A decrease in non-underlying expenses (which are mainly linked to the intended merger with Imperial-Stegeman) compared to last year. With respect to the intended acquisition of Imperial-Stegeman, Ter Beke is still awaiting the approval of the Belgian and Dutch competition authorities.
- Exceptional cost inflation and partial price increases are turning the turnover increase into a declining EBITDA. Ter Beke continues to deal responsibly and transparently with the increase in the price of its products and equally pays careful attention to the cost of energy and raw materials.

The implementation of the scrip dividend will ensure a limited cash outflow in the second half of the year, since in total 52.26% of the shareholders opted to participate in the capital increase.

As a result of the combination of all the above

- the underlying EBITDA is EUR 17.8 million compared to EUR 27.1 million in 2021;
- EBITDA is EUR 16.9 million compared to EUR 21.7 million in 2021;
- Underlying EBIT is EUR 3.8 million compared with EUR 12.7 million in 2021;
- EBIT is EUR 2.9 million compared to EUR 7.3 million in 2021;
- the result after taxes amounts to 1.5 million EUR compared to 1.5 million EUR in 2021.

In addition to accelerating its own innovations during the first half of the year, Ter Beke took a stake in its first start-up project, Davai BV. Davai produces plant-based dumpling snacks under the "Davai" brand and currently sells them in Belgium and the Netherlands. Davai also realized a first retail listing in the first half of 2022. As a strategic partner, Ter Beke contributes with its heritage, infrastructure and expertise to strengthening such start-up projects that run their business independently from Ter Beke. Finally, Ter Beke extended its Revolving Credit Facility with a consortium of three banks, which means the financing now runs until mid-2025.

Processed Meats:

The turnover of the division decreased by EUR 2.1 million (-1%) compared to 2021. On the one hand, this is due to the discontinuation, after consultation, of unprofitable contracts last year, for which Ter Beke is now experiencing the "full year effect". On the other hand, the processed meats market, in addition to a decrease in consumer demand, also experienced the transparent pass-through of inflation in energy and raw material costs, which were passed on in part to customers with a delay.

The processed meats industry - both for products and slicing activities - remains characterized by fierce price competition and high free capacity, which ultimately benefits the consumer.

In the Netherlands, the market share of meat and meat products with a "Beter Leven Keurmerk" (Better Life Certificate) is considerable. In order to encourage pig and poultry farmers to implement the animal welfare criteria of the "Beter Leven" concept, they are rightly given a premium. Through so-called "automatic price changes", this premium is also applied further down the chain, so that increases in the price of raw materials are translated into the price of end products.

In the Benelux countries, the UK and Germany - where Ter Beke is primarily active in processed meats - many consumers are increasingly interested in healthier recipes (e.g. less salt), better traceability and sustainable production. Sustainability in the processed meats industry is mainly about stronger chain cooperation and recyclable packaging. Ter Beke will continue to respond to this, also in the context of the ESG (Environmental - Social - Governance) objectives and the launch of new variations in its products.

Furthermore, Ter Beke sees an increase in the importance of, for example, the Nutri-Score and similar alternatives. Here too, Ter Beke assumes its role and works actively with its customers to further optimize the quality of its products and to adapt them to changing consumer requirements.

Ready Meals Division:

The division's turnover increased by EUR 33 million (+26.2%) compared to 2021. This increase is mainly due to the impact of Covid-19 in 2021. Since 2022, sales in the foodservice channel are recovering. In 2022 Ter Beke sees a revival in this channel, especially at Ter Beke's subsidiary KK Fine Foods Ltd in the United Kingdom. Furthermore, cost inflation is also causing an increase in turnover, as a transparent pass-through of this extremely high increase is essential. Negotiations with major customers resulted in a delayed and not always complete recharge of the increased costs. When the contracts are renewed, the continued responsible handling of the increased cost of its products will remain essential and will result in a further increase to transparently pass on the increased inflation.

Ter Beke has a network of five production centres through which it can deliver throughout Europe. As a reminder, Ter Beke is the European leader in its Ready Meals segment, briefly described as chilled, Mediterranean-style pasta meals.

Ter Beke has stopped its very limited deliveries to Russia and has not yet delivered to Ukraine. However, Ter Beke does purchase a number of products that come from Ukraine or whose price levels are determined by a lack of goods from this region. For these goods, the group has meanwhile found alternative suppliers.

The supply of some raw materials remains fragile. The changing climate, for example, has an impact on the harvest of durum wheat or tomatoes, essential ingredients in our products. To reduce dependence, the group has a multi-sourcing strategy. Nevertheless, temporary shortages of certain raw materials cannot be ruled out for the future.

Highlights of the various activities within the Ready Meals Division

- Lasagne, pasta meals and other ready meals for retail remain solid in terms of demand. Ter Beke products remain affordable meals for every consumer and Ter Beke is dealing responsibly with making them more expensive.
- Sales in the foodservice channel (especially from KK Fine Foods in the UK) are recovering after the heavy Covid19 impact of the past two years.
- The ready meals industry in Europe continues to offer good prospects.
- The retail channel (including discount) is increasing shelf space to meet the need for convenience and in response to competition from home-delivered meals.
- There is a continued focus on innovation - both in-house and through start-up projects, for example. Several new introductions were realized, including vegan meals for both retail and foodservice customers.
- KK Fine Foods won several prestigious awards in the first half of the year, including 2 gold, 2 silver and 1 bronze at the British Frozen Food Awards. KK also won the 'product of the year' award, with its 'Trio of Arancini' meals. (Beetroot & Goat Cheese, Spinach & Ricotta Cheese, Pumpkin & Mozzarella).

2. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TER BEKE GROUP PER 30 JUNE 2022

CONDENSED CONSOLIDATED BALANCE SHEET

In '000 EUR	<u>30/06/2022</u>	<u>31/12/2021</u>
Assets		
Non-current assets	229 237	231 701
Goodwill	78 149	78 332
Intangible assets	18 882	20 464
Tangible non-current assets	123 569	124 978
Interests using equity method	520	0
Deferred tax assets	8 043	7 852
Other long term receivables	74	75
Current assets	160 262	150 104
Stocks	48 768	38 596
Trade- and other receivables	103 127	99 964
Cash and cash equivalents	8 367	11 544
Assets classified as held for sale	0	
Total assets	389 499	381 805
Liabilities		
Shareholders equity	115 094	121 445
Capital and issue premiums	59 572	59 572
Reserves	53 812	60 196
Non-controlling interests	1 710	1 677
Deferred tax liabilities	6 078	6 525
Long-term liabilities	87 297	87 993
Provisions	3 928	3 878
Long-term interest-bearing liabilities	78 762	79 728
Other long-term liabilities	4 607	4 387
Short-term liabilities	181 030	165 842
Short-term interest-bearing obligations	4 241	5 579
Trade liabilities and other debts	155 137	138 132
Social liabilities	19 678	20 257
Tax liabilities	1 974	1 874
Total liabilities	389 499	381 805

CONDENSED CONSOLIDATED INCOME STATEMENT

In '000 EUR	<u>30/06/2022</u>	<u>30/06/2021</u>
Revenu	372 646	341 803
Trade goods, raw and auxiliary materials	-231 401	-200 633
Services and miscellaneous goods	-57 853	-52 696
Wages and salaries	-66 181	-62 181
Depreciations costs and impairments	-13 849	-14 617
Impairments, write-offs and provisions	-118	214
Other operating income	1 464	1 549
Other operating expenses	-1 793	-6 142
Result of operating activities	2 915	7 297
Financial income	958	702
Financial expenses	-1 874	-2 979
Result of operating activities after net financing expenses	1 999	5 020
Tax	-528	-3 495
Result after tax before share in the result of enterprises accounted for using the equity method	1 471	1 525
Share in enterprises accounted for using the equity method	0	0
Profit of the period	1 471	1 525
Profit in the financial year: share third parties	70	-83
Profit in the financial year: share group	1 401	1 608
Basic profit per share	0,78	0,91
Diluted profit per share	0,78	0,91

CONDENSED COMPREHENSIVE INCOME

In '000 EUR	<u>30/06/2022</u>	<u>30/06/2021</u>
Result of the reported period	1 471	1 525
Other elements of the result recognised in the shareholders' equity		
Other elements of the result that can subsequently be reclassified to the results		
Translation differences	-949	1 324
Cash flow hedge	304	63
Other elements of the result that cannot subsequently be reclassified to the results		
Revaluation of net liabilities regarding defined benefit pension schemes		0
Related deferred taxes		0
Comprehensive income	826	2 912

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in '000 EUR	<u>Capital</u>	<u>Capital</u>	<u>Share</u>	<u>Reserved</u>	<u>Cash flow</u>	<u>Pensions</u>	<u>Call/put</u>	<u>Translation</u>	<u>Attributable to</u>	<u>Minority</u>	<u>Total</u>	<u>Number of</u>
	<u>reserves</u>	<u>premiums</u>	<u>profits</u>	<u>and taxes</u>	<u>and taxes</u>	<u>and taxes</u>	<u>option on</u>	<u>differences</u>	<u>the</u>	<u>interests</u>		<u>shares</u>
Balance on 1 January 2021	5.001	0	51.781	62.327	-250	110	-3.296	-850	114.823	1.755	116.578	1.767.281
Share Capital increase									0		0	
Reserve own shares									0		0	
Dividend				-7.069					-7.069		-7.069	
Decrease of minority interests as result of call/put option				-174			349		175	-175	0	
Results in the financial year				1.608					1.608	-83	1.525	
Other elements of the comprehensive result for the period					63			1.251	1.314	73	1.387	
Comprehensive result for the period				1.608	63	0	0	1.251	2.922	-10	2.912	
Movements via reserves									0		0	
- Result own shares									0		0	
Balance on 30 June 2021	5.001	0	51.781	56.692	-187	110	-2.947	401	110.851	1.570	112.421	1.767.281
Balance on 1 January 2022	5.077	0	54.495	62.430	-121	234	-2.944	597	119.768	1.677	121.445	1.794.217
Share Capital increase									0		0	
Reserve own shares									0		0	
Dividend				-7.177					-7.177		-7.177	
Decrease of minority interests as result of call/put option									0		0	
Results in the financial year				1.401					1.401	70	1.471	
Other elements of the comprehensive result for the period					304			-912	-608	-37	-645	
Comprehensive result for the period				1.401	304	0	0	-912	793	33	826	
Movements via reserves									0		0	
- Result own shares									0		0	
Balance on 30 June 2022	5.077	0	54.495	56.654	183	234	-2.944	-315	113.384	1.710	115.094	1.794.217

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

In '000 EUR	<u>30/06/2022</u>	<u>30/06/2021</u>
Operating activities		
Result before taxes	1 999	5 020
Interest	521	1 403
Depreciations costs and impairments	13 849	14 617
Write-downs (*)	415	248
Provisions	34	-346
Gains and losses on disposal of fixed assets	29	3 998
Cash flow from operating activities	16 847	24 940
Change in receivables more than 1 year	0	0
Change in stock	-10 424	-730
Change in receivables less than 1 year	-3 138	12 064
Change in operational assets	-13 562	11 334
Change in trade liabilities	11 599	-12 805
Change in debts relating to remuneration	-891	1 443
Change in other liabilities, accruals and deferred income	-124	-815
Change in operational debts	10 584	-12 177
Change in the operating capital	-2 978	-843
Tax paid	-1 014	-1 903
Net cash flow from operating activities	12 855	22 194
Investment activities		
Acquisition of intangible and tangible non-current assets	-13 371	-8 931
Acquisition of shares in associated companies	-520	0
Total increase in investments	-13 891	-8 931
Sale of tangible non-current assets	683	166
Sale of shares in associated companies	0	-3 840
Total decrease in investments	683	-3 674
Cash flow from investment activities	-13 208	-12 605
Financing activities		
Change in short-term financial debts	-245	-2 760
Increase in long-term debts	420	373
Repayment of long-term debts	-2 393	-15 156
Interest paid interest (via income statement)	-521	-1 403
Acquisition of non-controlling interest	0	-266
Dividend paid by parent company	0	0
Cash flow from financing activities	-2 739	-19 212
Net change in cash and cash equivalents	-3 092	-9 623
Cash funds at the beginning of the financial period	11 544	19 143
Translation differences	-85	76
Cash funds at the end of the financial period	8 367	9 596

(*) includes adjustments that are part of the financial result.

The notes on pages 11 to 21 are an integral part of the condensed consolidated half-year financial statements.

3. NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

INFORMATION ON THE COMPANY

Ter Beke (Euronext Brussels: TERB) is an innovative food group that markets freshly prepared food in numerous European countries.

The group has two core activities: processed meats and freshly prepared meals, has 12 industrial sites in Belgium, the Netherlands, France, Poland and the United Kingdom and employs approximately 2,750 people. In 2021 Ter Beke realized a turnover of 696.9 million EUR.

READY MEALS DIVISION

- produces freshly prepared dishes for the European market
- market leader in chilled lasagne in Europe
- 2 specialised production sites in Belgium (Wanze and Marche-en-Famenne), 1 in France (Mézidon-Valée d'Auge), 1 in Poland (Opole) and 1 in the United Kingdom (Deeside)
- brand names Come a casa®, Vamos® and Stefano Toselli® in addition to numerous distribution brands
- employs approximately 1,350 people

PROCESSED MEAT DIVISION

- producer and slicer of fine meat products for the Benelux, the United Kingdom and Germany
- 2 production sites in Belgium (Wommelgem and Lievegem) and 1 in the Netherlands (Borculo)
- 6 centres for slicing and packaging processed meats of which 3 are located in Belgium (Wommelgem, Lievegem and Veurne) and 3 in the Netherlands (Wijchen, Ridderkerk and Aalsmeer)
- innovative in the pre-packed processed meats segment;
- distribution brands and its own brand names such as Pluma®, Daniël Coopman®, Kraak-Vers® and FairBeleg®
- has approximately 1,400 employees

DECLARATION OF CONFORMITY

The above, condensed consolidated interim financial statements for the six-month period ended 30 June 2022 have been prepared in accordance with IAS-34 Interim Financial Reporting as adopted by the EU. These statements do not contain all the information required for full annual financial statements and should therefore be read in conjunction with the consolidated financial statements for the reporting period ended 31 December 2021, as published in the Annual Report to shareholders for the financial year 2021. These condensed consolidated financial statements were authorized for issue by the Board of Directors on August 25th, 2022.

VALUATION AND INTERPRETATION RULES

The accounting standards used in the preparation of the condensed interim consolidated financial statements are consistent with those used in the preparation of the consolidated financial statements for the period ended 31 December 2021. Standards and interpretations applicable for the financial year beginning 1 January 2022 do not have a material impact on the balance sheet. The Group also expects that the standards and interpretations published but not yet applicable for the financial year beginning 1 January 2022 will have no material impact.

The methods for valuing assets and liabilities measured at fair value were consistently applied for each applicable category (Level 1: derivatives and Level 3: put/call option relating to KK Fine Foods Ltd.) as described in the 2021 Annual Report. There are no material changes for Level 3 with respect to unobservable market figures as compared to 31 December 2021. No transfers between categories took place during the first 6 months of 2022.

GENERAL

The General Meeting of May 25th, 2022 has approved the Board of Directors' proposal for a scrip dividend (gross EUR 4.00/share). For 52.26% of their shares entitled to dividend, the group's shareholders opted to contribute their dividend rights in exchange for new shares instead of paying the dividend in cash.

For Ter Beke this results in a strengthening of its equity of 2,625,322.00 EUR (capital and share premium) through the creation of 26,789 new shares. As a result, the total number of Ter Beke shares as of 1 July 2022 will be: 1,821,006. The creation of new shares will also increase the denominator in the calculation of the earnings per share for the entire financial year. The other dividends were paid out in cash on July 4th, 2022. Including total withholding tax, this amounts to a total cash distribution of EUR 4,551,546.00. This capital increase reduces the debt ratio by approximately 0.7% compared to a 100% cash dividend. The optional dividend avoids a cash-out (in proportion to the contribution of the dividend rights to Ter Beke's capital).

With the exception of a slight increase in activity at the end of the calendar year, the group's figures are virtually unaffected by seasonal effects.

At the end of last year, Ter Beke announced its intention to acquire 100% of the shares of Sigma's activities in Belgium (Imperial) and the Netherlands (Stegeman), including five production plants in Belgium (Lievegem, Cornby, Amando, Dacor and Champlon) and one in the Netherlands. In July 2022, Ter Beke Group received the decision from the Belgian Competition Authority as well as from the

Authority Consumer & Market (ACM) in the Netherlands that both will conduct further investigations in a second phase.

Ter Beke expects final decisions in the coming months and continues to cooperate with the authorities to bring the investigation to a successful conclusion.

On June 1st, 2022, Ter Beke entered into a partnership with Davai BV. Davai makes 'delicious dumplings', plant based snacks sold under the Davai brand name. These are sold to both foodservice and retail customers.

Ter Beke extended its Revolving Credit Facility (RCF) for a period of two years, at the same conditions as the existing agreement. The new end date of the RCF is now June 27th, 2025.

NOTES TO THE BALANCE SHEET

Under IAS-34, the balance sheet as at 30 June 2022 should be compared with the balance sheet as at 31 December 2021.

The Group invested EUR 12.3 million in property, plant and equipment in the first half of 2022 compared to EUR 7.2 million in the same period of 2021. This mainly concerns the continuation of efficiency investments and adjustments to the infrastructure at the various sites.

On 1 June 2022, the Group became a 50% owner of the start-up Davai BV.

The joint venture	
Summary financial information	<u>1/06/2022</u> EUR
Non-current assets	10 665
Current assets	30 827
Debts	-63 901
Operating income	32 415
Operating expenses	-61 815
Financial result	-60
Result before taxes	-29 460
Net result	-29 460
Reconciliation of the above mentioned financial information regarding the net book value of the net book value of the participating interest.	
Net assets of the joint venture	-22 409
Capital increase	440 000
Group participation percentage in the joint	50,00%
	208 796
Acquisition price	520 000
Goodwill	311 204

Inventories were, as expected, higher than last year and increased by EUR 10.2 million to EUR 48.8 million, mainly as a result of the sharp increase in prices but also as a result of a strategic decision to build up larger buffer stocks where possible given the very difficult supply chain. This in order to be able to serve our customers even better.

Furthermore, trade receivables increased by EUR 3.1 million from EUR 100 million to EUR 103 million. This is the result of the increase in turnover and a tight customer follow-up.

The net financial debts rose by EUR 0.8 million from EUR 73.8 to 74.6 million. This increase is mainly explained by the use of the net positive cash flow from operating activities of EUR 12.9 million, minus EUR 13.2 million paid investments (corrected for income from divestments) and EUR 0.5 million paid interests.

The calculation of net financial debt as at 30 June 2022 and 31 December 2021 is as follows:

In '000 EUR	30/06/2022	31/12/2021
Cash and cash equivalents	-8 367	-11 544
Long-term interest-bearing liabilities	78 762	79 728
Short-term interest-bearing liabilities	4 241	5 579
Net financial debts	74 636	73 763

In June 2022, the Group renewed its Revolving Credit Facility (RCF) of EUR 175 million with the consortium of banks for a period of two years, on the same terms and conditions as the existing agreement. As at 30 June 2022, the liquidity headroom was over EUR 100 million.

The interest charge in the first half of last financial year was higher than in the current financial year, as a result of the amended covenants during the Covid19 crisis. This surcharge was eliminated in the current financial year. Today, the interest charges are back to a normal level.

The difference in equity is mainly the result of the profit after tax of the first half year and the dividend approved by the General Meeting.

NOTES TO THE INCOME STATEMENT

The most important explanations of the results were explained in the section on key figures and headlines.¹

In '000 EUR	<u>30/06/2022</u>	<u>30/06/2021</u>
EBITDA	16 882	21 700
Depreciation and impairments on non-current assets	-13 849	-14 617
Write-downs, and provisions	-118	214
Result of operating activities (EBIT)	2 915	7 297

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	
Costs in relation to the change in CEO		1.085
Impact sale captive TB Luxemburg		4.329
Underlying profit from operating activities (UEBIT)	3.814	12.711
EBITDA	16.882	21.700
Costs of acquisitions	899	
Costs in relation to the change in CEO	0	1.085
Impact sale captive TB Luxemburg	0	4.329
Underlying EBITDA	17.781	27.114

¹ For the definitions of EBIT, EBITDA, UEBIT, UEBITDA and 'non-underlying' revenues and expenses we refer to page 81 of the 2021 Annual Report.

Results of operating activities

The 'Services and miscellaneous goods' category comprises:

in '000 EUR	<u>30/06/2022</u>	<u>30/06/2021</u>
Temporary workers and persons put at the disposal of the company	11 554	10 104
Repair & Maintenance	11 233	9 478
Marketing & Sales costs	1 751	1 825
Transport costs	15 303	13 456
Energy	7 018	6 562
Rent	2 298	2 274
Fees	5 683	4 572
Other	3 013	4 425
Total	57 853	52 696

The 'rent' category consists of the short term leases and low value leases that Ter Beke (based on the possible exemptions in IFRS 16) did not activate.

The increase compared to 2021 is mainly due to the exceptionally high cost inflation.

We note a strong increase in the cost of interims, costs for maintenance and repair works and transport costs. The transport costs increase due to the strong increase in fuel prices and costs for logistics services. The increase in costs for salaries and wages mainly relates to the costs related to the acquisition of the Imperial-Stegeman Group.

The items 'Other operating income and expenses' consist of:

Other operating income

'000 EUR	<u>30/06/2022</u>	<u>30/06/2021</u>
Recovery of wage-related costs	343	461
Recovery of logistics costs	40	52
Profits from the disposal of assets	30	1
Recovery insurances	91	100
Claims	515	140
Others	445	795
Total	1.464	1.549

Other operating expenses

	<u>30/06/2022</u>	<u>30/06/2021</u>
Local taxes	1.601	1.918
Loss on sale participation	0	3.977
Loss on sale fixed assets	59	22
Claims	27	185
Others	106	40
Total	1.793	6.142

The other operating income is in line with 2021. The other operating expenses show a strong decrease that is due to the capital loss on the sale of the captive reinsurance company Ter Beke Luxembourg that was included in the 2021 figures. At the time, this sale also had a one-off negative impact on the consolidated cash flows from investment activities as well as on the net result.

Net financing costs

The net financing costs in the first half of 2022 are 63% lower than in the same period of 2021. This is due to the decrease in the interest rate as a result of the positive covenant ratio 'net debt to adjusted EBITDA' on the Revolving Credit Facility (RCF).

Taxes

The tax charge amounts to EUR 0.5 million compared to EUR 3.5 million in 2021. This change is due to the non-deductible nature of the loss on the sale of the captive reinsurance company Ter Beke Luxembourg in 2021.

KEY DATA PER BUSINESS SEGMENT

In '000 EUR	30/06/2022			30/06/2021		
	Processed Meats	Ready Meals	Total	Processed Meats	Ready Meals	Total
Segment income statement						
Segment sales	213 907	158 739	372 646	216 052	125 751	341 803
Segment results	2 999	2 718	5 717	9 031	7 261	16 292
Non-allocated results			-2 802			-8 995
Net financing cost			-916			-2 277
Taxes			-528			-3 495
Result of companies according to equity method			0			0
Consolidated result			1 471			1 525
Other segment information						
Segment investments	7 307	4 329	11 636	3 917	2 506	6 423
Non-allocated investments			624			733
Total investments			12 260			7 156
Segment depreciations and non-cash costs	7 956	5 269	13 225	8 434	5 501	13 935
Non-allocated depreciations and non-cash costs			742			468
Total depreciations and non-cash costs			13 967			14 403

Comparable segment information
In '000 EUR

EBIT 2022

EBIT 2021

Variance

EBITDA 2022

EBITDA 2021

Variance

	Processed Meats	Ready Meals	Non - Allocated	Total
EBIT 2022	2.999	2.718	-2.802	2.915
EBIT 2021	9.031	7.261	-8.995	7.297
Variance	-6.032	-4.543	6.193	-4.382
EBITDA 2022	10.955	7.987	-2.060	16.882
EBITDA 2021	17.465	12.762	-8.527	21.700
Variance	-6.510	-4.775	6.467	-4.818

Comparable segment information
In '000 EUR

U-EBIT 2022

U-EBIT 2021

Variance

U-EBITDA 2022

U-EBITDA 2021

Variance

	Processed Meats	Ready Meals	Non - Allocated	Total
U-EBIT 2022	3.995	2.718	-2.899	3.814
U-EBIT 2021	9.031	7.261	-3.581	12.711
Variance	-5.036	-4.543	682	-8.897
U-EBITDA 2022	11.951	7.987	-2.157	17.781
U-EBITDA 2021	17.465	12.762	-3.113	27.114
Variance	-5.514	-4.775	956	-9.333

CALCULATION OF EARNINGS PER SHARE

In '000 EUR		
Calculation earnings per share	<u>30/06/2022</u>	<u>30/06/2021</u>
Number of outstanding ordinary shares per 1 January	1 794 217	1 767 281
Effect of issued ordinary shares		
Weighted average number of outstanding ordinary shares per 30 June of the financial year	1 794 217	1 767 281
Net profit	1 401	1 608
Average number of shares	1 794 217	1 767 281
Basic profit per share	0,78	0,91
Calculation diluted earnings per share	<u>30/06/2022</u>	<u>30/06/2021</u>
Net profit	1 401	1 608
Average number of shares	1 794 217	1 767 281
Dilution effect warrant plans		
Adjusted average number of shares	1 794 217	1 767 281
Diluted profit per share	0,78	0,91

OUTLOOK FOR 2022

Given that the prices of the commodities (energy, wheat, aluminium, etc.) used in the group's production process are highly dependent on the world prices of these commodities and given that these in turn are highly dependent (among other things) on the EUR/USD exchange rate, the developments in the war in Ukraine and climatic conditions, it is at present impossible to make a good estimate of the results for the future.

The Ter Beke group handles the increase in the price of its products in a responsible manner and also pays careful attention to the cost of energy and raw materials. The group continues to focus on transparently passing on the exceptional cost inflation that characterizes the market.

In the meantime, Ter Beke is continuing to pursue its strategy and is adapting it taking into account the existing context.

The possible merger with Imperial Stegeman has not been and will not be taken into account before 2022. If approval follows, the synergies will be worked out from the moment of closing and incorporated into the group over time.

RELATED PARTY TRANSACTIONS

No related party transactions with material effect on the Group's financial position or results occurred in the first half of 2022.

MATERIAL RISKS AND UNCERTAINTIES

The main risks for the remaining months of the 2022 financial year are largely the same as the risks and uncertainties described in the Annual Report for the 2021 financial year. These are mainly risks and uncertainties related to the quality, availability and price fluctuations of the raw materials used. Furthermore, the Group remains vigilant to minimize the impact of the Covid-19 pandemic.

The MAP (Mutual Agreement Procedure) that was submitted by Ter Beke to the Dutch and Belgian tax authorities regarding a double taxation that occurred after a tax audit over the financial year 2016, has been completed. Both tax authorities have confirmed that the new transfer pricing model could effectively be applied as of 1 January 2017. The agreement reached by both tax authorities corresponds to the tax position taken by Ter Beke on 31 December 2021. The uncertainty surrounding the MAP procedure has thus been completely removed.

The assessment for 0.9 million euros that was received from the Dutch tax authorities at the beginning of 2022, within the framework of the verification of the transfer pricing model for the 2017 financial year, has also been cancelled in the meantime as a result of the positive conclusion of the MAP procedure. As no provision for this was accrued as at 31/12/2021, this has no accounting impact.

4. DECLARATION BY THE RESPONSIBLE PERSONS

The undersigned, Piet Sanders*, Chief Executive Officer, and Yves Regniers**, Chief Financial Officer, declare that, to the best of their knowledge:

- the interim condensed consolidated financial statements for the first half of the financial year 2022 which have been prepared in accordance with the International Financial Accounting Standards ("IFRS") give a true and fair view of the assets, the financial position and the results of Ter Beke NV and the companies included in the consolidation;
- the interim financial report gives a true and fair view of the most important events that have occurred in the first semester of the financial year 2022, of the transactions with related parties to be reported and of the main risks and uncertainties for the remaining months of the financial year;

Lievegem, 26 August 2022

Piet Sanders*

Chief Executive Officer

* permanent representative for BV Leading For Growth

Yves Regniers**

Chief Financial Officer

** permanent representative for BV ESROH

5. REPORT FROM THE STATUTORY AUDITOR ON THE HALF-YEAR INFORMATION

Statutory auditor's report to the board of directors of Ter Beke NV on the review of the condensed consolidated interim financial information as at 30 June 2022 and for the 6-month period then ended

Introduction

We have reviewed the accompanying condensed consolidated balance sheet of Ter Beke NV as at 30 June 2022, and the related condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the 6-month period then ended, and notes to the interim financial information ("the condensed consolidated interim financial information"). The board of directors is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at 30 June 2022 and for the 6-month period then ended is not prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union.

Antwerp, August 25, 2022

KPMG Bedrijfsrevisoren
Statutory Auditor represented by

Filip De Bock
Bedrijfsrevisor

6. CONTACTS

If you have any questions regarding this half-year financial report or you would like further information, please contact:

Ann De Jaeger

General Secretary – General Counsel & Corporate Affairs Director

Tel. +32 (0)9 370 13 44

You can also review this half-year financial report and send us your questions through the Investor relations module on our website (www.terbeke.com). The Dutch version of this half-yearly report is the sole official version.

7. FINANCIAL CALENDAR

Annual Results 2022:	24 February 2023 before market opening
Annual Report 2022:	At the latest on 28 April 2023
General Shareholders Meeting 2023:	25 May 2023

8. TER BEKE BRIEF

Ter Beke (Euronext Brussels: TERB) is an innovative Belgian group that markets fresh food in many European countries.

The group has two core activities: processed meats and fresh ready meals, has 12 industrial sites in Belgium, the Netherlands, France, Poland and the United Kingdom and employs approximately 2,750 people. In 2021 Ter Beke realised a turnover of 696.9 million EUR.

PROCESSED MEAT DIVISION

- producer and slicer of fine meat products for the Benelux, the United Kingdom and Germany
- 2 production sites in Belgium (Wommelgem and Lievegem) and 1 in the Netherlands (Borculo)
- 6 centres for slicing and packaging processed meats of which 3 are located in Belgium (Wommelgem, Lievegem and Veurne) and 3 in the Netherlands (Wijchen, Ridderkerk and Aalsmeer)
- innovative in the pre-packed processed meats segment;
- distribution brands and its own brand names such as Pluma®, Daniël Coopman®, Kraak-Vers® and FairBeleg®
- has approximately 1,400 employees

READY MEALS DIVISION

- produces freshly prepared dishes for the European market
- market leader in chilled lasagne in Europe
- 2 specialised production sites in Belgium (Wanze and Marche-en-Famenne), 1 in France (Mézidon-Valée d'Auge), 1 in Poland (Opole) and 1 in the United Kingdom (Deeside)
- brand names Come a casa®, Vamos® and Stefano Toselli® in addition to numerous distribution brands
- employs approximately 1,350 people

FREE TRANSLATION OF A REPORT ORIGINALLY PREPARED IN DUTCH