the *total* feed business

ForFarmers N.V.

Annual General Meeting of Shareholders

26 April 2019

Notifications and Disclaimer

PUBLICATION ANNUAL REPORT 2018

The annual report 2018 (incl. financial statements) was posted on the corporate site (www.forfarmersgroup.eu) on 13 March 2019.

REPORTING STANDARDS

The results in this presentation are derived from the ForFarmers 2018 audited financial statements which have been drawn up in accordance with the International Financial Reporting Standards as adopted by the EU (IFRS). General remark: presented percentages are calculated on the rounded amounts in million euro with one decimal. For explanation of used terminology see the 2018 annual report and relating press release and presentation as published on 13 March 2019.

SUPERVISION

In view of the fact that shares are freely tradable on EURONEXT Amsterdam, ForFarmers operates under the supervision of the Financial Markets Authority (AFM) and the company acts in accordance with the prevailing regulations for share-issuing companies.

IMPORTANT DATES

30-04-2019	Ex Dividend listing
02-05-2019	Publication Q1 2019 Trading Update; Registration date for those entitled to dividend
09-05-2019	Dividend payment
15-08-2019	Publication half-year 2019 results
31-10-2019	Publication Q3 2019 Trading Update
12-03-2020	Publication 2019 Annual Results and Annual Report
24-04-2020	General Meeting of Shareholders

FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements, including those relating to ForFarmers legal obligations in terms of capital and liquidity positions in certain specified scenarios. In addition, forward-looking statements, without limitation, may include such phrases as “intends to”, "expects“, “takes into account”, "is aimed at“, ''plans to”, "estimated" and words with a similar meaning. These statements pertain to or may affect matters in the future, such as ForFarmers future financial results, business plans and current strategies. Forward-looking statements are subject to a number of risks and uncertainties, which may mean that there could be material differences between actual results and performance and expected future results or performances that are implicitly or explicitly included in the forward-looking statements. Factors that may result in variations on the current expectations or may contribute to the same include but are not limited to: developments in legislation, technology, jurisprudence and regulations, share price fluctuations, legal procedures, investigations by regulatory bodies, the competitive landscape and general economic conditions. These and other factors, risks and uncertainties that may affect any forward-looking statements or the actual results of ForFarmers, are discussed in the last published annual report. The forward-looking statements in this presentation are only statements as of the date of this document and ForFarmers accepts no obligation or responsibility with respect to any changes made to the forward-looking statements contained in this document, regardless of whether these pertain to new information, future events or otherwise, unless ForFarmers is legally obliged to do so.

Agenda (1)

1. **Opening and announcements**

2. **Report of the Executive Board**
   Report of the Executive board on the financial year 2018 *(for discussion)*

3. **Annual accounts 2018 and dividend**

   3.1 Implementation of the remuneration policy *(for discussion)*

   3.2 Explanation by the external auditor of the audit approach in relation to the 2018 annual accounts and report of the Executive Board (*for discussion*)

   3.3 Adoption of the 2018 annual accounts (*resolution*)

   3.4 Dividend distribution (*resolution)*

Agenda (2)

4. Discharge

4.1 Discharge of the members of the Executive Board (*resolution*)

4.2 Discharge of the members of the Supervisory Board (*resolution*)

5. Appointment of auditor to audit the 2019 annual accounts and the report of the Executive Board
(*resolution*)

6. Composition of the Executive Board
Appointment of Mr. A.J.A. van der Ven (COO)
as a member of the Executive Board of the Company (*resolution*)

Agenda (3)

7. **Composition of the Supervisory Board**
   Reappointment of Mr. W.M. Wunnekink as a member of the Supervisory Board (*resolution*)

8. **Designation regarding the issue of shares, the granting of rights to subscribe to shares and the restriction or exclusion of the pre-emptive right**
   - 8.1 Designation of the Executive Board as the body authorised to issue ordinary shares and to grant rights to subscribe to ordinary shares (*resolution*)
   - 8.2 Designation of the Executive Board as the body authorised to restrict or exclude the pre-emptive right of shareholders (*resolution*)

Agenda (4)

9. **Authorisation to repurchase shares** (*resolution*)

10. **Retirement schedule of the Supervisory Board** (*for information*)

11. **Any other business**

12. **Closing**

Agenda item 1

Opening and announcements

Agenda item 2

Report of the Executive Board

Report of the Executive board on the financial year 2018 *(for discussion)*

- Presentation by: Y.M. Knoop (CEO) and A.E. Traas (CFO)

Highlights 2018

General developments in the sectors in Europe

- Milk prices on the Continent lower in 2018 than in 2017;
  in the UK in 2018 on average higher
- Dairy herd smaller (11%) and lower milk production in NL due to phosphate reduction measures

- European pig prices lower than in 2017, especially in Belgium (2H18) following detection African Swine Fever among wild boar

- Prices for broilers at reasonable level during Q1-Q3 2018; in Q4 prices started to decline
- Egg prices high at beginning 2018 (aftermath of fipronil-affair NL)
  but lower during rest of year

Highlights 2018 (continued)

Results:

Total Feed volume: **+4.9% to 10.0mT**

- Growth through acquisitions (2.8%) and LFL (2.1%)
- Ruminants: growth in all clusters despite phosphate reduction measures in NL
- Swine: growth in NL and G/ BE /PL larger than decline in UK
- Poultry: growth in all clusters, particularly in Poland due to acquisition of Tasomix

Compound feed: **+4.2% to 7.0mT**

- Due to acquisitions (4.1%) and LFL (0.1%)
- Growth in G/ BE /PL, stable in the UK and decline in NL

Highlights 2018 (continued)

Gross profit	+5.6% to €443.4m acquisitions (+2.3%), LFL (+3.6%), forex translation (-0.3%)
Underlying[2] EBITDA at constant currencies	**-1.0% to €100.4m** growth GE/BE/PL & UK could not compensate decline NL
Incidental gain	€3.9m (on EBITDA level) mainly due to sale of arable activities in NL
Profit (to shareholders)	flat at €58.6m
EPS	**+3.6%** to €0.58
Underlying EPS	flat at €0.58 (excl. impact of share buy-back programme : €0.56)
Dividend per share	€0.30 (€0.283 plus €0.017 extra dividend per ordinary share)

Highlights 2018 (continued)

Net cash flow from operating activities	€82.1m (2017: €116.3m)
Working capital	+ €7.1m acquisitions (+€30.4m) and LFL improvement (-€23.3m)
Ratios:	
Underlying EBITDA/ gross profit	22.6% (2017: 24.2%)
ROACE (underlying EBITDA)	23.0% (2017: 24.3%)
ROACE (underlying EBIT)	*16.4% (2017: 18.2%)*
Solvency	50.4% (Dec-17: 52.1%)

Underlying EBITDA development

(in €m)	2018	2017	Total %	*FX*	*M&A*	*LFL*
Total Feed-volume (in mT)	**10.0**	**9.6**	4.9%		*2.8%*	*2.1%*
o/ w Compound feed	**7.0**	**6.7**	4.2%		*4.1%*	*0.1%*
Gross profit	**443.4**	**419.8**	5.6%	*-0.3%*	*2.3%*	*3.6%*
Depreciation, amortisation and impairment	*-28.0*	*-27.6*				
Total Operating expenses	**-372.9**	**-346.8**	**7.5%**	**-0.3%**	**3.5%**	**4.3%**
Operating profit (EBIT) ***incl. incidental items***	**75.9**	**74.0**	2.6%	*-0.1%*	*-3.2%*	*5.9%*
EBITDA	**103.9**	**101.6**	2.3%	*-0.2%*	*0.6%*	*1.9%*
Incidental items	-3.9	-0.2				
Underlying EBITDA	**100.1**	**101.4**	**-1.3%**	***-0.3%***	***0.6%***	***-1.6%***
Translation-effect	0.3					
Underlying EBITDA at constant currencies	**100.4**	**101.4**	**-1.0%**			

Profit development

(in €m)	2018	2017
Operating profit (EBIT)	**75.9**	**74.0**
Net finance costs	-4.4	-2.4
Share of profit of equity-accounted investees, net of tax	2.9	3.9
Income tax expense	-15.2	-16.2
Profit for the period	**59.2**	**59.3**
Effective Tax Rate	**21.3%**	**22.7%**
Non-controlling interests	-0.6	-0.7
Profit attributable to owners of the company	**58.6**	**58.6**
Underlying profit	57.6	60.1
Underlying basic earnings per share (in €)	0.58	0.58
ROACE (underlying EBITDA)	23.0%	24.3%
ROACE (underlying EBIT)	16.4%	18.2%

Healthy capital structure

(in €m)	31-12-2018	31-12-2017
Total Assets	873.7	787.3
Equity	440.8	409.9
Solvency ratio	50.4%	52.1%
Net working capital *- Current assets[2]* *- Current liabilities[3]*	76.3 *350.6* *277.2*	69.2 *285.0* *215.8*
Overdue receivables	18.7%	14.9%
Net Debt / (Cash)	17.1	(67.1)

Market and sector development per region in 2018

General

- Dry summer months, low river levels (NL and Germany), spike in raw materials prices (2H18)
- Growing consumer interest in poultry products

The Netherlands

- Increasing public pressure on agricultural sector in light of climate targets
- Smaller dairy herd (-11%) & extra investments for farmers required following phosphate regulations
- Demand for non-GMO feed is increasing (resulting in re-opening of Deventer mill)

Germany

- Growing interest in animal welfare and environmentally friendly measures and non-GMO feed

Market and sector development per region in 2018

Belgium

- Consumer interest in quality and provenance of food & more focus on AMR
- African swine fever detected among wild boar, leading to pressure on pig prices

Poland

- Growing discussion regarding use of GMO soy & use of local raw materials
- Poultry sector grows faster than in other European countries

United Kingdom

- Due to cold spring and dry summer increasing demand for compound feed in ruminant sector
- Swine sector remained stable following increased demand and increased import from the Continent
- Consumer demand for poultry growing

Total Feed volume-development in 2018

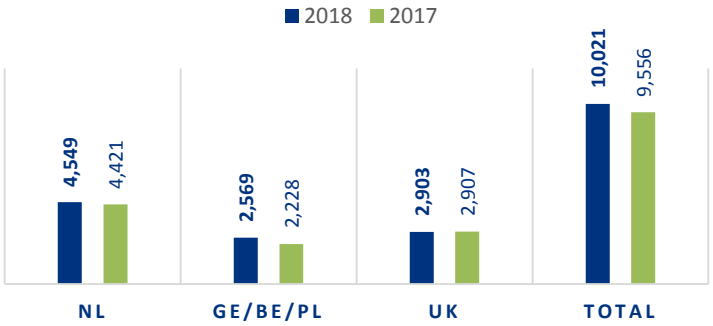
Volume Total Feed: **+4.9% (10.0mT)**
- *Compound feed* +4.2% (7.0mT)

The Netherlands : **+ 2.9% (4.5mT)**
- Growth TF in all species and organic feed (Reudink)
- Decline volume compound feed in ruminant and swine

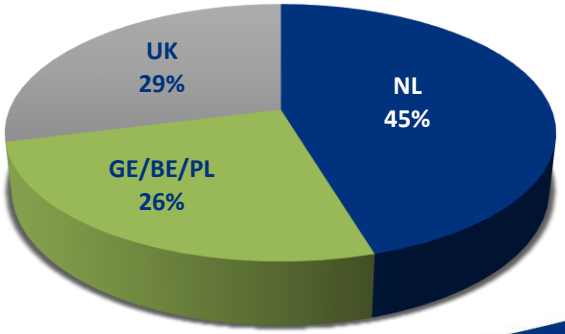
Germany/Belgium/Poland **+15.3% (2.6mT)**
- Growth TF and LFL growth in all species
- Considerable increase in poultry sector (Tasomix)
- Growth compound feed (in %) higher than in TF (acquisitions)

United Kingdom: **-0.1% (2.9mT)**
- TF growth (mainly ruminant and poultry sector)
- TF volume decline in swine sector (lower DML volumes due to discontinuation of some loss making activities)
- Compound feed volume rose more (in %) than TF

Total Feed volume per cluster[1]



2018 volume split per cluster



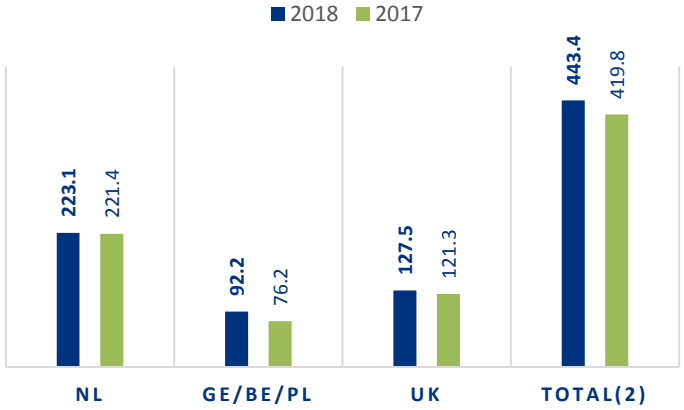
Gross profit: like-for-like growth in all clusters

In all clusters:
- More specialties in product mix
- Contribution strategic partnerships
- Partly passing on increased energy prices

The Netherlands: **+ €1.7m (0.8%)**
- Effect divestment arable activities
- Lower compound feed volumes (phosphate measures)
- Higher inbound logistics costs (low river levels)
- No full pass-on of spike in raw material prices

Germany/Belgium/Poland: **+ €15.9m (20.9%)**
- Impact acquisitions (PL and BE), particularly compound feed volume
- LFL volume growth
- No full pass-on of spike in raw material prices in Poland

United Kingdom: **+ €6.2m (5.1%)**
- Higher growth (in %) compound feed volume than TF volume
- Successfully renewed commercial proposition to large pig farmers



2) Incl. Group/ eliminations

Results per cluster

(in €m)	the Netherlands		Germany/ Belgium/Poland		United Kingdom		Group/ Eliminations		Consolidated	
	2018	2017[1]	**2018**	2017[1]	**2018**	2017	**2018**	2017	**2018**	2017
Total Feed Volume (k tonnes)	**4,549**	**4,422**	**2,569**	**2,228**	**2,903**	**2,907**	**-**	**-**	**10,021**	**9,556**
Revenue	1,153	1,112	665.3	551.3	662.2	622.4	-75.6	-67.4	2,405	2,219
Gross profit	223.1	221.4	92.2	76.2	127.5	121.3	0.7	0.9	443.4	419.8
Operating profit	69.2	67.9	13.8	12.3	7.6	5.3	-14.7	-11.6	75.9	74.0
EBITDA	**76.0**	**75.4**	**20.0**	**15.6**	**19.8**	**18.8**	**-12.0**	**-8.2**	**103.9**	**101.6**
Incidental items[2]	-4.5	-0.1	-	0.2	0.6	-0.2	-	-	-3.9	-0.2
Underlying EBITDA	**71.5**	**75.3**	**20.0**	**15.7**	**20.5**	**18.6**	**-12.0**	**-8.2**	**100.1**	**101.4**
Currency translation effect	-	-	-	-	0.3	-	-	-	0.3	-
Underlying EBITDA at constant currency	71.5	75.3	20.0	15.7	20.8	18.6	-12.0	-8.2	100.4	101.4
EBITDA/gross profit ratio	**32.1%**	34.0%	**21.7%**	20.7%	**16.1%**	15.3%		**-**	**22.6%**	24.2%
ROACE[3]	**51.0%**	49.1%	**15.6%**	18.3%	**12.6%**	10.5%			**23.0%**	24.3%
ROACE[4]									*16.4%*	*18.2%*

Horizon 2020 – Activities update

Focus on attractive segments

- Focus on growth in specialities & continuation growth in organic feed solutions (Reudink)

Partner and deliver the Total Feed Business portfolio

- Strategic partnership with Nutreco extended for 5 years
- Strategic partnership with Baks in NL regarding liquid co-products

Acquisitions (& divestments)

- Sale of (non-core) arable activities in the Netherlands (February)
- Acquisition 60% shares of Tasomix, Poland (July)
- Acquisition Maatman, the Netherlands and Germany (September)
- Acquisition Voeders Algoet, Belgium (October)
- Acquisition Van Gorp Biologische Voeders, the Netherlands (October)

One ForFarmers: functional excellence & leverage scale

- Health & Safety: increase in number LTIs[1] requires attention
- UK business transformation: combination ruminant sales teams & announced closing of Blandford site
- Implementation of Financial Shared Service Centre on Continent (NL, BE and GE)

1. LTIs means Lost Time Incidents

Horizon 2020 – deliverables update

Employee development

- Appointment Arthur van Och as Supply Chain Director
- Retirement Jan Potijk and nomination Adrie van der Ven as of AGM 2019
- Appointment of Pieter Wolleswinkel and David Fousert as members of the Executive Committee
- Approx. 25% of ForFarmers employees shareholder of ForFarmers

Total nutrition solutions

- Apollo poultry concept launched in NL, GE, UK (starter feed concept for chickens)
- 'Pens Stimulator+' product introduced in NL – for better roughage uptake by dairy cows
- On-farm applications introduced for pig farmers in UK – to measure technical results
- Ultra, new concept for finishers (swine sector) developed; launched in February 2019

Results 2018

• **Underlying EBITDA at constant currencies**	**-1.0% to €100.4m**
• Profit for shareholders	flat at €58.6m
• Underlying earnings per share	flat at €0.58 (excl. impact of SBB[1] : €0.56)
• Dividend per share	€0.30 (€0.283 plus extra dividend €0.017)

Outlook

- **Ruminant sector:**
  Global outlook positive, European consumption stabilising
  More focus on export of European dairy products

- **Swine sector:**
  Global demand growing, EU consumption slowly declining, decreasing herd size (NL and GE),
  export to China could grow due to trade negotiations & African swine fever (in China)

- **Poultry sector:**
  Growing interest from consumers,
  more processing capacity becoming available in PL leading to growth potential compound feed

- Impact Brexit remains unpredictable

- Integrations acquisitions (Tasomix, Voeders Algoet, Maatman, Van Gorp Bio) ongoing to achieve synergies

- Full focus on enhancing capacity utilisation of Pionki mill in Poland

Outlook (continued)

2019 first-half results

Underlying EBITDA expected to show strong decline vs 1H2018 results (due to current purchasing positions and focus on sustaining market share)

Efficiency plans 2019 – 2020 launched

- Total cost savings of €10m (in 2021 vs 2018); optimisation group factory footprint & other efficiency projects
- Existing 2017 UK supply chain rationalisation plans incorporated
- Affects all countries excluding Poland and covers all functions
- Involves reduction of 125–150 FTEs (approx. 5 to 6% of FTEs); natural attrition & redundancies
- Efficiency plans will lead to incidental costs

Planned capex and working capital 2019

- €50m capex, on e.g systems and processes to support ongoing growth, enhanced efficiency measures and digitalisation
- Ongoing focus on further optimising working capital and leveraging strategic suppliers

Proposal for new Share Buy-Back (SBB) programme

- Limited SBB of €30m and a SBB for employee participation programme
- Start after the publication of Q1 2019 trading update, end no later than October 2020

Outlook (continued)

IFRS 16

Impact (as of 1-1-2019): expected increase of EBITDA by approx. €5.0m, no impact on EBIT
Expected net decrease of profit before tax of €0.5m
Per 1-1-2019: total assets increase approx. €25.0m

Reconfirmation mid term guidance

For the *medium term an on average* annual underlying EBITDA growth in the mid single digits at constant currencies, excl. impact of significant acquisitions & barring unforeseen circumstances

Summary 2018

Solid strategic progress
Strong 1H & weaker 2H,
impacted by dry summer

EBITDA growth in all clusters
excluding NL

Gross profit: +5.6%
Underlying EBITDA[2]: - 1.0%
Net profit: flat
Underlying EPS: flat

3 acquisitions in existing regions
Added 5th country (PL)
Balanced specie portfolio

Better LFL working capital
&
Strong balance sheet

Efficiency plans 2019-2020
Share buy-back proposed
of €30m

Questions ????

Agenda item 3

Annual accounts 2018 and dividend

3.1 Implementation of the remuneration policy *(for discussion)*

Explanation by C.J.M. van Rijn
(chairman remuneration committee)

Pages 114 – 118 of the annual report

Agenda item 3

Annual accounts 2018 and dividend

3.2 Explanation by the external auditor of the audit approach in relation to the 2018 annual accounts and report of the Executive Board (*for discussion*)

Explanation by R.P. Kreukniet RA (KPMG)

Presentation KPMG

- General Meeting ForFarmers N.V.
- —
  - 26 April 2019

Introduction

What have we audited / assessed?

- Consolidated financial statements
- Company financial statements
- Whether the annual report is consistent with the financial statements and does not contain material misstatements
- Whether certain required information has been included in the annual report

Our opinion: Unqualified

- Consolidated financial statements give a true and fair view
- Company financial statements give a true and fair view
- Annual report is consistent with the financial statements and does not contain material misstatements
- Annual report contains the information as required by Part 9 of Book 2 of the Netherlands Civil Code

Audit approach and key audit matters (I)

MATERIALITY

- Materiality of EUR 3.5 million (2017: EUR 3.0 million)
- 4.7% of profit before tax (2017: 4.0% of profit before tax)

GROUP AUDIT

- Coverage of 88% of revenues (2017: 89%) and 97% of total assets (2017: 97%)
- All components have been in scope for procedures

Audit approach and key audit matters (II)

KEY AUDIT MATTERS

- Valuation of trade receivables
- Valuation of goodwill
- Accounting for Tasomix acquisition

UNQUALIFIED OPINION

Test question for voting boxes

Max Verstappen will be the world champion Formula 1 this year

1. For
2. Against
3. Abstention

Agenda item 3

Annual accounts 2018 and dividend

3.3 Adoption of the 2018 annual accounts (*resolution*)

Agenda item 3

Annual accounts 2018 and dividend

3.4 Dividend distribution (*resolution)*

Proposal is €0.30 per ordinary share

This corresponds with 50% of the underlying profit (€0.283 per ordinary share) and 50% of the net proceeds of the sale of the arable activities in the Netherlands (€0.017 per ordinary share)

Agenda item 4

Discharge

4.1 Discharge of the members of the Executive Board *(resolution)*

Agenda item 4

Discharge

4.2 Discharge of the members of the Supervisory Board *(resolution)*

Agenda item 5

Appointment of the auditor for the audit of the 2019 annual accounts and report of the Executive Board *(resolution)*

Proposal is to appoint KPMG Accountants N.V. as auditor for the financial year 2019

Agenda item 6

Composition of the Executive Board

Appointment of Mr. A.J.A. van der Ven (COO) as a member of the Executive Board of the Company (*resolution*)

Agenda item 7

Composition of the Supervisory Board

Reappointment of Mr. W.M. Wunnekink as a member of the Supervisory Board (*resolution*)

Agenda item 8

Designation regarding the issue of shares, the granting of rights to subscribe to shares and the restriction or exclusion of the pre-emptive right *(resolution)*

8.1 Designation of the Executive Board as the body authorised to issue ordinary shares and to grant rights to subscribe to ordinary shares (*resolution*)

Agenda item 8

Designation regarding the issue of shares, the granting of rights to subscribe to shares and the restriction or exclusion of the pre-emptive right *(resolution)*

8.2 Designation of the Executive Board as the body authorised to restrict or exclude the pre-emptive right of shareholders (*resolution*)

Agenda item 9

Authorisation to purchase shares

Authorisation of the Executive Board to have the company acquire, other than for no consideration, own shares (of any category) (*resolution*)

Agenda item 10

Rotation schedule of Supervisory Board *(for information)*

The rotation schedule has been included in the explanatory notes to the agenda of this General Meeting of Shareholders.

Agenda

11. Any other business

12. Closing

FOR THE FUTURE OF FARMING
for farmers