ForFarmers
Capital Markets Day

15 September 2020
Amsterdam

Resilient in challenging home countries; expansion to new markets

FOR THE FUTURE OF FARMING

forfarmers
the total feed business

Safe harbor statement

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Agenda

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10:45	Build to Grow 2025
11:30	Financials
12:00	Wrap up
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ForFarmers Executive Committee

Yoram Knoop
CEO
[7/13]

Roeland Tjebbes
CFO
[0/17]

Control/Finance, Information Technology (IT), Legal Affairs, Risk Management, Mergers & Acquisitions, Investor Relations

Stijn Steendijk
Dir. Strategy & Organisation
[6/11]

Human Resources, Nutrition & Innovation Centre (NIC), Marketing, Communication, Sustainability, Corporate Affairs, Commercial Excellence, Digital Innovation

Arthur van Och
Dir. Supply Chain
[2/2]

Purchasing, Formulation & Quality, Production & Logistics, Operational Excellence, Engineering Projects, Health & Safety

Pieter Wolleswinkel
COO
[6/13]

the Netherlands

David Fousert
COO
[4/15]

Belgium
Germany
Reudink
Pavo

Adrie van der Ven
COO
[5/11]

Poland
M&A new regions

Steven Read
COO
[34/34]

United Kingdom

[X/X] Years with the company or predecessors/Years active in the industry

Our mission

For the Future of Farming

FOR THE FUTURE OF FARMING

for farmers

We are confident about the future and the continuity of farming,
and hence contribute to a sustainable livestock industry for the long term;
one that will continue to serve society for generations to come.

Key facts ForFarmers

European leader in Total Feed solutions

#1 European Total Feed solutions provider

Total Feed[1] volume over 10 mT[2]

2019 Revenue: €2.5 billion & underlying EBITDA[3]: €88.5 million

Servicing over 26,000 farmers

Completed 11 acquisitions since 2014

Approximately 2,600 employees in 2019

Listed on Euronext Amsterdam since 2016

Founded in 1896 as a cooperative

Based in the Netherlands (head office), Belgium, Germany, Poland and the United Kingdom

Received AA rating in the MSCI ESG rating in 2019

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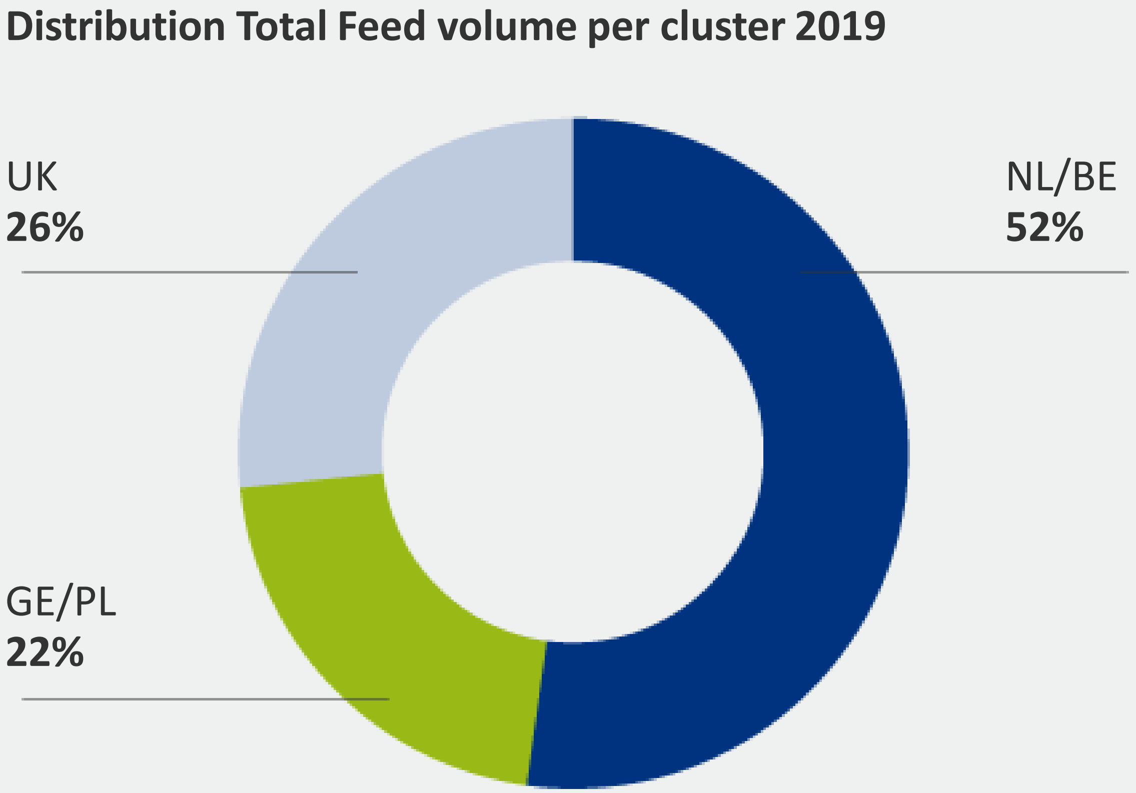
[1] Total Feed comprises compound feed, specialties, co-products (incl. DML products), seeds and other products (such as forage);

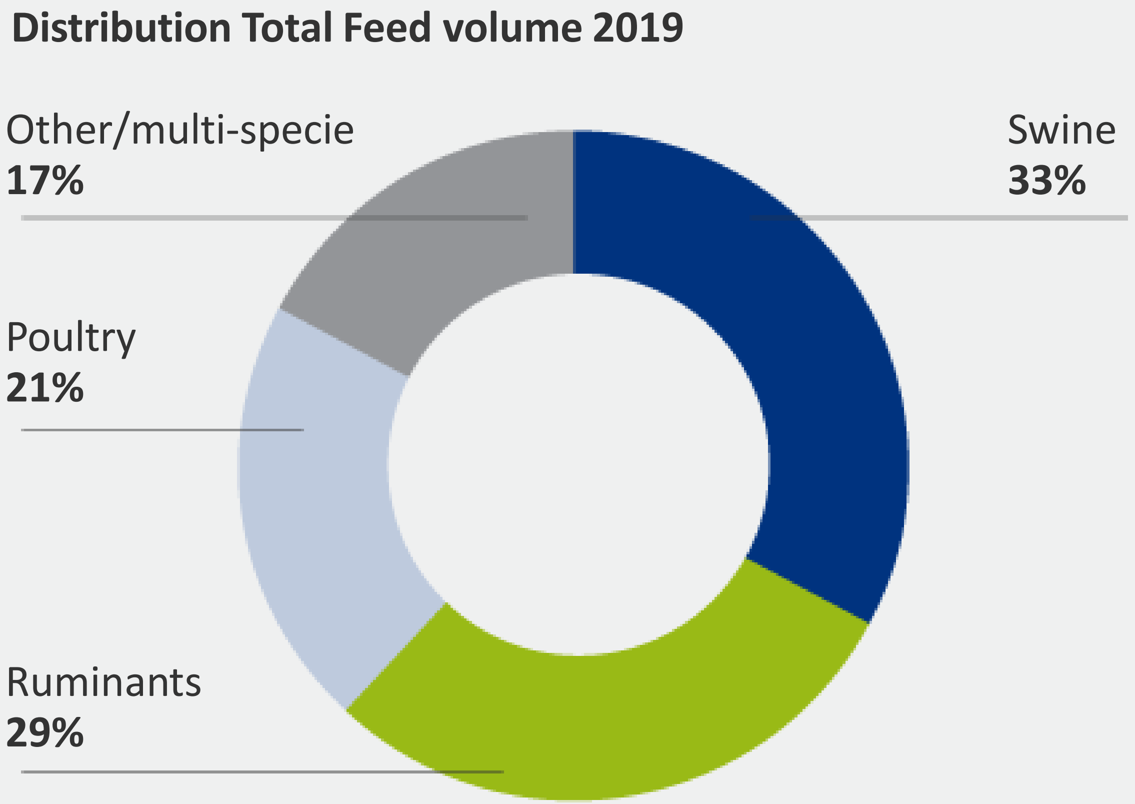
[2] Total Feed volume 2019 in million metric tonnes (mT);

[3] Earnings before interest, tax, depreciation and amortisation, excluding incidental items;

Key facts ForFarmers

European leader in Total Feed solutions





ForFarmers: Leading European animal feed company

(based on mT feed sales in Europe)

1	**ForFarmers N.V.**	**10.0 mT**
2	De Heus	5.5 mT
3	Royal Agrifirm	4.5 mT
4	AGRAVIS Raiffeisen	4.1 mT
5	DLG Group	4.0 mT
6	Avril/Sanders	3.4 mT
7	Veronesi	3.1 mT
8	Danish Agro	2.8 mT
9	DTC	2.8 mT
10	Nutreco	2.5 mT

Total worldwide

~1.1 bT

Total Europe

~165 mT

Source: Watt Global Media, FEFAC, IFIF, AllTech Global Feed Survey 2020, ForFarmers estimates
Presented volumes refer to volumes in Europe only and are sometimes best estimates

ForFarmers' products, clients and species

Compound feed

Specialties

Dry Moist Liquid (DML)

Forage

On-farm knowledge exchange to improve returns

Total Feed solution

All farm sizes

Ruminant

Swine

Poultry

ForFarmers’ approach: From Feed To Farm

Central position in value chain to farmers

Raw materials suppliers

ForFarmers
Production, supply and application of Total Feed solutions

Farmers

Dairy processors, slaughterhouses & egg packers

Retail & Consumers

Access to farm gate

On-farm feed solution advisory

Iterative innovation process

Compound Feed: Formulation, Nutrition & Procurement

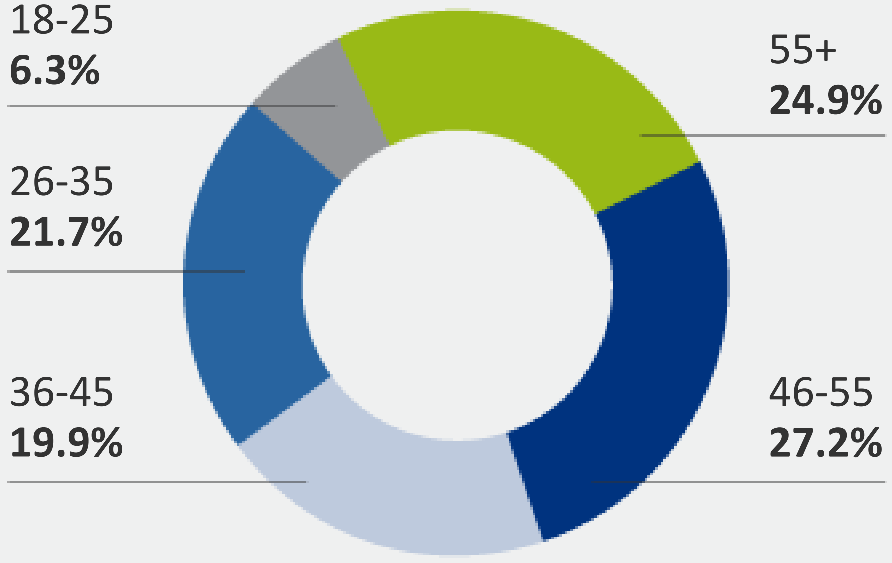
Feed milling

Specialties, feed additives, and co-products from food industry

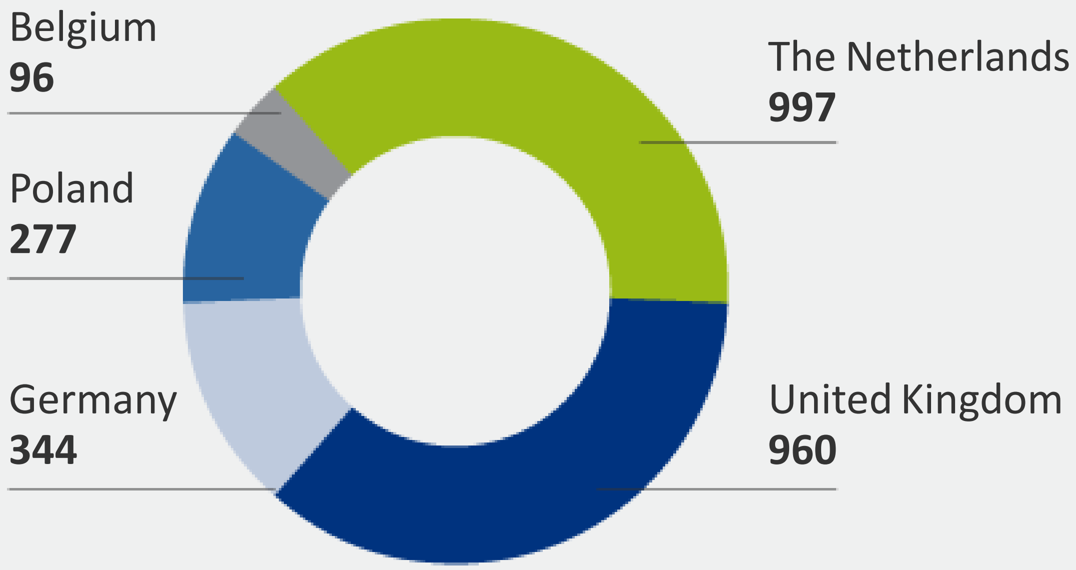
Logistics & delivery

ForFarmers’ team: high level of expertise, diversity starts to improve

Age structure



Number of employees per country



Gender

Profile

- 2,570 FTEs[1]
- 650 commercial functions, including ~450 on-farm advisors

Focus on talent developing experts & leaders

- Attracted 19 new graduates (of which 40% female) in 2019 - as new experts and leaders
- Leadership programmes
- Ruminant, Swine and Poultry Academies: focused on sharing best practices and creating experts
- Sales Academy for effective knowledge transfer to customers
- Logistics Academy aimed at driving safely and efficiently a.o.

[1] As at 31-12-2019, equals 2.654 employees

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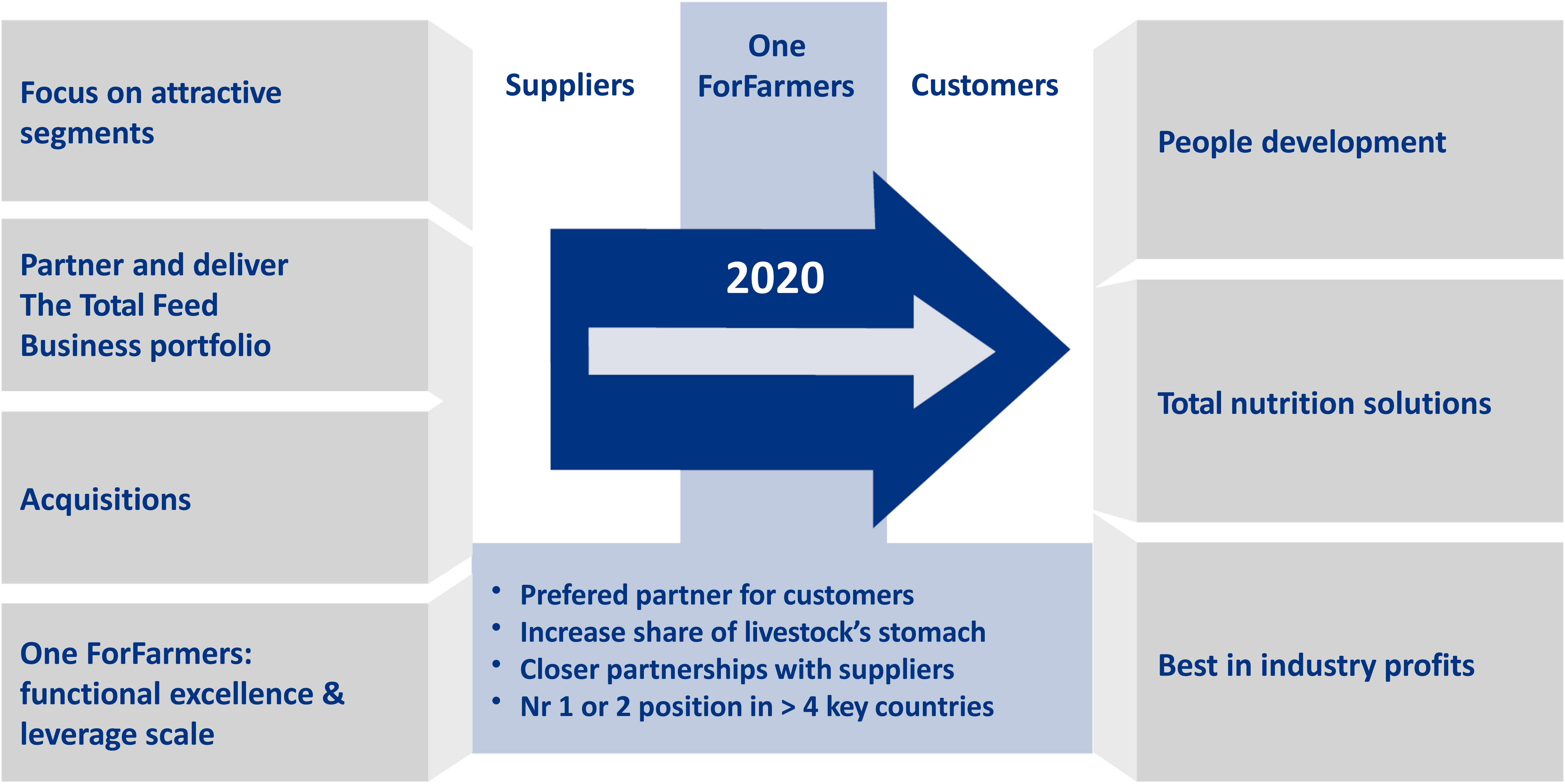
Earlier strategy Horizon 2020

Further enhance & expand business in Europe+



Focus on attractive segments

Partner and deliver The Total Feed Business portfolio

Acquisitions

One ForFarmers: functional excellence & leverage scale

Suppliers

One ForFarmers

Customers

2020

- Prefered partner for customers
- Increase share of livestock's stomach
- Closer partnerships with suppliers
- Nr 1 or 2 position in > 4 key countries

People development

Total nutrition solutions

Best in industry profits

2014-2019

Results Horizon 2020 For the Future of Farming

Focus on attractive segments

- CRM Implemented
- Focused teams to deliver customised solution
- Total Feed support desk

Challenge

Transactional business model gaining momentum

Partner and deliver the Total Feed business portfolio

- Nutreco partnership (micro's and specialties)
- Total Feed portfolio fill
- Concepts to increase return on-farm (i.e Vida, Apollo, Terra+, Ultra, Melk€fficient)
- Enhanced partnerships, e.g. KPS in Poland

Challenge

Compete with specialists

Aquisitions

- Since 2014
- Acquisitions: 11
- Divestments: 5
- Entry in Poland (growth market)
- Market position Total Feed
  - #1: NL, UK
  - #2: BE
  - #4: DE, PL

Challenge

Accelerate M&A agenda

One ForFarmers: functional excellence & leverage scale

- Strengthened matrix organisation
- Optimized production: closure 5 mills
- IT/infra optimisation: SAP CRM and Workday installed
- Optimised sourcing/formulation

Challenge

Further harvest economies of scale (processes)

2014-2019

Results Horizon 2020 For the Future of Farming

People development

- Launched academies: 5,000 participants
- Internal promotions:
  83 males, 25 females (2019)
- Diversity: from 16% to 20% females
  (2014 - 2019)
- Employee participation plan: ~25%
  of employees hold shares ForFarmers
- LTIs down from 47 in 2015 to 36 in 2019

Challenge

Diversity (at senior management level)

Total nutrition solutions

- On average 6% better dairy cash return/cow than country average (NL) in last 3 years
- Up to 20%[2] better cash return/broiler (2014-2019) and better welfare

Challenge

Slow take-up of data use on-farm outside NL

Best in industry profits

- 2018: EBITDA €100 mln;
  Ratio EBITDA/GM: 22.6%
- Underlying EBITDA growth 2014:
  €82 mln and 2019: €89 mln
- Dividend per share from
  2014: €0.18 to 2019: €0.28
- **Underlying EBITDA/Gross Profit-ratio 2014: 21.3% and 2019: 20.1%**

Challenge

Enhanced cost efficiency

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[1] FCR = Feed Conversion Rate, i.e how much feed needed for kg of (meat) production

[2] Source ForFarmers; based on improved FCR in relation to long-term calculated balance per broiler

M&A track record 2014-2019

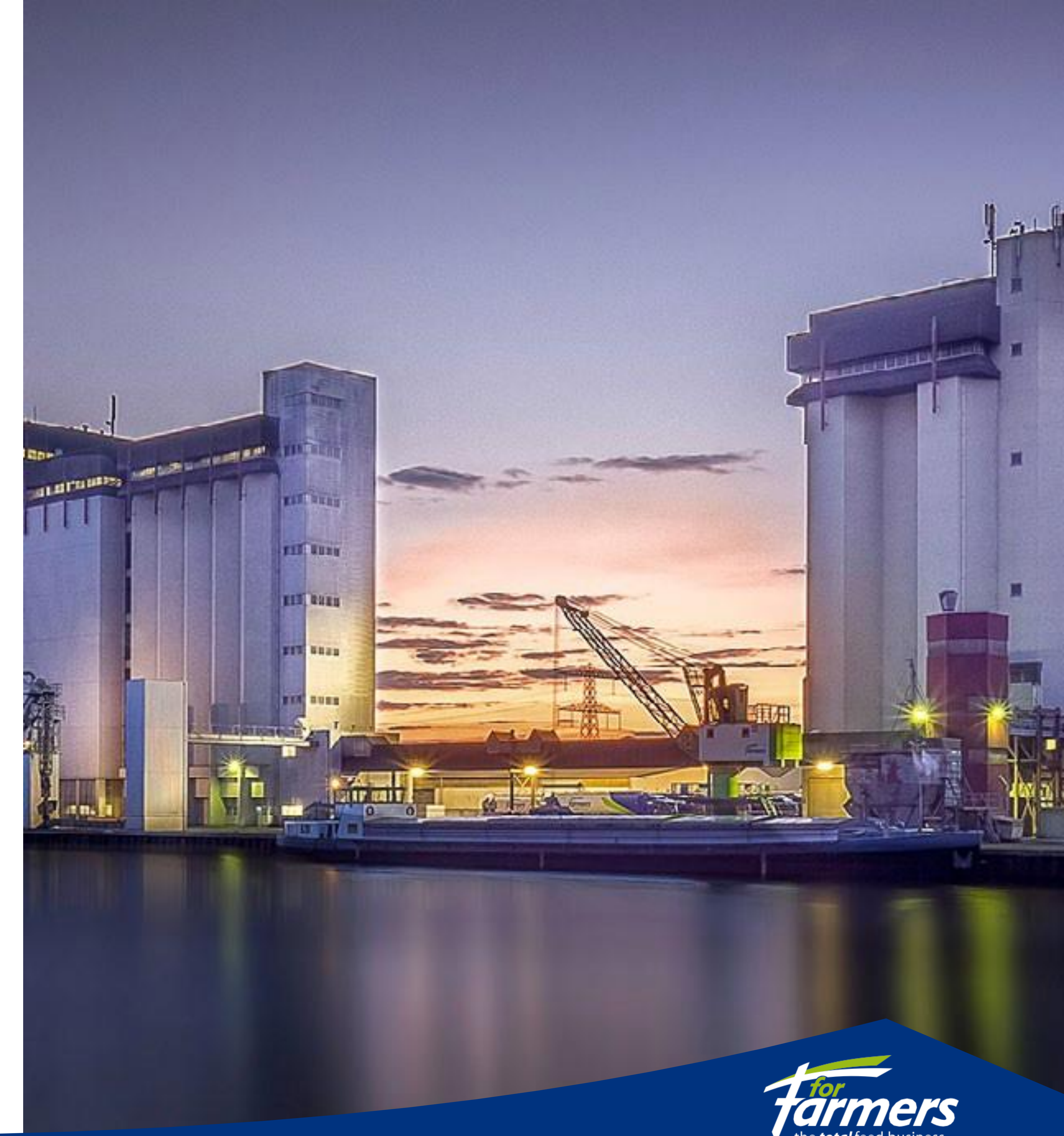
	2014		2015	2016	2018			
	🇬🇧	🇬🇧	🇬🇧	🇳🇱	🇵🇱	🇳🇱	🇧🇪	🇳🇱
Strategic move	**HST feed Ltd.**	**Whey feed Ltd.**	**Countrywide farmers**	**Vleuten-Steijn Voeders**	**Tasomix (60%)**	**Maatman**	**Algoet**	**Van Gorp Biologische Voeders**
Economies of scale	●		●	●		●	●	●
Geographic expansion					●			
Product strengthening		●		●	●			

- **Hendrix and BOCM PAULS** acquisitions from 2012 created the foundation for the international expansion.
- 11 acquisitions between 2014-2019 mainly focused around **improving economies of scale**.
- **Tasomix acquisition** added extra country, with growth profile, to the geographical scope.

M&A — Lessons learned

Lessons learned

- Satisfactory realisation synergies of past projects
- Small and large deals require equal effort
- Functional integration on projected schedule
- Focus point smaller deals: retention of commercial staff and customers
- Cultural differences need to be addressed upfront
- Appoint a dedicated ForFarmers integration manager upfront

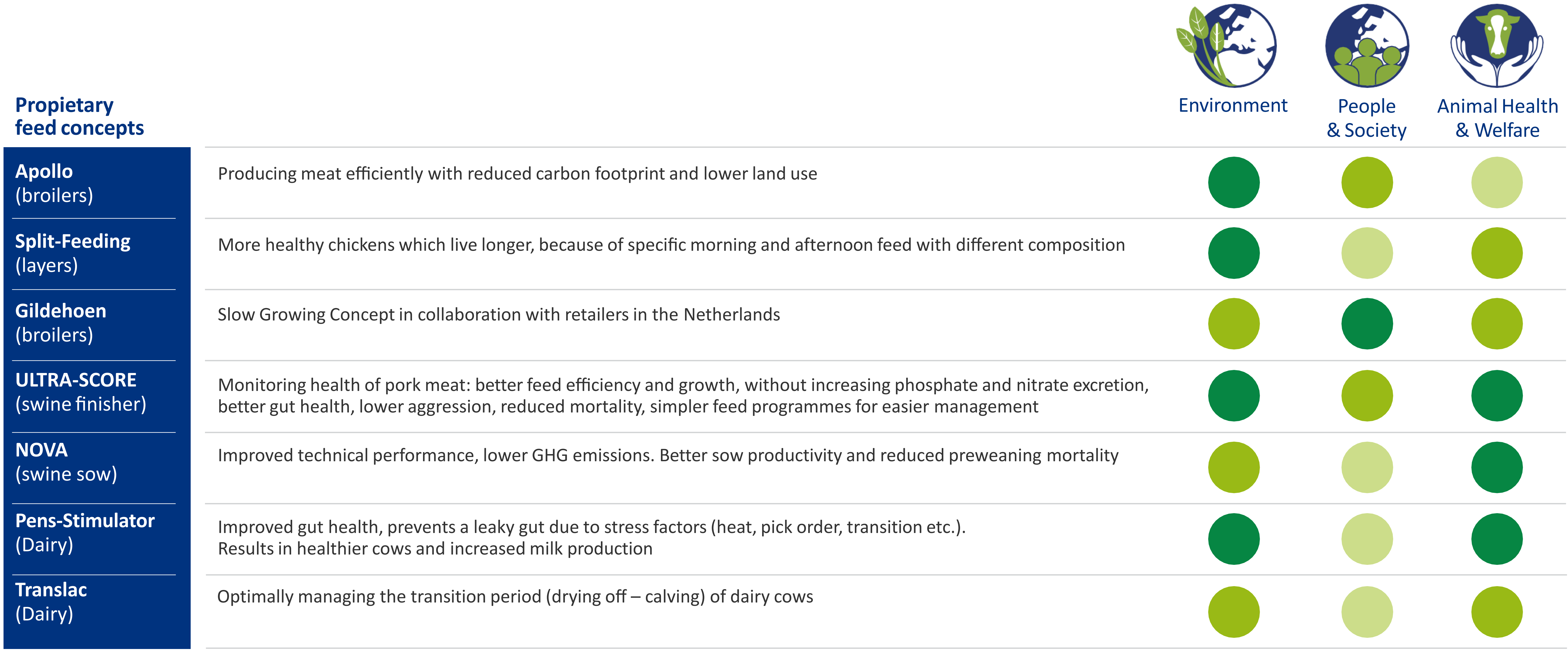


Sustainability KPIs show solid progress

Theme		Material, focus area		KPI	Performance vs 2014
Environment	1	Limit phosphate pollution	1	Phosphate efficiency percentage on-farm in NL (dairy and swine farmers)	○ ○ ●
	2	Limit greenhouse gas emissions	2	GHG emissions in metric tonnes of CO_2 equivalent and in Kg of CO_2 per tone	○ ○ ●
	3	Minimise the use of land, water and energy	3	Percentage of sustainable soy bean meal and palm oil	○ ○ ●
People & Society	4	Ensure safe and fair working conditions	4	Number of Lost Time Incidents (LTIs)	○ ○ ●
	5	Improve feed safety	5	Total number of feed safety incidents due to non-compliance with regulations and voluntary codes	○ ○ ●
Animal Health & Welfare	6	Improve animal health and welfare	6	Improving animal health & welfare is deemed an integral part of Total Feed solutions for which no specific KPI has been developed	No specific KPI

Balancing the sustainability themes in innovative concepts

Sustainability key topic in innovation



Propietary feed concepts		Environment	People & Society	Animal Health & Welfare
Apollo (broilers)	Producing meat efficiently with reduced carbon footprint and lower land use	●	◐	○
Split-Feeding (layers)	More healthy chickens which live longer, because of specific morning and afternoon feed with different composition	●	○	◐
Gildehoen (broilers)	Slow Growing Concept in collaboration with retailers in the Netherlands	◐	●	◐
ULTRA-SCORE (swine finisher)	Monitoring health of pork meat: better feed efficiency and growth, without increasing phosphate and nitrate excretion, better gut health, lower aggression, reduced mortality, simpler feed programmes for easier management	●	◐	●
NOVA (swine sow)	Improved technical performance, lower GHG emissions. Better sow productivity and reduced preweaning mortality	◐	○	●
Pens-Stimulator (Dairy)	Improved gut health, prevents a leaky gut due to stress factors (heat, pick order, transition etc.). Results in healthier cows and increased milk production	●	○	●
Translac (Dairy)	Optimally managing the transition period (drying off – calving) of dairy cows	◐	○	◐

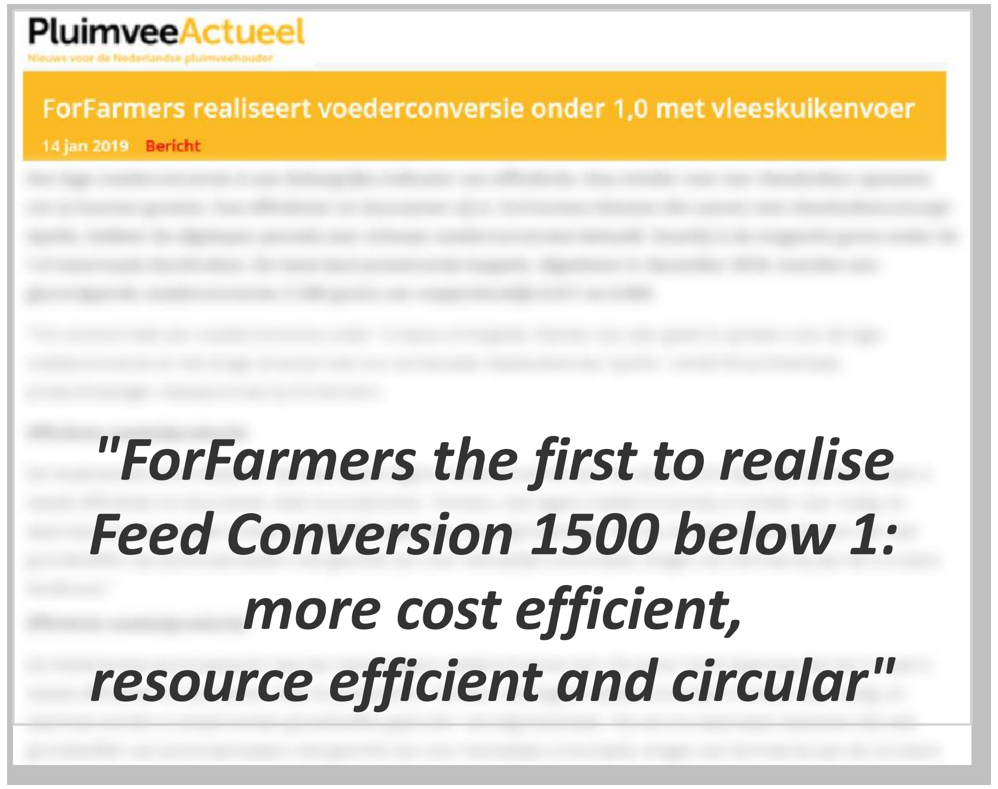
The darker the colour green, the more relevant

Example

Apollo, to produce poultry in the most efficient manner in the world

ForFarmers launches new broiler feed range.

"Side-by -side trials led by ForFarmers broiler specialists saw 3.8% increase in body weight and a 2.2% better FCR"



ForFarmers realiseert voederconversie onder 1,0 met vleeskuikenvoer

14 jan 2019 Bericht

"ForFarmers the first to realise Feed Conversion 1500 below 1: more cost efficient, resource efficient and circular"

Voederconversie vleeskuikenvoer onder 1,0

14 januari 2019 | 395 keer bekeken

"Breakthrough result with Feed Conversion 1500 below 1.0"

Source: poultrynews.co.uk, pluimveeactueel.nl, demolenaar.nl

Competitive profile ForFarmers

Strong base – different position per country

+ Strengths

- Unique position at farm gate:
  strong relations and expertise, Total Feed portfolio
- Sizeable company (10mT volume, €2.5 bn revenue), leading to economies of scale
- Focused business model combined with strong partnerships
- Strong balance sheet (solvency ~50%; total assets ~€850 m) and cash flow (~€50 m free cash flow)

- Lack of balance in portfolio between mature and growth markets
- Position not yet strong enough in all markets to optimally leverage scale
- Full service-model (and consequent cost) not commercially valued in all markets

- Weaknesses

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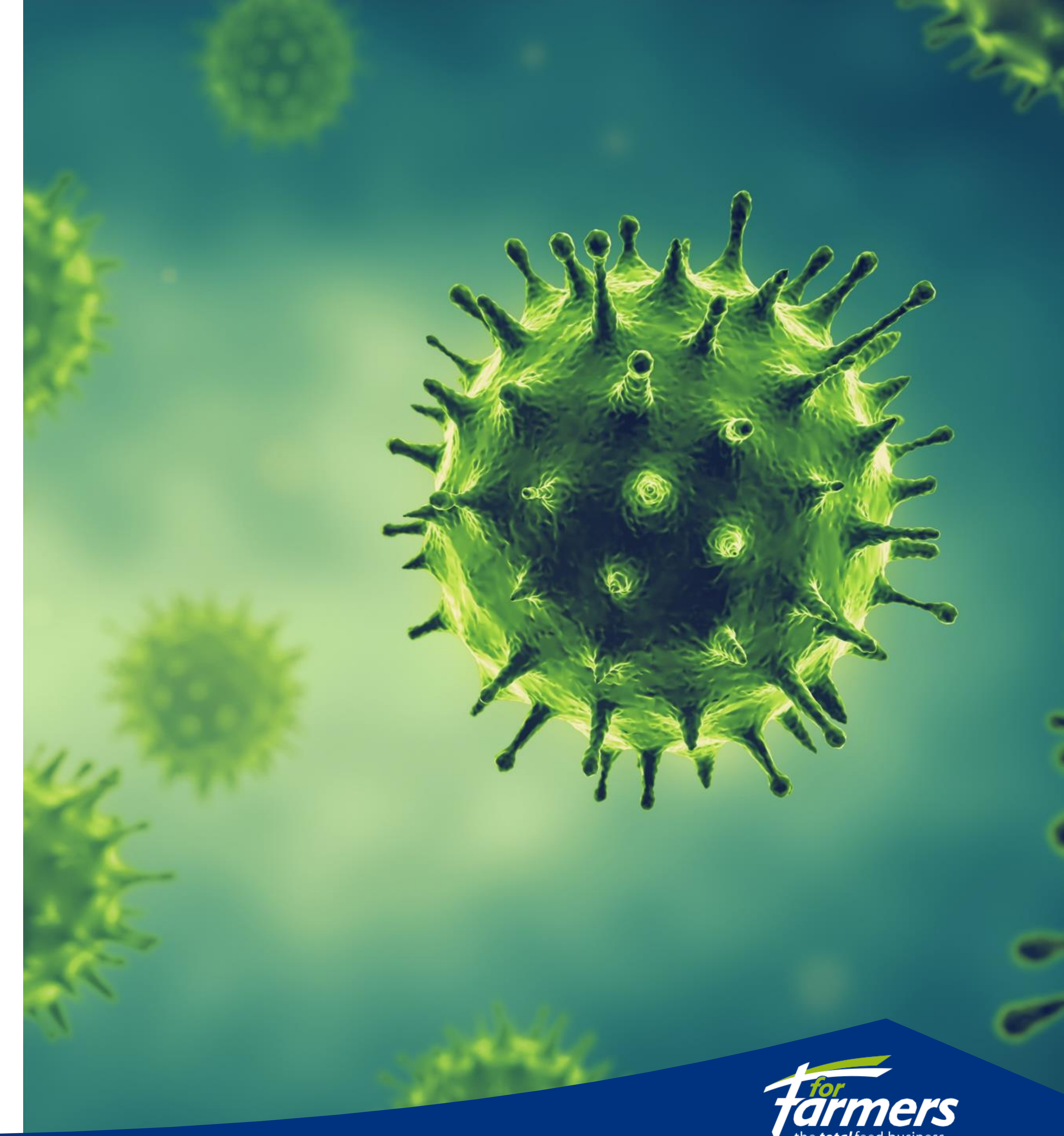
COVID-19: no negative long term impact expected

- Impact on processes of feed companies limited, in contrast to other players in the agricultural industry, such as slaughter houses

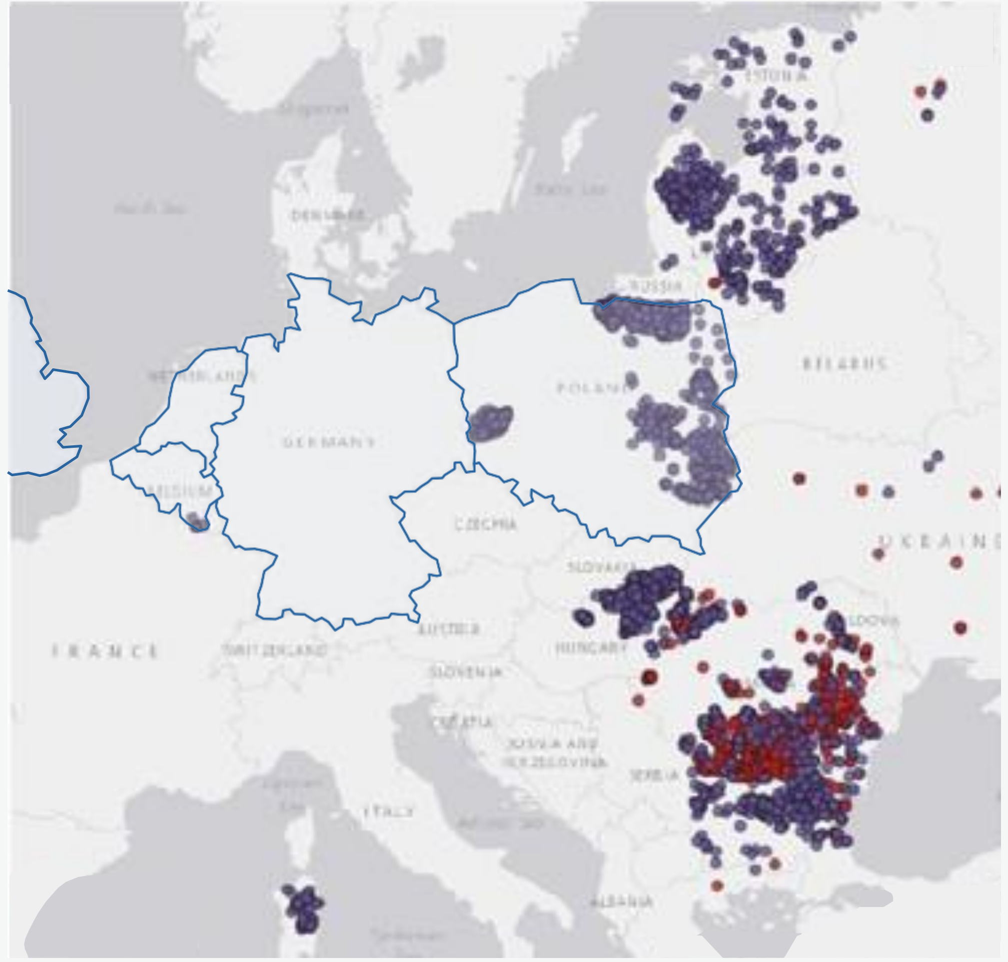
- Poultry and beef volumes predominantly exposed to out-of-home markets;
  recovery out-of-home market will determine ultimate impact



Animal diseases inherent part of sector – increasingly better controlled by industry

- Hygiene controls in sector have improved
- Cannot prevent regional impact on animal numbers
- Recovery animal numbers (after disease outbreak) dependent on market circumstances, e.g. existing environmental pressure on sector

African Swine Fever



🟥 Domestic pigs 🟪 Wild boar

High Pathogen Avian Influenza (Bird flu)

🟦 Captive birds 🟪 Poultry 🟥 Wild birds

Source: https://shiny-public.anses.fr/shiny-vsi/ - date end February 2020

Industry trends throughout the chain

Pace and impact are changing

Trend along all sectors: Environmental measures & regulation, Data & smart chains

Raw materials suppliers	**Feed Suppliers** Production, supply and application of Total Feed solutions	**Farmers** **Dairy processors, slaughterhouses & egg packers**	**Retail** **Consumers**
• **Alternative protein as feed input**	• **Differentiation in route-to-market** (e.g. e-commerce platforms) • **Overcapacity in NW Europe**	• **Professionalization and consolidation of farms and processors**	• **Pressure on animal protein consumption in home markets** • **Diversification end-product by adding requirements** (e.g. traceability, non-GMO)

Trend — Environmental measures & regulation

Nitrogen debate in the Netherlands – situation

Certain nitrogen compounds can be harmful to the environment:

- Nitrogen oxides (NOx) due to burning fuel
- Ammonia (NH3,) mainly caused by agriculture

In May 2019, Council of State ruled **Integrated approach to tackle excess nitrogen (PAS)** not compatible with EU nature legislation

As of H2 – 2019 political debate on measures to reduce nitrogen emissions

Trend — Environmental measures & regulation

Nitrogen debate in the Netherlands - potential solutions

Impact feed sector

Collaboration between Dutch dairy sector and feed industry to reduce emission levels

On-farm reduction measures in swine and poultry limited:
- Swine: measures already taken through 'Warm restructuring'
- Low poultry contribution; solid manure

NH$_3$ reduction measures			
Animal feed Short term	**Housing and manure storage** Long term	**Manure application** Short term	**Meadow grazing** Short term
• Optimise crude protein in total ration (forage, DML, CF) ruminants • Monitoring tools on farm	• Specific floors • Airwashers (pigs & poultry)	• Add water in manure application	• Meadow grazing to reduce NH$_3$ emissions
Feed companies	**On-farm**	**On-farm**	**On-farm**

Total Farm approach is crucial with excellent on-farm advice

Industry trends throughout the chain

Pace and impact are changing

Trend along all sectors: Environmental measures & regulation, Data & smart chains

Raw materials suppliers

- Alternative protein as feed input

Feed Suppliers

Production, supply and application of Total Feed solutions

- Differentiation in route-to-market (e.g. e-commerce platforms)
- Overcapacity in NW Europe

Farmers

Dairy processors, slaughterhouses & egg packers

- Professionalization and consolidation of farms and processors

Retail

Consumers

- Pressure on animal protein consumption in home markets
- Diversification end-product by adding requirements (e.g. traceability, non-GMO)

Trend — Data & Smart Chains

Major digital trends impacting agriculture

Sensors & applications on-farm for more data availability to enhance management decisions

More transparency, traceability & reduction fail costs through data sharing between supply chain partners

Livestock farming entering era of digital transformation

- Accessibility on-farm data & transformation to valuable information key
- Combining information from various data sources still at early stage

- Data platforms and new entrants (incl. disruptive business models) to grow
- Intermediary roles with little added value to decline

Trend — Data & Smart Chains

More use of data – three ways of data analytics transforming on-farm management

Boosting productivity

- Create, collect & process data to improve productivity efficiently to feed growing global population

Managing environmental challenges

- Smarter use of resources
- Monitoring & managing animal health and emissions

Better supply chain management

- Better equipped to match supply and demand: quantity and quality
- eCommerce: used to improve customer experience and create business opportunities

Feed companies need to embrace and drive emerging digital trends to maintain and enhance their position as trusted solutions advisor

Current trends

Alternative protein as feed input

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Trend — Alternative protein as feed input

Promising feed input for mid term

- Alternative proteins address key challenges of traditional protein: local, traceable and circular/sustainable
- Most promising options: single-cell and insect-based protein, no large scale commercialisation expected next 3 years
- ForFarmers is exploring business opportunities: feeding insects and insect feeding

Single cell protein

- Protein extracts from micro-organisms through fermentation (based on gases such as methane)
- Sources: Algae, fungi, yeast, bacteria
- Used for ruminants, poultry and swine

Insect-based protein

- Live insects included in the feed or protein extracted from insects to replace e.g. soy
- Common sources: Black soldier fly, mealworm, buffalo larvae
- Used for poultry and swine, however current main application is aquafeed (replacing fishmeal)

Source: IPIFF, UN Policy Brief Insects, P&S Market Research, Roland Berger Strategy Consultants

Current trends

Differentiation in route-to-market & overcapacity in NW Europe

Trend along all sectors: Environmental measures & regulation, Data & smart chains

Raw materials suppliers

- **Alternative protein as feed input**

Feed Suppliers
Production, supply and application of Total Feed solutions

- **Differentiation in route-to-market**
  (e.g. e-commerce platforms)
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Farmers

Dairy processors, slaughterhouses & egg packers

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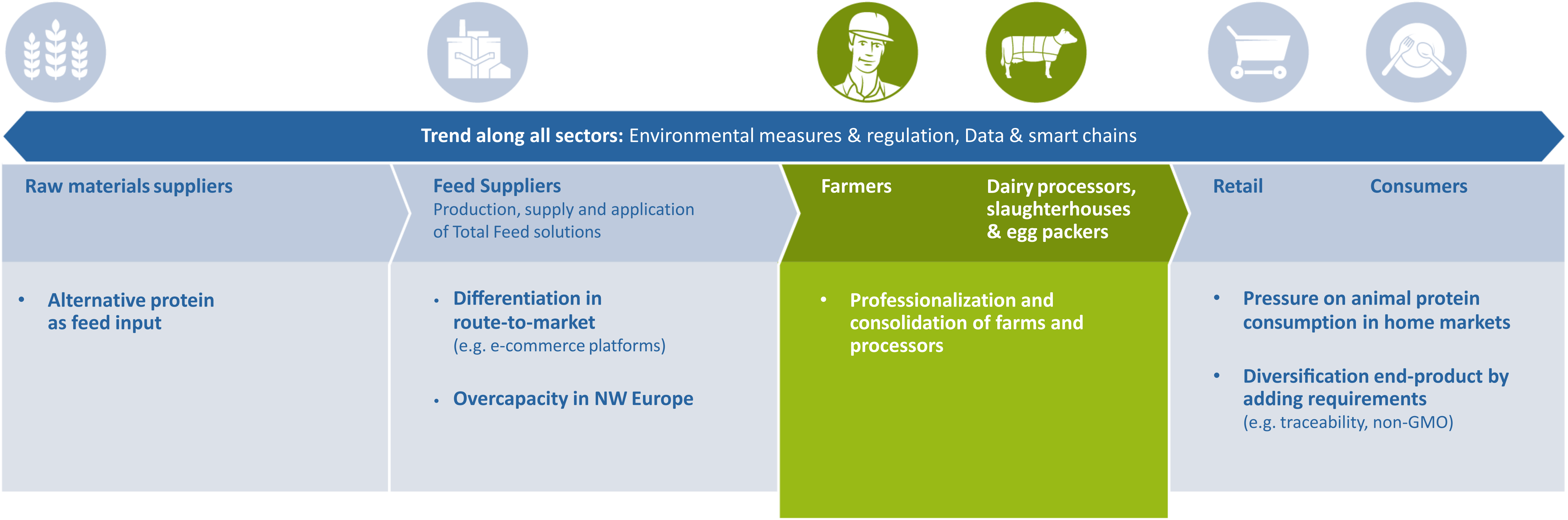
Trend — Differentiation in route-to-market

Competitive landscape: overcapacity and changing business models

Examples	Regional players agrifirm ab agri AGRAVIS RAIFFEISEN AG de heus	Local players and cooperatives VOERGROEP zuid Rothkötter UNTERNEHMENSGRUPPE RAIFFEISEN EMS-VECHTE AGRICULTURE Mole Valley FARMERS	Specialists and additive traders DENKAVIT GROEIEN DOE JE SAMEN trouw nutrition a Nutreco company Milkivit	New unbundled competition Agriconomie.com MijnVoer Cheapfeed.com Agrando
Business model	Similar to ForFarmers' business model: combining on-farm advice and (mainly) compound feed production (with large asset footprint)	Focus on local oriented customers with high loyalty through customer intimacy and aggressive pricing	Sell specialist products directly to farmers with specialist advice	Combination of independent advisor and unbundled feed supply organized via online platform Feed is produced by existing mills in toll milling, benefitting from overcapacity in NW Europe
Development market position	Stable market players; consolidators	Mixed picture of winners and losers; potential acquisition targets	Stable position; loyal customers	Small yet disruptive

Current trends

Professionalization and consolidation of farms and processors



Trend along all sectors: Environmental measures & regulation, Data & smart chains

Raw materials suppliers

- **Alternative protein as feed input**

Feed Suppliers
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- **Differentiation in route-to-market** (e.g. e-commerce platforms)
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Farmers

Dairy processors, slaughterhouses & egg packers

- **Professionalization and consolidation of farms and processors**

Retail

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- **Pressure on animal protein consumption in home markets**
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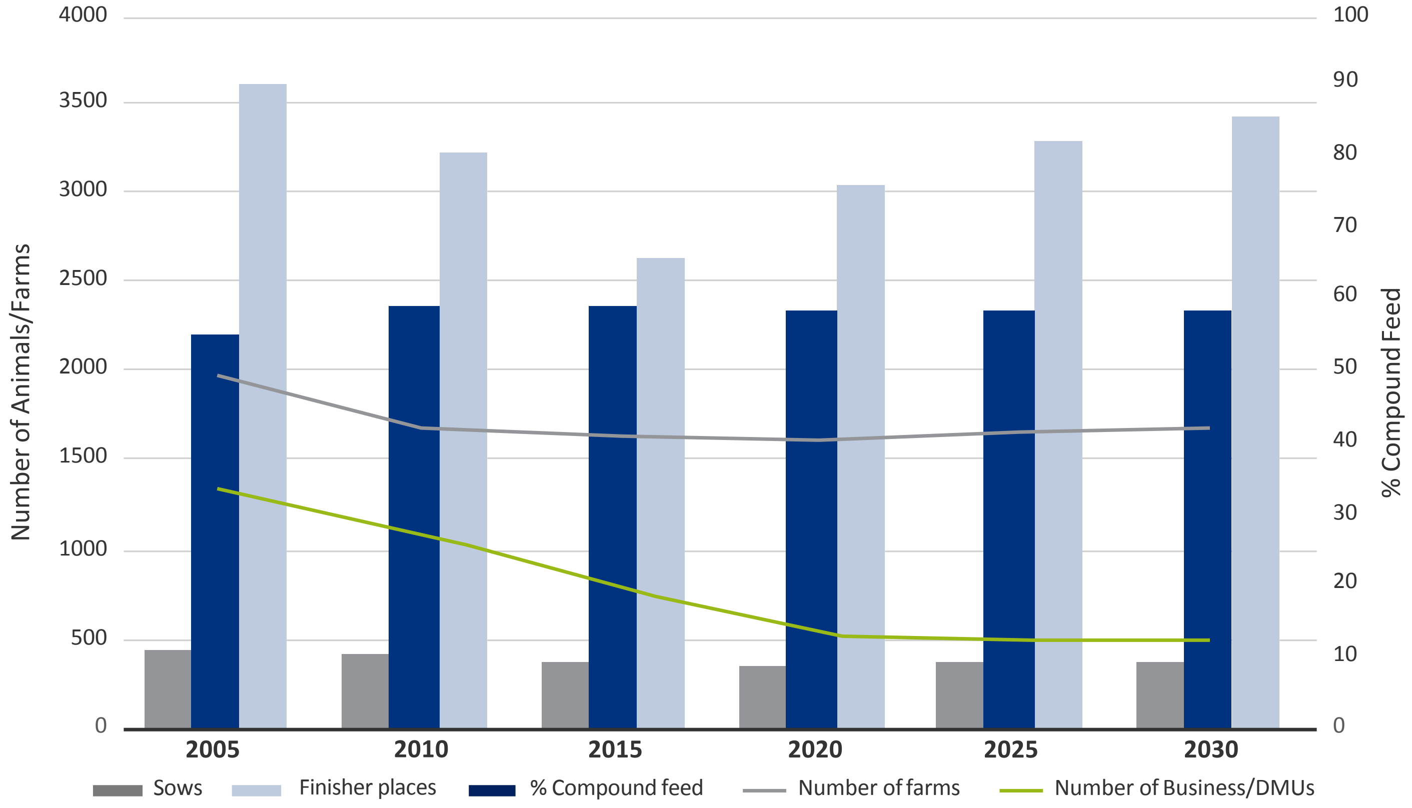
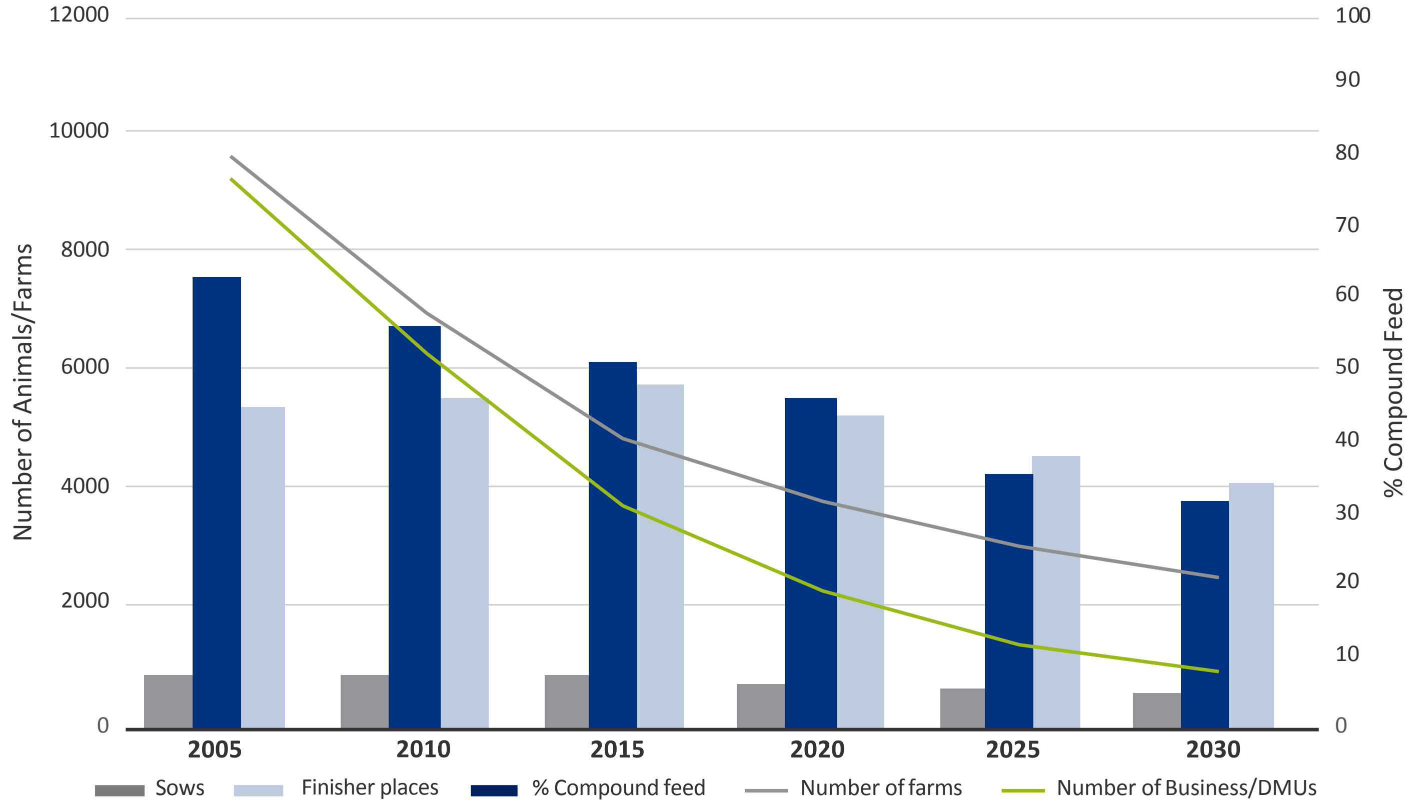
Trend — Professionalization and consolidation of farms and processors

Different scenarios per country

UK Swine Structure



NL Swine Structure



UK Case study: Ownership consolidation by slaughter houses investing in low-cost pig production systems, using 3rd party finishing farms supplied with simple compound feed solutions.

NL Case study: Ownership consolidation resulting from active industry restructuring and by entrepreneurial farmers, focused on maximising technical performance through investment in sophisticated production systems including on farm feed solutions.

Source: CBS, Rabobank, DEFRA, ADHB, Red Tractor

Current trends

Pressure on animal protein consumption

Trend along all sectors: Environmental measures & regulation, Data & smart chains

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Trend — Pressure on animal protein consumption

Small base high growth

- High growth in plant-based protein and lab-meat (meatless)
- In developed markets alt-meat <1% of animal protein, but significant public attention
- Challenges alt-meat: taste, price, CO_2, health, legislation
- Alt-meat adding to total protein consumption volumes in developed markets (no replacement of animal protein yet)[1]
- Not a natural place to play for a feed player

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[1] RaboBank Global Animal Protein Outlook 2020

Summary Market Trends

Increasing pressure on agricultural industry
in home markets

- Increasing sustainability requirements impacting production and consumption of animal protein
- Digitalisation and increased cooperation throughout the chain to further drive efficiency and sustainability
- Strong competition including new entrants (a.o. new business models)

FOR THE FUTURE OF FARMING forfarmers

forfarmers
the total feed business

ForFarmers Capital Markets Day 2020

Agenda

09:00	Welcome: ForFarmers at a glance
09:10	Current position
09:30	New reality
10:00	Market Outlook
10:15	Q&A
10:30	Break
10:45	Build to Grow 2025
11:30	Financials
12:00	Wrap up
12:15	Q&A

EU compound feed demand[1] expected to stagnate or even decline in case of more environmental regulations and ASF[2] outbreaks

Forecast European compound feed demand

Positive scenario

- Fast recovering markets after COVID-19
- Faster growth UK agriculture due to Brexit

Base line scenario

- COVID-19 short term impact
- NL: Nitrogen regulation, swine restructuring
- ASF in PL, no AI[3] outbreak

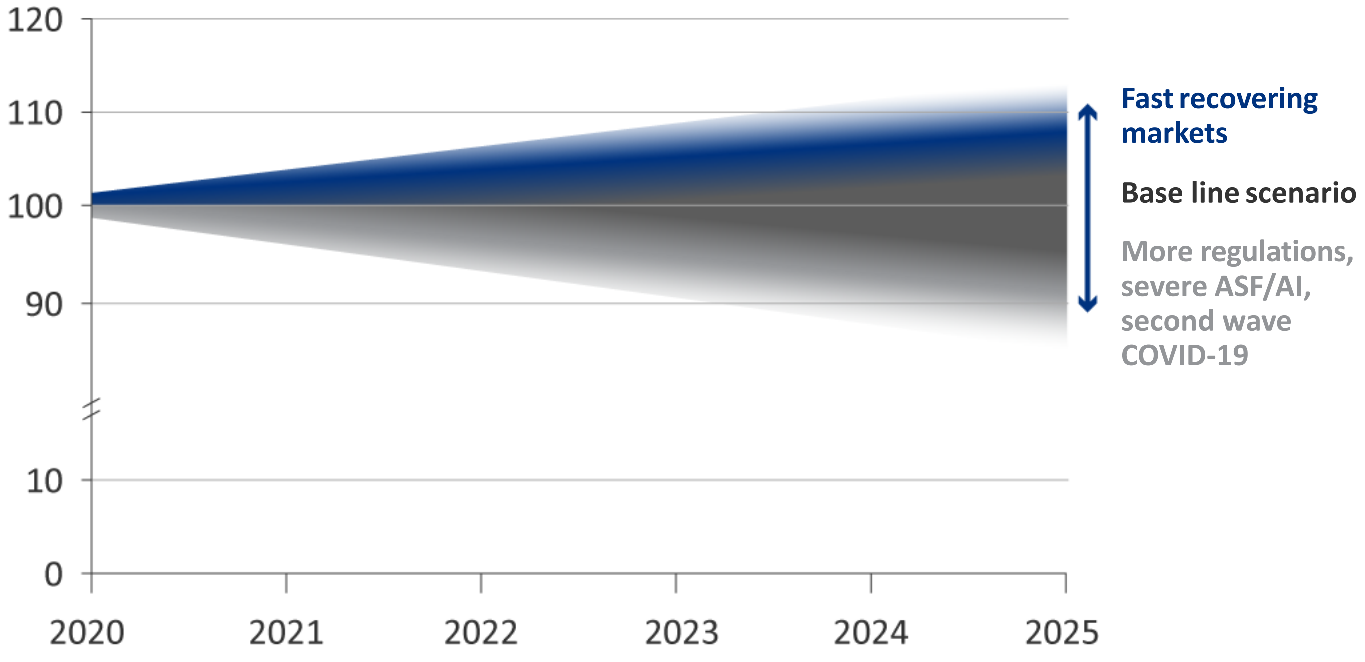
Negative scenario

- Significant second wave COVID-19
- NL: stricter environmental legislation
- Severe ASF in DE/PL, AI outbreaks

- ***Average Compound Feed growth (CAGR) 2020-2025 (ForFarmers relevant EU countries[1]): 0.6% - positive growth expected in PL and UK***
- Higher risks due to lower predictability, more regulatory measures, public pressure

EU Feed demand forecast[1]

[Compound feed, indexed 2017-2019 average = 100]



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[1] Only for ForFarmers relevant European countries: NL, DE, UK, BE, PL

[2] ASF means African Swine Fever

[3] AI means avian influenza (bird flu)

Source: FEFAC, OECD, Eurostat, EC, ForFarmers

Outlook for market volumes positive in UK & PL but not so positive overall for swine

Overview of country volume (compound feed) CAGRs[1]) '20-'25 [% p.a.]

2019 Portfolio		CF developments 2020-2025				
	Share sub-specie	🇳🇱	🇬🇧	🇩🇪	🇧🇪 *	🇵🇱
Ruminants	Dairy	🟠	🟢	🟡	🟩	🟩
	Beef	🟡	🟠	🟡	🟠	🟡
Swine	Finishers	🔴	🟢	🟠	🟠	🟢
	Sows	🔴	🟡	🔴	🔴	🟡
	Piglets	🔴	🟢	🔴	🟠	🟡
Poultry	Layers	🟠	🟡	🟡	🟡	🟡
	Broilers	🟡	🟡	🟡	🟢	🟩

🔴 **≤ -2.5%** 🟠 **-2.5% - -1%** 🟡 **> -1% -+1%** 🟢 **> +1% -+2.5%** 🟩 **≥ 2.5%**

* Excluding Pavo/Reudink

Source:ForFarmers financial data

Total Feed portfolio to help farmers improve returns on-farm

	Description	Application	Examples	Margin profile	Role in portfolio
 **Compound feed**	Mix from various raw materials and premix and additives	Finished products to be fed as a complete feed to animals	- Compound feed - Blends	⊕⊕⊕	**Core**
 **Specialties**	Specific (complex) nutrients	Specially designed for home mixing, young animals and animals in transition	- Premixes - Additives (e.g. Selko) - Young animal feed (e.g. Translac, Vida) - Calf milk replacers (e.g. VITAMILK) - Concentrates (e.g. MIXX, Blendix)	⊕⊕⊕⊕	**Value add**
 **Dry Moist Liquid (DML)**	Dry, Moist and Liquid (DML) co-products	Supplemental to rations	- Rapeseed meal (D) - Feedmix Mais (M) - Beet pulp (M) - Corngold® (M) - Citrocell (M) - DGS Protiwanze® (L)	⊕	**Lock-in & cross sell**
 **Forage**	Broad product portfolio to support crop production	Nutrient planning, cultivation techniques, crop protection, rotations, variety choice, etc.	- Seeds (Topgrass) - Silage additives - Crop protection - Fertilisers	⊕⊕	**Total Feed Solutions**

Concluding...

The feed market in NW Europe is under pressure, but remains large and offers opportunities for strong and smart players

Chosen strategic focus ForFarmers:
Strengthen current position & enable growth through acquisitions in current and selected growth markets

Based on:

- Proven resilience underpinned by commercial strength and efficient supply chain
- Financial strength to invest and expand
- Excellent knowledge base to support farmers in coping with new reality

FOR THE FUTURE OF FARMING

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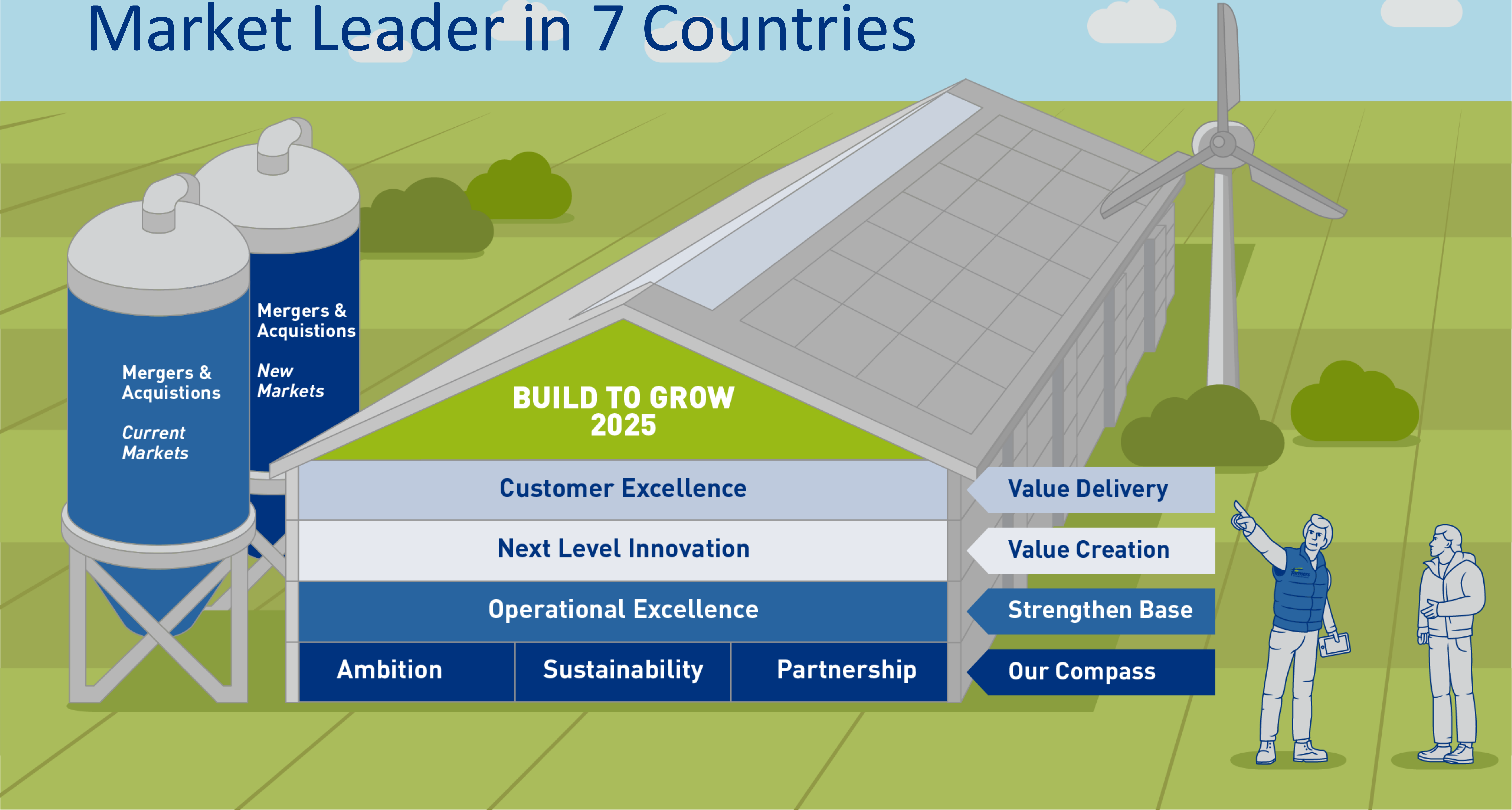
BUILD
— TO —
GROW
2025

Market Leader in 7 Countries



Mergers & Acquistions

Current Markets

Mergers & Acquistions

New Markets

BUILD TO GROW
2025

Customer Excellence		
Next Level Innovation		
Operational Excellence		
Ambition	Sustainability	Partnership

Value Delivery

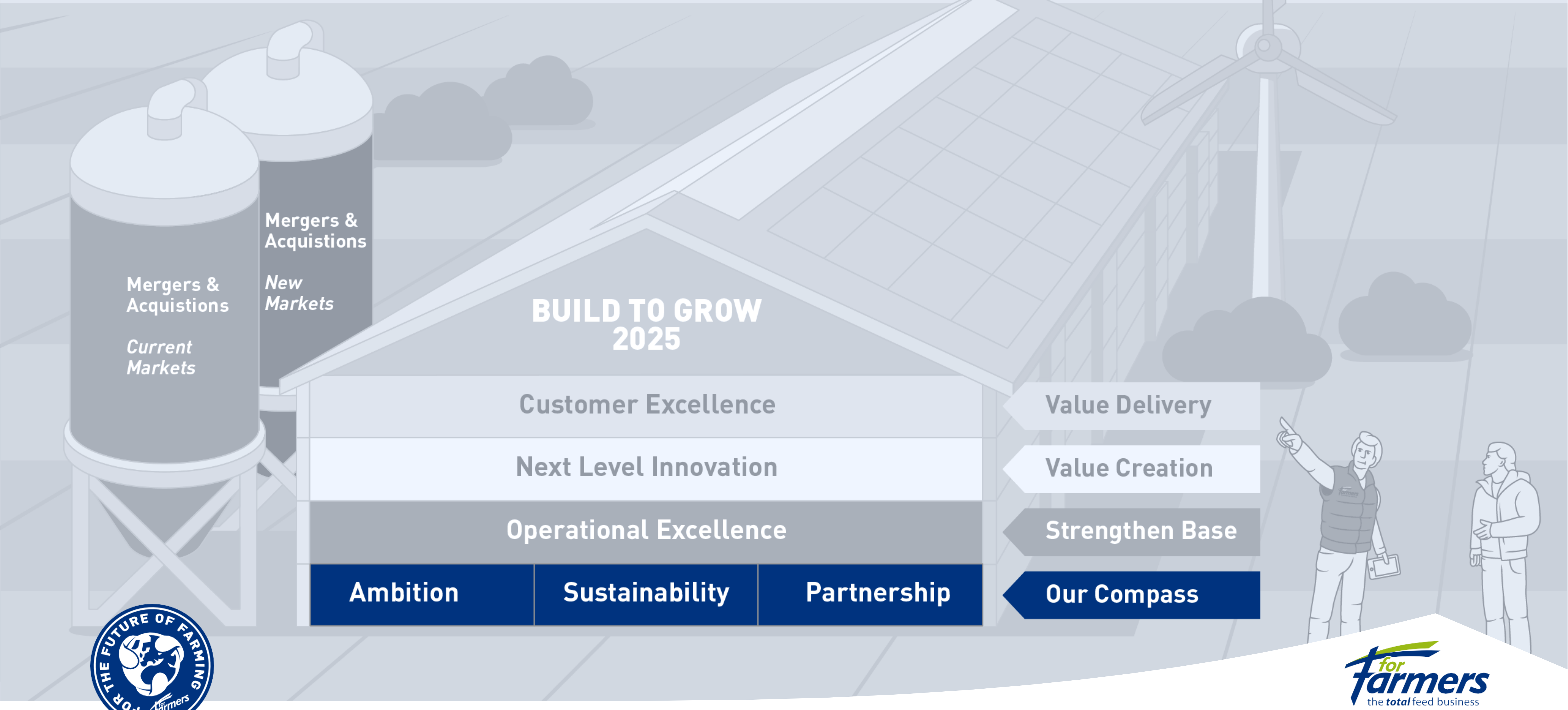
Value Creation

Strengthen Base

Our Compass

Our compass

Values in action



Mergers & Acquistions

New Markets

Mergers & Acquistions

Current Markets

BUILD TO GROW 2025

Customer Excellence			Value Delivery
Next Level Innovation			Value Creation
Operational Excellence			Strengthen Base
Ambition	Sustainability	Partnership	Our Compass

Developing talent, For the Future of Farming

Our people make the difference

End in mind

- Employing and developing best talent in industry
- Foster a culture of ‘next level performance’
- Beat performance expectations

Action plan

- Build to Grow 2025 people development programme:
  – extended recruitment plan, training curriculum, succession planning, improved diversity

Develop
training

Attract
employer branding

Perform
performance management

Dialogue
engagement survey

Talent reaching for the next level

Sustainability

For the Future of Farming, we will be the leader in shaping livestock production

- Standing side-by -side with our farmers
- Passion for and knowledge of the industry
- Anticipating the changing views of society

Circularity: most relevant approach for a sustainable feed & food chain

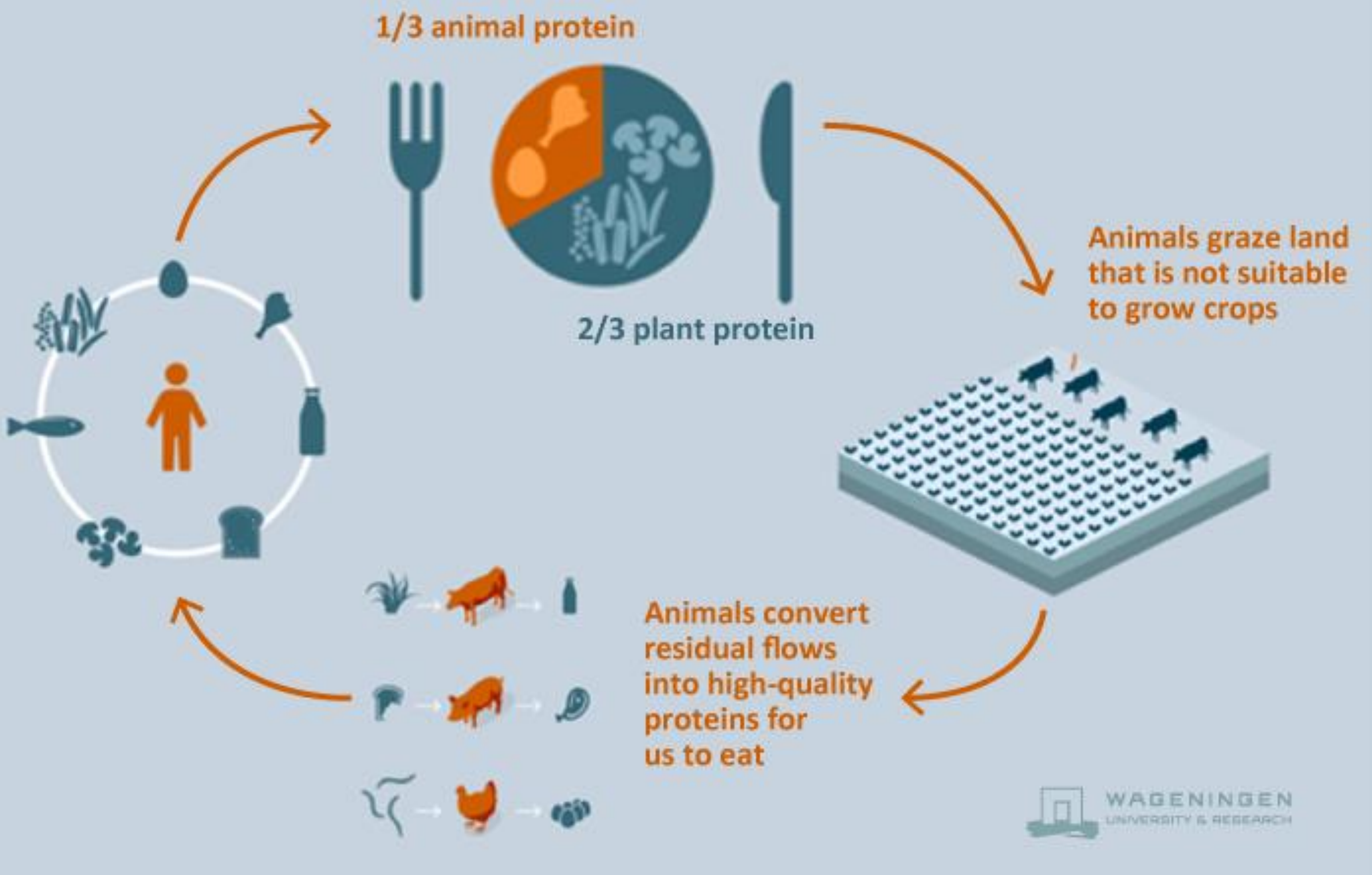
Animals are an integral part of the ecological cycle

The role of animals in a sustainable diet

Required proteins
We need **50-60 grams** of protein on average per day

Sustainable diet
Animals can provide **1/3** of our daily protein requirement, without cause competition for land between food and feed.

Animals contribute to optimal land use
When 1/3 of the required proteins are of animal sources, **25%** less land is needed than with a diet that is fully plant-based.



Source: Wageningen university & research, thesis Hannah van Zanten

ForFarmers' pro-active approach: Going Circular, For the Future of Farming

To define our purpose in sustainability ForFarmers introduces Going Circular

ForFarmers defines Going Circular as

- ✓ Transform low value materials into high quality food
- ✓ No waste of resources
- ✓ Zero pollution

Sustainability — Going Circular

To make a difference in circular livestock farming

Feed resources
Source responsibly and maximise use of non-food materials

Feed production
Produce and supply with minimal adverse impact on the environment

Feed solutions
Balanced use of resources in the total animal chain

Sustainability — Going Circular

Explicit ambitions and objectives

Objectives 2025	Ambitions 2030
100% responsibly sourced palm oil and soy bean meal	100% responsible and transparent sourcing of all ingredients
85% suppliers signed Sedex code of conduct	
Take leadership position on reduction CO_2 emissions of feed materials (scope 3 - upstream)	30% CO_2 reduction compared to today[1]
Take leadership position on % non-human edible feed material in diets	Maximise use of non-human edible feed materials
Largest mill carbon neutral as proof of concept	75% reduction of CO_2 per tonne of feed (scope 1 and 2) compared to 2015
50% renewable energy	
10% energy/fuel reduction per tonne feed compared to today[1]	
Take leadership position on % phosphate efficiency	Take leadership position in circular livestock farming
Take leadership position on % nitrogen efficiency	
Lost Time Incident Frequency rate @ 0.5 (per 100 FTE) & a 50% reduction[2] in Number of Lost Time Incidents	Creating a Zero LTI Culture
Reduction of 50% of Feed Safety Incidents[3]	Creating a Zero Feed Safety Incident Culture

[1] 2020

[2] Baseline 2019

[3] Baseline 2017 Feed safety = External audit gaps, control authority warnings or fines

Partnerships

Enhance partnerships, For the Future of Farming

Market trends drive closer cooperation throughout the chain, requiring specific solutions

Definition of a partnership

Sizable, contracted relation, based on win-win value creation (cost of production, economies of scale, differentiation), structural connection at senior level

End in mind

To leverage knowledge and scale and secure market access

Partnerships

Joining forces in poultry chain…

…with projects in value add concept development in four countries (e.g. 5 animal welfare concepts), and optimising broiler production chain by using smart data-analyses of data of all stakeholders (incl. veterinarians, and hatcheries/parent stock) in the chain

Objective

Higher quality, less fail cost, more value add

Going Circular

FOR THE FUTURE OF FARMING

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Strengthening base

Operational Excellence

Mergers & Acquistions

Current Markets

Mergers & Acquistions

New Markets

BUILD TO GROW 2025

Customer Excellence

Next Level Innovation

Operational Excellence

Ambition | Sustainability | Partnership

Value Delivery

Value Creation

Strengthen Base

Our Compass

Operational Excellence

Customer centric at lowest possible cost

to be achieved through:

- Business Process Optimisation
- Supply Chain Excellence
- Overall Cost Efficiency approach

Operational Excellence

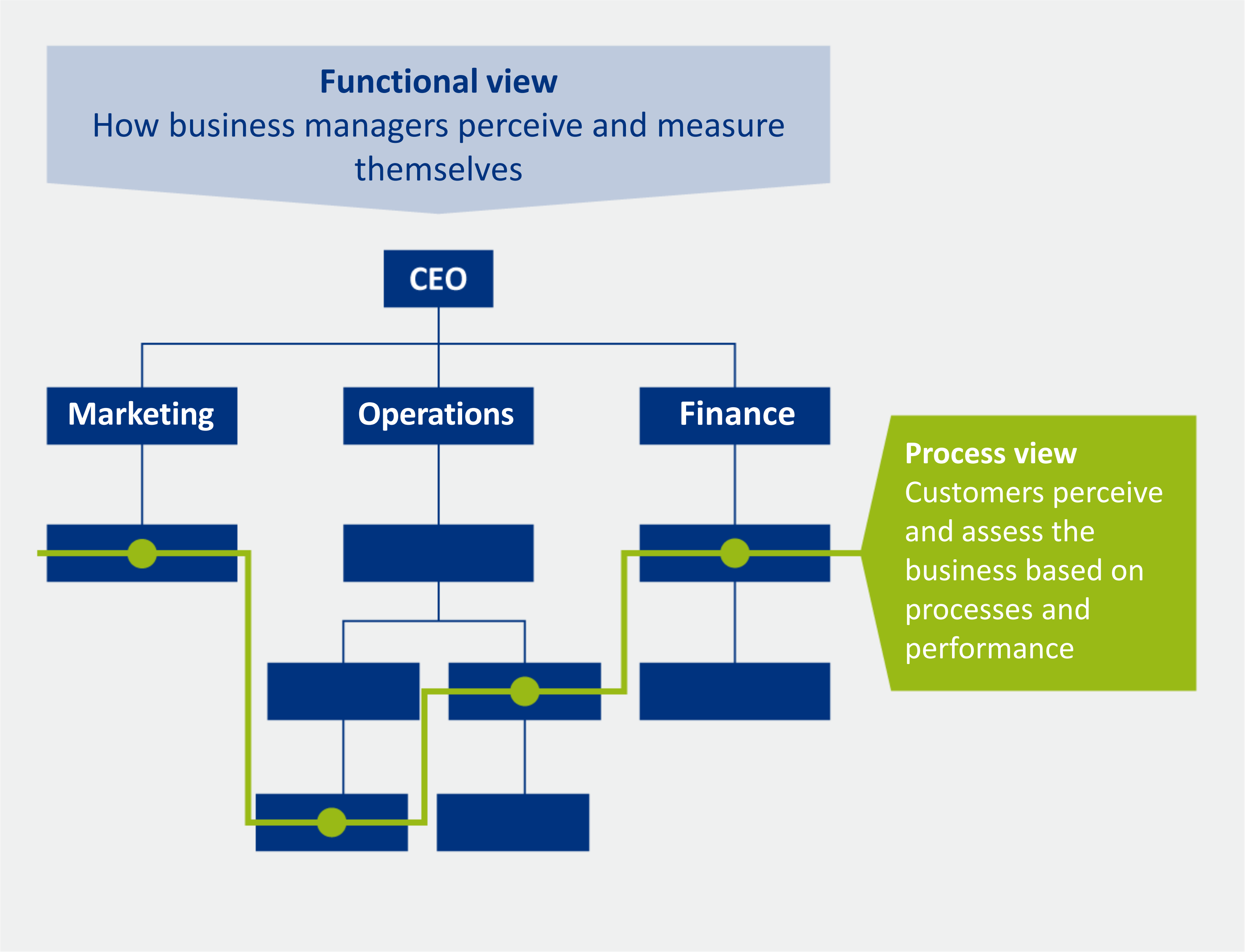
Business Process Optimisation prerequisite for cost efficiency

End in mind

- Improved cost efficiency
- Better customer experience
- Robust processes (first time right)
- Clarity about central and local activities

Actions

- Systematic end-to-end review throughout ForFarmers Group
- Focus on high impact processes such as pricing and Sales & Operations Planning
- Harmonise, unify, standardise way of working



Functional view
How business managers perceive and measure themselves

Process view
Customers perceive and assess the business based on processes and performance

Operational Excellence

Executing Supply Chain Excellence in 5 focus areas

1 Health & Safety (H&S)

Creating a Zero Lost Time Incident culture

2 Service and Quality

Best in Class Service to Farmers
- delivering high quality products

3 Purchasing

Managing commodity risks
and competitive purchase position

4 Production & Logistics – Continuous Improvements

Raising the bar year-on-year
in our operations

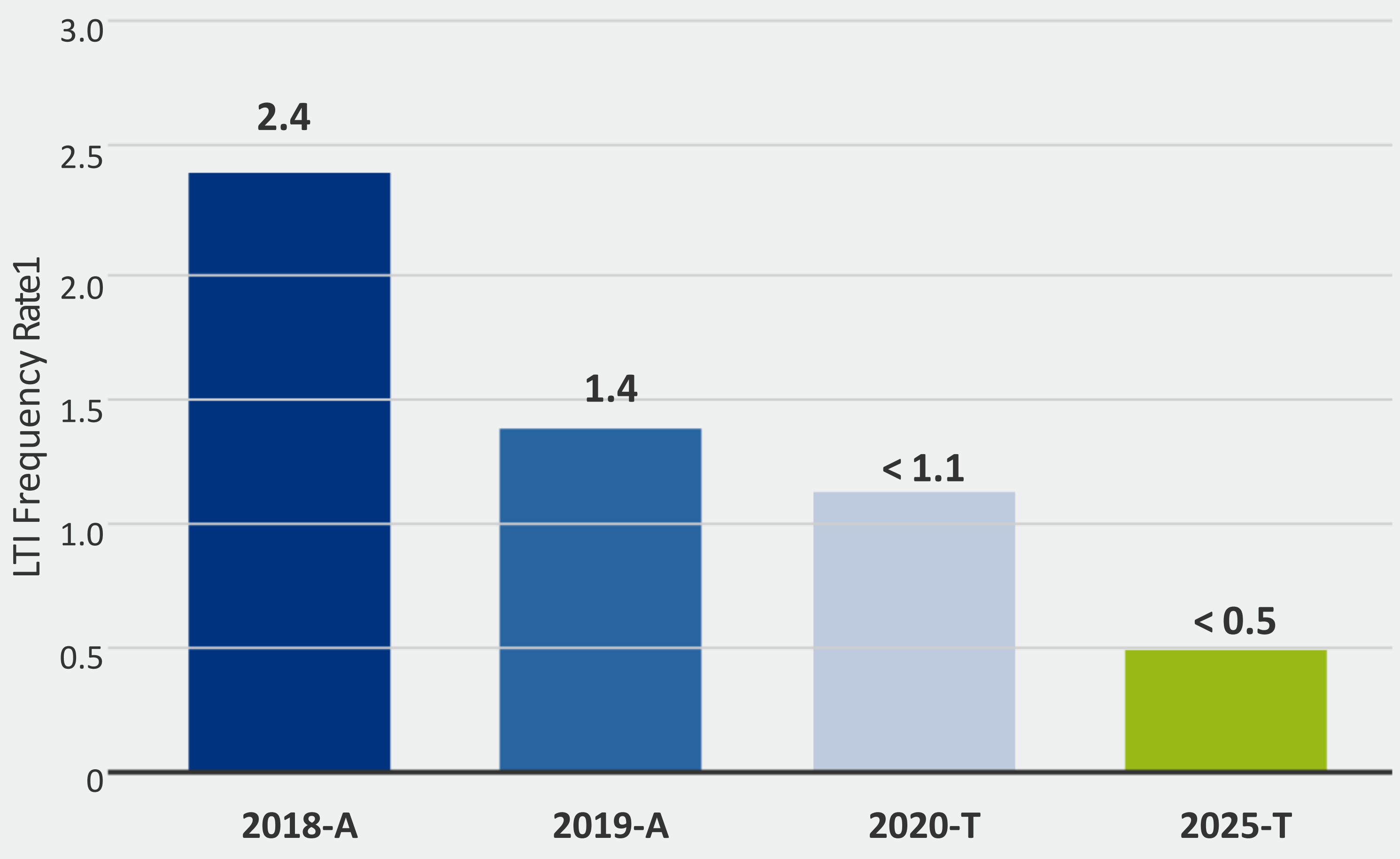
5 Footprint

Optimising footprint in line
with new market reality

Operational Excellence

Building a Zero Lost Time Incident (LTI) Culture

Ambitious target to decrease LTIs by 20% YoY



Our Health & Safety Program has 4 Cornerstones

Measurable Results
KPIs: help build engagement; based on accident reduction initiatives; regular updates to ensure transparency & become embedded

Best Practice
Effective way to improve performance group wide

Awareness/Leadership training
On correct rules and procedures; ensure effective safety leadership throughout the business

Celebrate success
Recognising right behaviour important for employee engagement; positive reinforcement helps build positive H&S culture

---

[1] LTI Frequency Rate means number of LTIs per 100 FTE

Operational Excellence

Building a Zero Lost Time Incident (LTI) Culture

Certificate
of Achievement

Operational Excellence

Quality of feed prerequisite and potential differentiator

2 focus areas

Nutritional and Physical Product Quality
Intense quality monitoring at mill/farm for superior product performance

Selective Investments in New Technologies

- Meal Structure
- Heat Treatment
- Piglet feed
- Jet cooker
- Concentrates

Investing in right technologies for the future

Operational Excellence

Purchase risk policy strengthened

The exposure to fluctuations in commodity price is normally reflected in feed prices

Three risks identified

1 Forward sales at fixed price

2 Purchases against forecasted sales

3 Currency exposure

Governance by Purchase Risk Board

Three pillars of control

1 Single transaction and aggregated authority per purchaser

2 Determined boundaries for purchase quantity as percentage of forecasted sales by BU

3 Maximum value at risk tightened

Business alignment & market insight

- Formal processes to ensure commercial teams are aligned with purchase strategy;
- Tailored purchase approach applied to specific country markets;
- Market analysis competencies further strengthened

Operational Excellence

Continuous Improvement in Production and Logistics

Logistics | In-/outsource decisions, asset light set-up

3rd party / own fleet balance –
Partnering with selective 3rd party logistics service provider

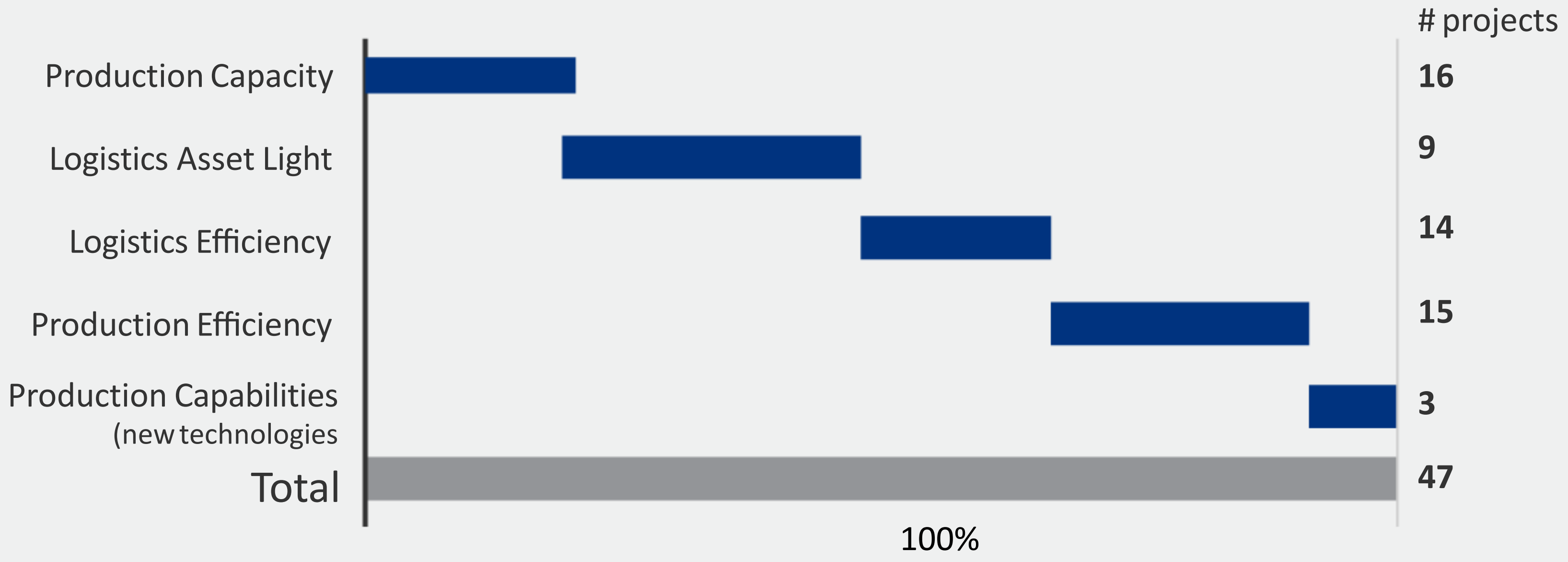
Continuous Improvement projects on:

- Fuel consumption program
- Empty km reduction
- Fill Rates
- Demand smoothing

Production | Strengthen core and improve operational performance

- Flexing capacities on volume volatility
- Continuous improvement projects on:
  energy consumption, increased output levels,…
- Investing in new capabilities
  eg heat treatment, structure meal, Jetcooker

Production & Logistics | Optimisation Programme



Demand Smoothing Case Study

- Demand volatility within the week/month causes inefficiency
- Ongoing pilots with silo measurement to flatten out demand
- E-business will enable predictive demand
- Thorough S&OP process simulating mid/long term projections

Operational Excellence

Flexing our network in line with new market reality

Balancing Supply & Demand

- Volume flexing (anticipate demand volatility)
- Consolidations: M&A driven / Efficiency driven
- Supply network optimisation
- Footprint adjustments production and logistics

Enabling Growth Regions / Growth Segments

- Toll milling for selective markets, regions and product segments
- Selective investments in markets / product segments

Compound feed production locations, including recent closures. Including for Germany: Hamburg (JV) and Sonnewalden (toll milling)

● Active production location
● Closed production location

Operational Excellence

Overall Cost Efficiency approach

Most important contributors:

Footprint optimisation

- Balancing out efficiency of mills and distance to customers

Continuous improvement

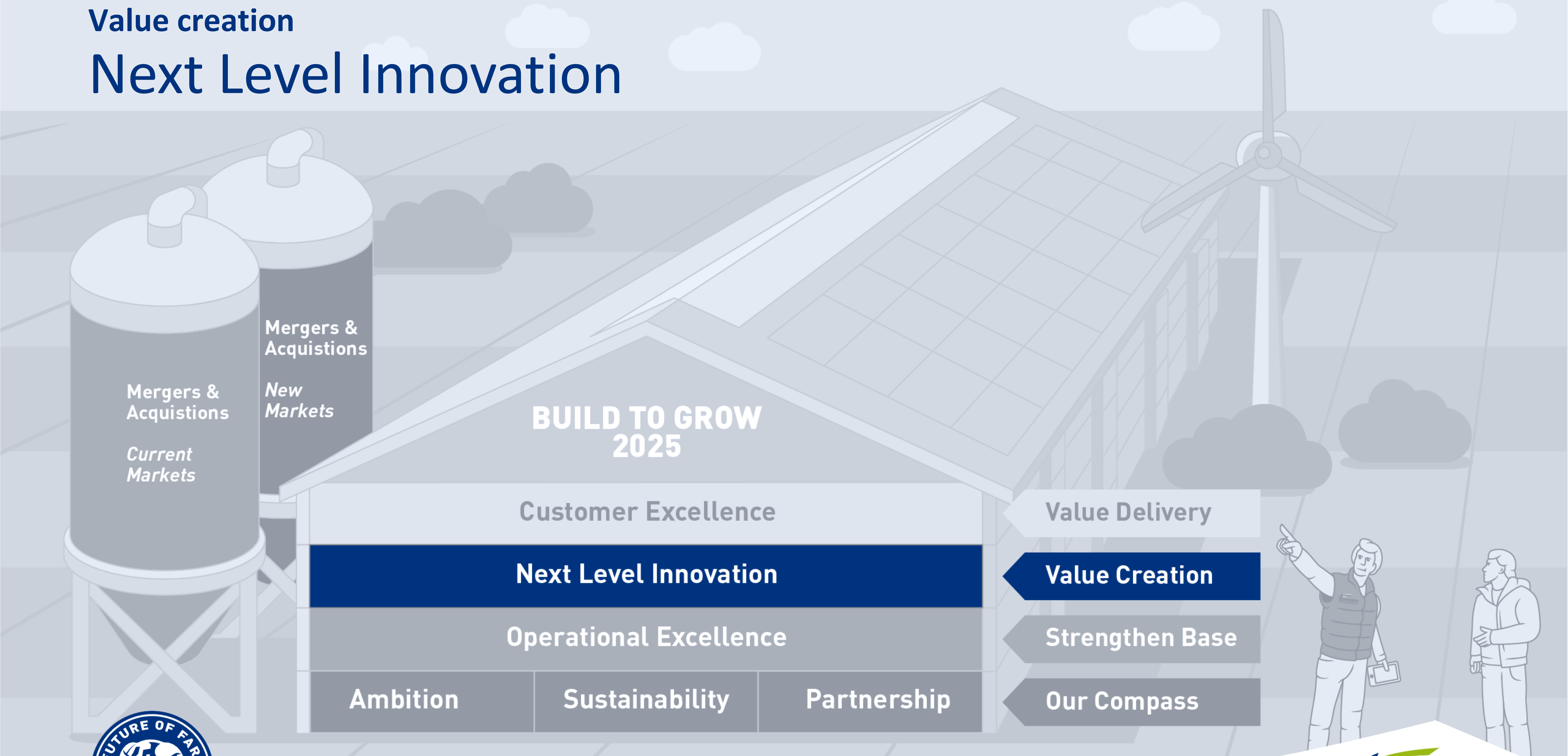
- Next step efficiency measures
- Using business process optimisation to reduce costs
- Increased use of digital solutions: on-farm to improve returns and ease of working for farmers; internally to smoothen processes and reduce costs

Sales efficiency

- Building further on recent experience (due to COVID) with digital solutions;
- Enhancing use of Agroscoop, E-marketing etc.

Value creation

Next Level Innovation



Next Level Innovation

Innovation to drive value creation

- Nutritional Innovation by NIC[1] remains key to serve customer demand and retain competitiveness
- Central theme: Digitalisation
- Next Level Innovation to create differentiation and value creation

---

[1] NIC means ForFarmers' Nutrion Innovation Centre

Next Level Innovation

Nutritional Innovation to serve customers and stay competitive

Partners

NIC[1]

- New concepts
- Improved ingredient use
- Improved FCR[2]
- Better animal health

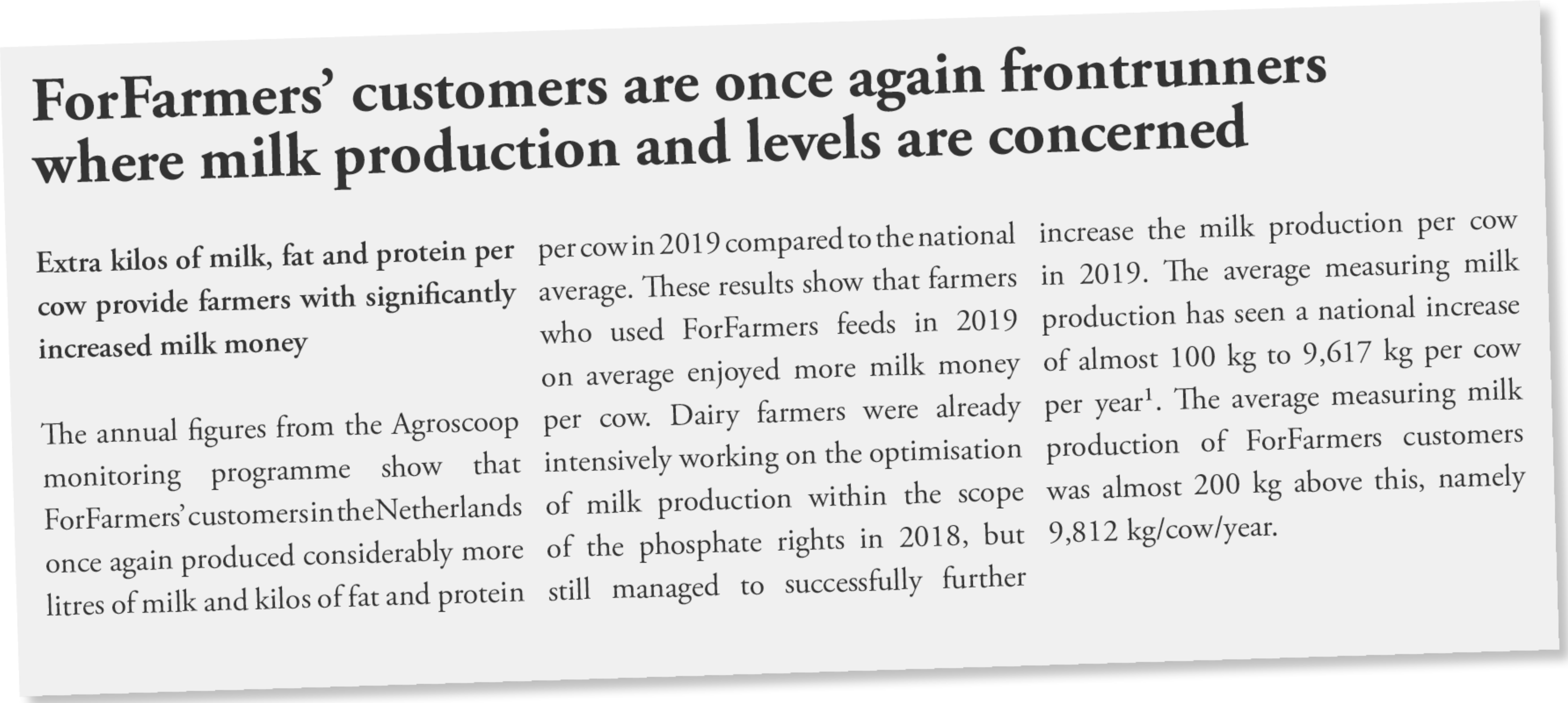
~60 projects per year

Knowledge sharing with customers

[1] NIC means ForFarmers' Nutrion Innovation Centre

[2] FCR means Feed Conversion Rate

NIC innovation & Digital Innovation driving best-in-class dairy cow performance



ForFarmers' customers are once again frontrunners where milk production and levels are concerned

Extra kilos of milk, fat and protein per cow provide farmers with significantly increased milk money

The annual figures from the Agroscoop monitoring programme show that ForFarmers' customers in the Netherlands once again produced considerably more litres of milk and kilos of fat and protein per cow in 2019 compared to the national average. These results show that farmers who used ForFarmers feeds in 2019 on average enjoyed more milk money per cow. Dairy farmers were already intensively working on the optimisation of milk production within the scope of the phosphate rights in 2018, but still managed to successfully further increase the milk production per cow in 2019. The average measuring milk production has seen a national increase of almost 100 kg to 9,617 kg per cow per year[1]. The average measuring milk production of ForFarmers customers was almost 200 kg above this, namely 9,812 kg/cow/year.

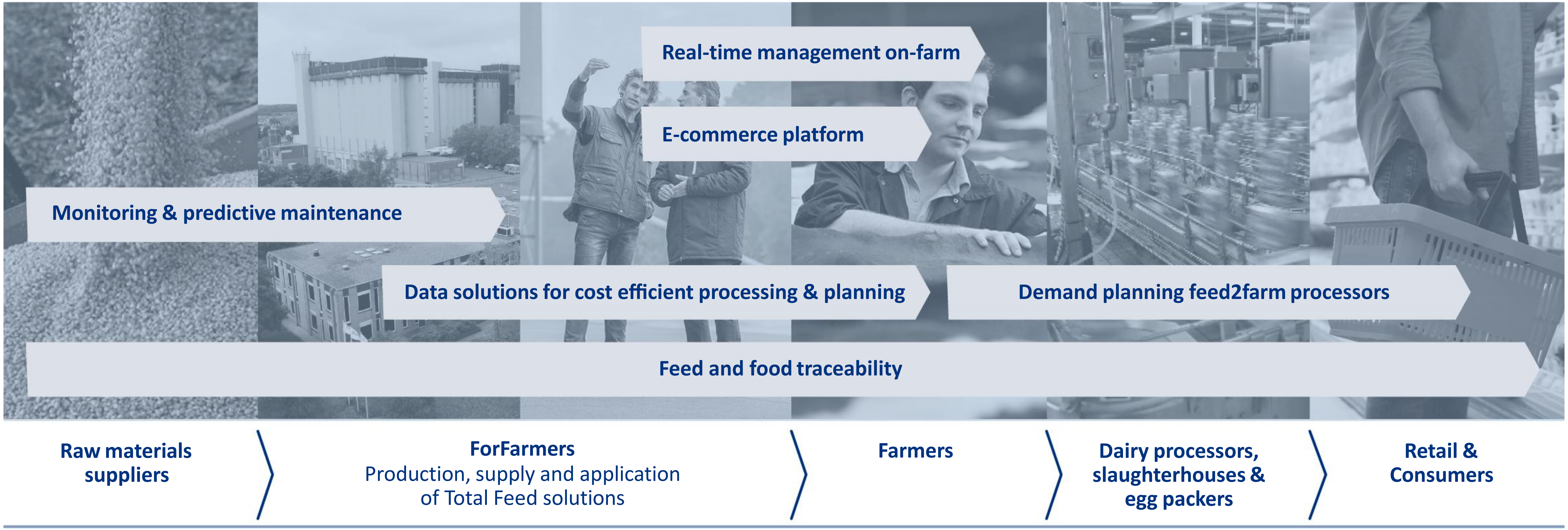
[1] Source: CRV Monitor (independent cross industry platform)

Next Level Innovation

Digitalising for the Future of Farming

Accelerating our agenda on digital, to strengthen leadership position

Dedicated team drives digitalisation throughout the chain



Real-time management on-farm

E-commerce platform

Monitoring & predictive maintenance

Data solutions for cost efficient processing & planning

Demand planning feed2farm processors

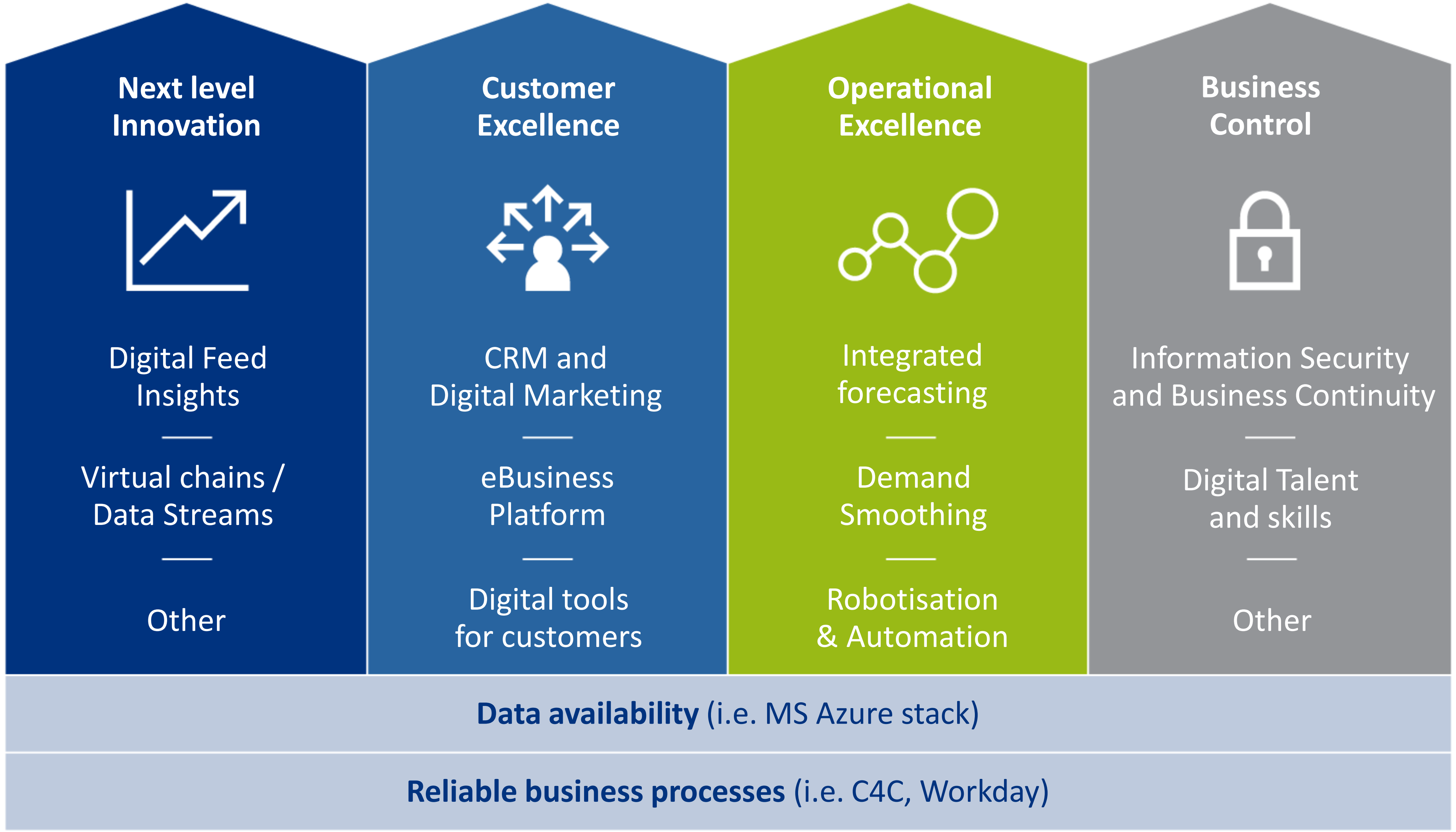
Feed and food traceability

Raw materials suppliers 〉 **ForFarmers** Production, supply and application of Total Feed solutions 〉 **Farmers** 〉 **Dairy processors, slaughterhouses & egg packers** 〉 **Retail & Consumers**

Digitalisation — Example

Addressing our Strategic Priorities

Strategic digital priorities 2020-2025



Next level Innovation	**Customer Excellence**	**Operational Excellence**	**Business Control**
Digital Feed Insights	CRM and Digital Marketing	Integrated forecasting	Information Security and Business Continuity
Virtual chains / Data Streams	eBusiness Platform	Demand Smoothing	Digital Talent and skills
Other	Digital tools for customers	Robotisation & Automation	Other

Data availability (i.e. MS Azure stack)

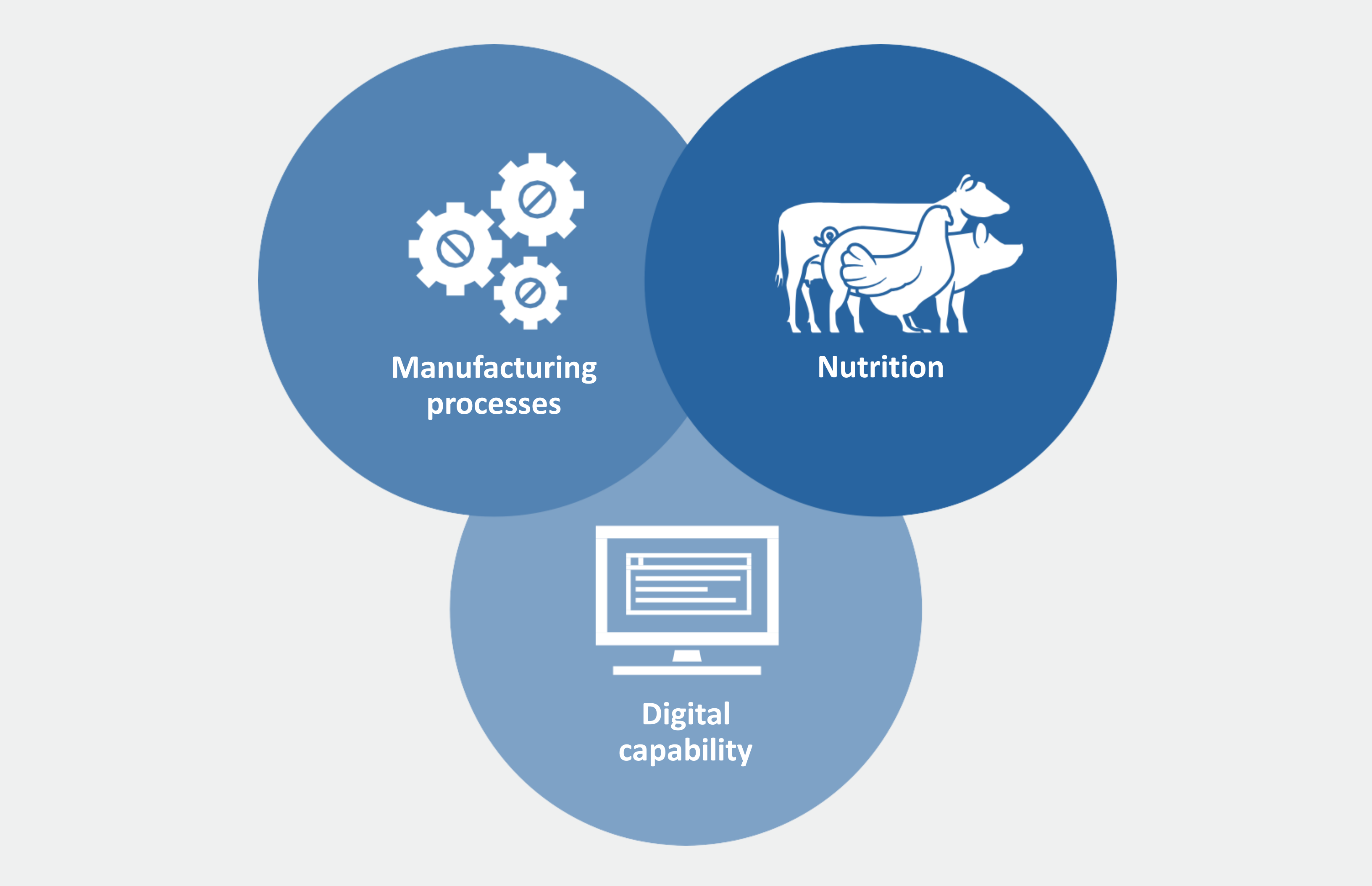
Reliable business processes (i.e. C4C, Workday)

Next Level Innovation

At interface of manufacturing processes, nutrition and digital capability

Next Level Innovation

- By definition multi-departmental
- More complex - more business potential
- High entry barriers for competition
- Focused project list with dedicated teams



Next Level Innovation — Example

Weight Predictor for easier finisher farm management

Market drivers

- ‘Order-to-cash’ and ‘silo-to-pig’ processes simplified
- Facilitate predictable performance in the feed-to-food chain

What

- Real time farm management support (workflow system)
- More accurate feed programmes to optimise return on-farm
- Pay-out optimisation: predicting slaughter date of pigs
- Multi-disciplinary teams with focused approach

Market Potential

- Improvement of slaughter weight
- Improved feed conversion

Patent pending

✓ **Precision nutrition**

✓ **Growth and weight prediction**

✓ **Vendor managed inventories (VMI)**

Value delivery

Customer Excellence

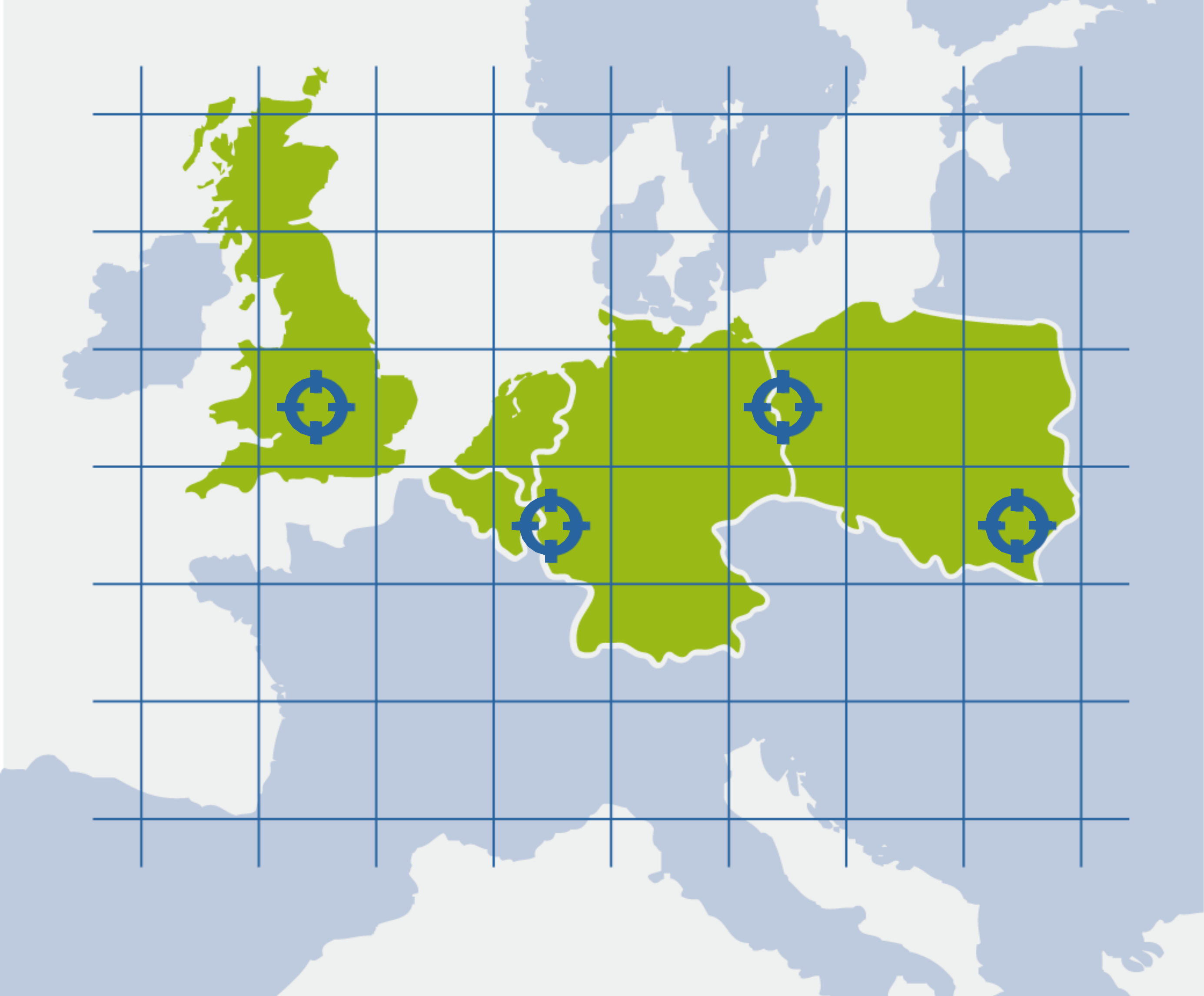
FOR THE FUTURE OF FARMING

the total feed business

Customer Excellence

Granular growth plans aim to outperform market

All specie/country combinations



Business Opportunities

Regional white spots

Farm size

ForFarmers advisors

Factory distance

Product type
(Total Feed categories)

Sustainability challenges
(eg Nitrogen)

Production systems
(eg home mixing)

Outcomes

Commercial priorities
- Growth initiatives
- Areas to maintain
- Areas to defocus

Activation Plans

Examples of growth areas:
- broiler NL (south)
- Reudink swine
- L size farms AMS[1] (GE)

Remaining potential

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[1] AMS means Automated Milking System

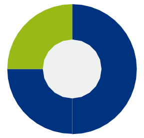
◐ Green=Customer Excellence remaining potential

Customer Excellence

Growth plan per region supported by central toolkit

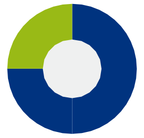
1 **Sales reporting, steering and CRM usage**

2 **Technical and commercial training**



3 **Integrated way of working across sales channels**

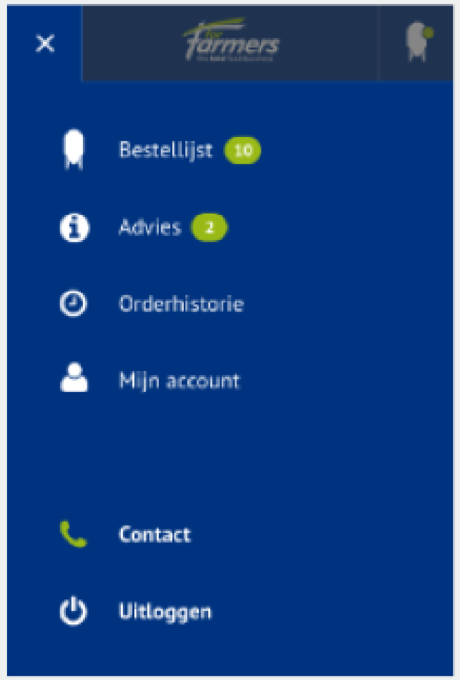
4 **Pricing process**

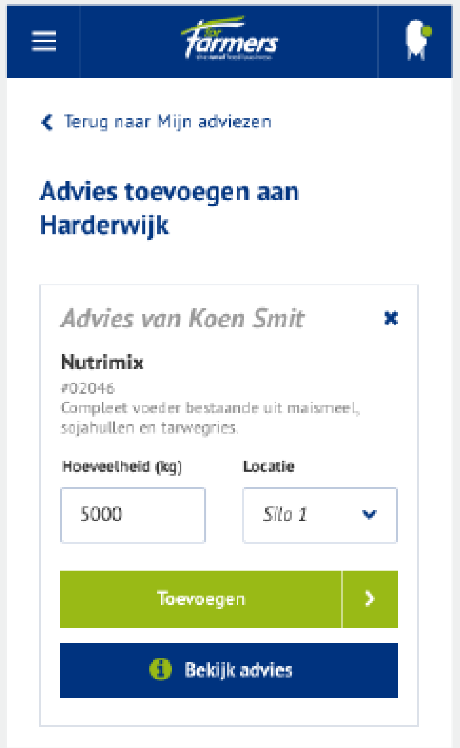


Green = remaining potential to maximise impact on market share and share of stomach

Customer Excellence — Example Group Capability Plan

eBusiness to improve customer service and support more efficient supply chain



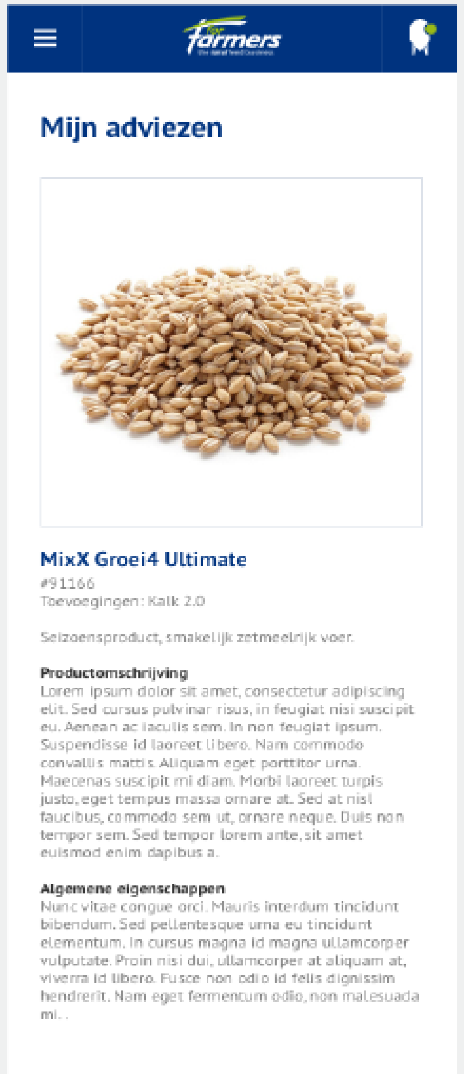


Advies toevoegen aan Harderwijk

Advies van Koen Smit

Nutrimix
#02046
Compleet voeder bestaande uit maismeel, sojahullen en tarwegries.

Hoeveelheid (kg): 5000
Locatie: *Silo 1*



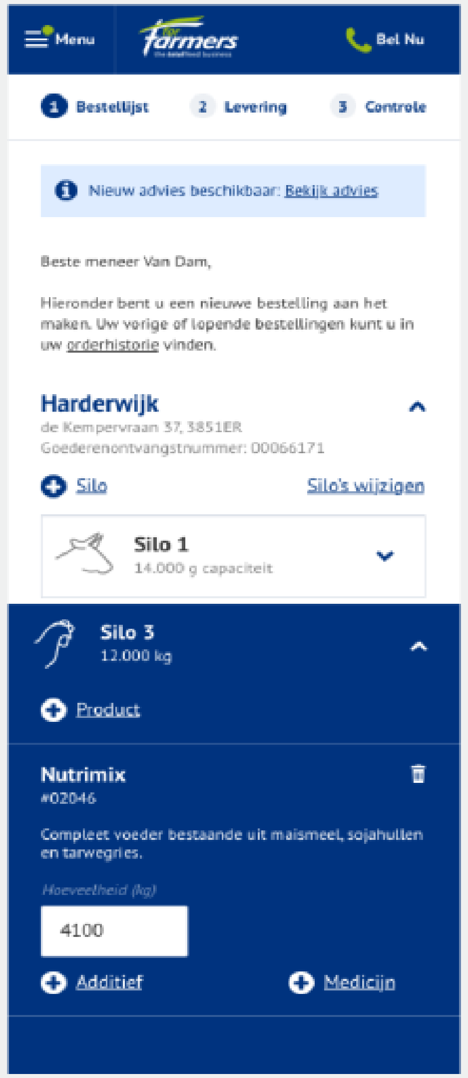
Mijn adviezen

MixX Groei4 Ultimate
#91166
Toevoegingen: Kalk 2.0

Seizoensproduct, smakelijk zetmeelrijk voer.

Productomschrijving
Lorem ipsum dolor sit amet, consectetur adipiscing elit. Sed cursus pulvinar risus, in feugiat nisi suscipit eu. Aenean ac iaculis sem. In non feugiat ipsum. Suspendisse id laoreet libero. Nam commodo convallis mattis. Aliquam eget porttitor urna. Maecenas suscipit mi diam. Morbi laoreet turpis justo, eget tempus massa ornare at. Sed at nisl faucibus, commodo sem ut, ornare neque. Duis non tempor sem. Sed tempor lorem ante, sit amet euismod enim dapibus a.

Algemene eigenschappen
Nunc vitae congue orci. Mauris interdum tincidunt bibendum. Sed pellentesque urna eu tincidunt elementum. In cursus magna id magna ullamcorper vulputate. Proin nisi dui, ullamcorper at aliquam at, viverra id libero. Fusce non odio id felis dignissim hendrerit. Nam eget fermentum odio, non malesuada mi...



Nieuw advies beschikbaar: Bekijk advies

Beste meneer Van Dam,

Hieronder bent u een nieuwe bestelling aan het maken. Uw vorige of lopende bestellingen kunt u in uw orderhistorie vinden.

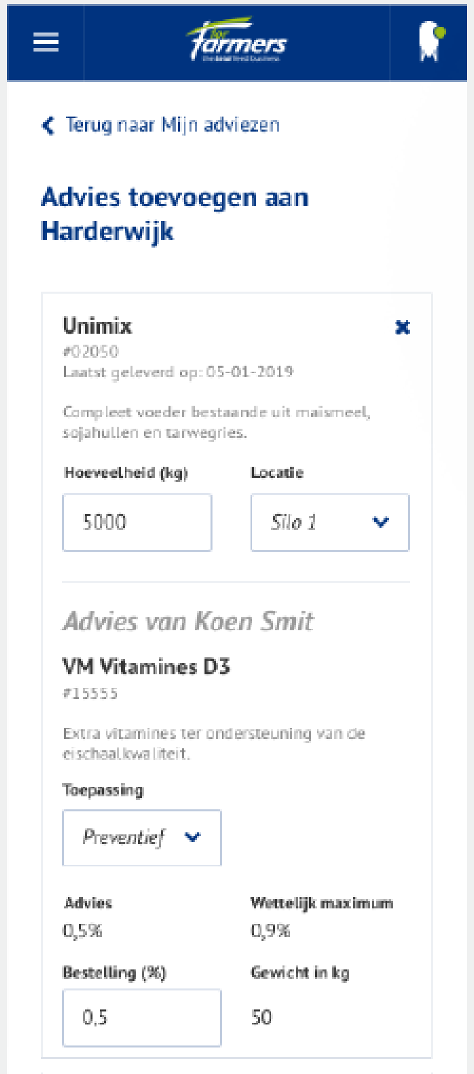
Harderwijk
de Kempervraan 37, 3851ER
Goederenontvangstnummer: 00066171

Silo 1
14.000 g capaciteit

Silo 3
12.000 kg

Nutrimix
#02046
Compleet voeder bestaande uit maismeel, sojahullen en tarwegries.

Hoeveelheid (kg): 4100



Advies toevoegen aan Harderwijk

Unimix
#02050
Laatst geleverd op: 05-01-2019

Compleet voeder bestaande uit maismeel, sojahullen en tarwegries.

Hoeveelheid (kg): 5000
Locatie: *Silo 1*

Advies van Koen Smit

VM Vitamines D3
#15555

Extra vitamines ter ondersteuning van de eischaalkwaliteit.

Toepassing: *Preventief*

Advies	Wettelijk maximum
0,5%	0,9%

Bestelling (%)	Gewicht in kg
0,5	50

M&A

Mergers & Acquistions

Current Markets

Mergers & Acquistions

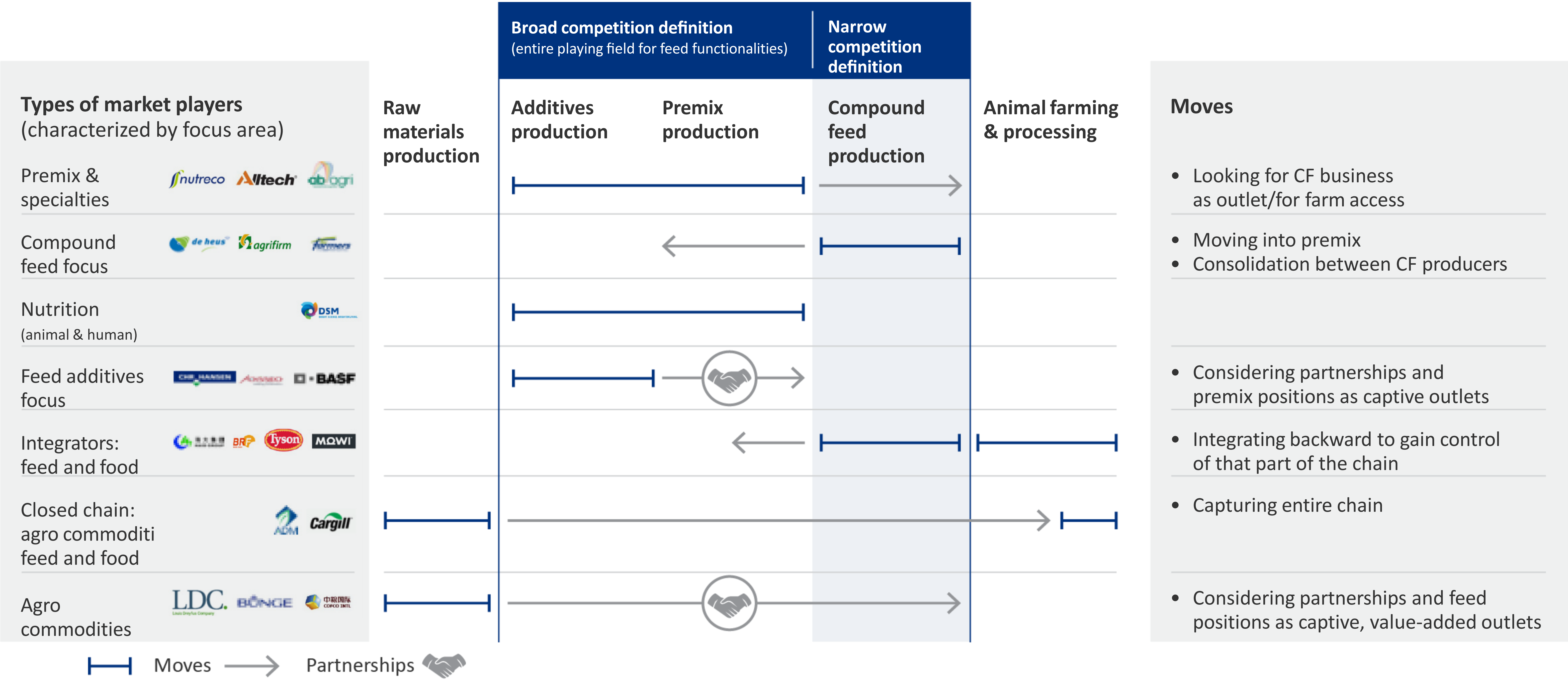
New Markets

BUILD TO GROW 2025

Customer Excellence	Value Delivery
Next Level Innovation	Value Creation
Operational Excellence	Strengthen Base
Ambition · Sustainability · Partnership	Our Compass

M&A — Competitive perspective

Market players are redefining their position in the value chain



Broad competition definition
(entire playing field for feed functionalities)

Narrow competition definition

Raw materials production | **Additives production** | **Premix production** | **Compound feed production** | **Animal farming & processing**

Types of market players
(characterized by focus area)

- Premix & specialties
- Compound feed focus
- Nutrition (animal & human)
- Feed additives focus
- Integrators: feed and food
- Closed chain: agro commoditi feed and food
- Agro commodities

Moves

- Looking for CF business as outlet/for farm access
- Moving into premix
- Consolidation between CF producers
- Considering partnerships and premix positions as captive outlets
- Integrating backward to gain control of that part of the chain
- Capturing entire chain
- Considering partnerships and feed positions as captive, value-added outlets

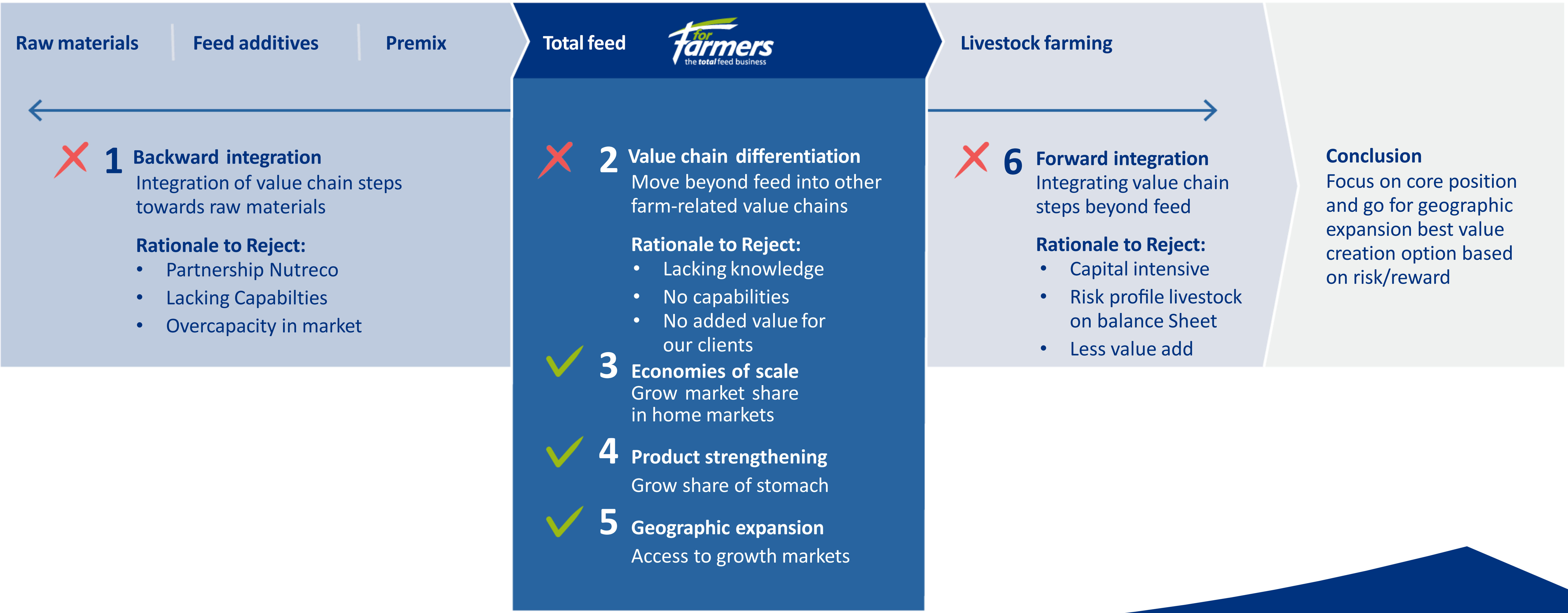
Moves — Partnerships

Source: Annual reports, company websites, European Commission, Roland Berger Strategy Consultants

M&A — Competitive perspective

ForFarmers has considered six strategic moves along the value chain to strengthen its position

Potential strategic moves



Raw materials | **Feed additives** | **Premix** | **Total feed** | **Livestock farming**

✗ **1 Backward integration**
Integration of value chain steps towards raw materials

Rationale to Reject:
- Partnership Nutreco
- Lacking Capabilties
- Overcapacity in market

✗ **2 Value chain differentiation**
Move beyond feed into other farm-related value chains

Rationale to Reject:
- Lacking knowledge
- No capabilities
- No added value for our clients

✓ **3 Economies of scale**
Grow market share in home markets

✓ **4 Product strengthening**
Grow share of stomach

✓ **5 Geographic expansion**
Access to growth markets

✗ **6 Forward integration**
Integrating value chain steps beyond feed

Rationale to Reject:
- Capital intensive
- Risk profile livestock on balance Sheet
- Less value add

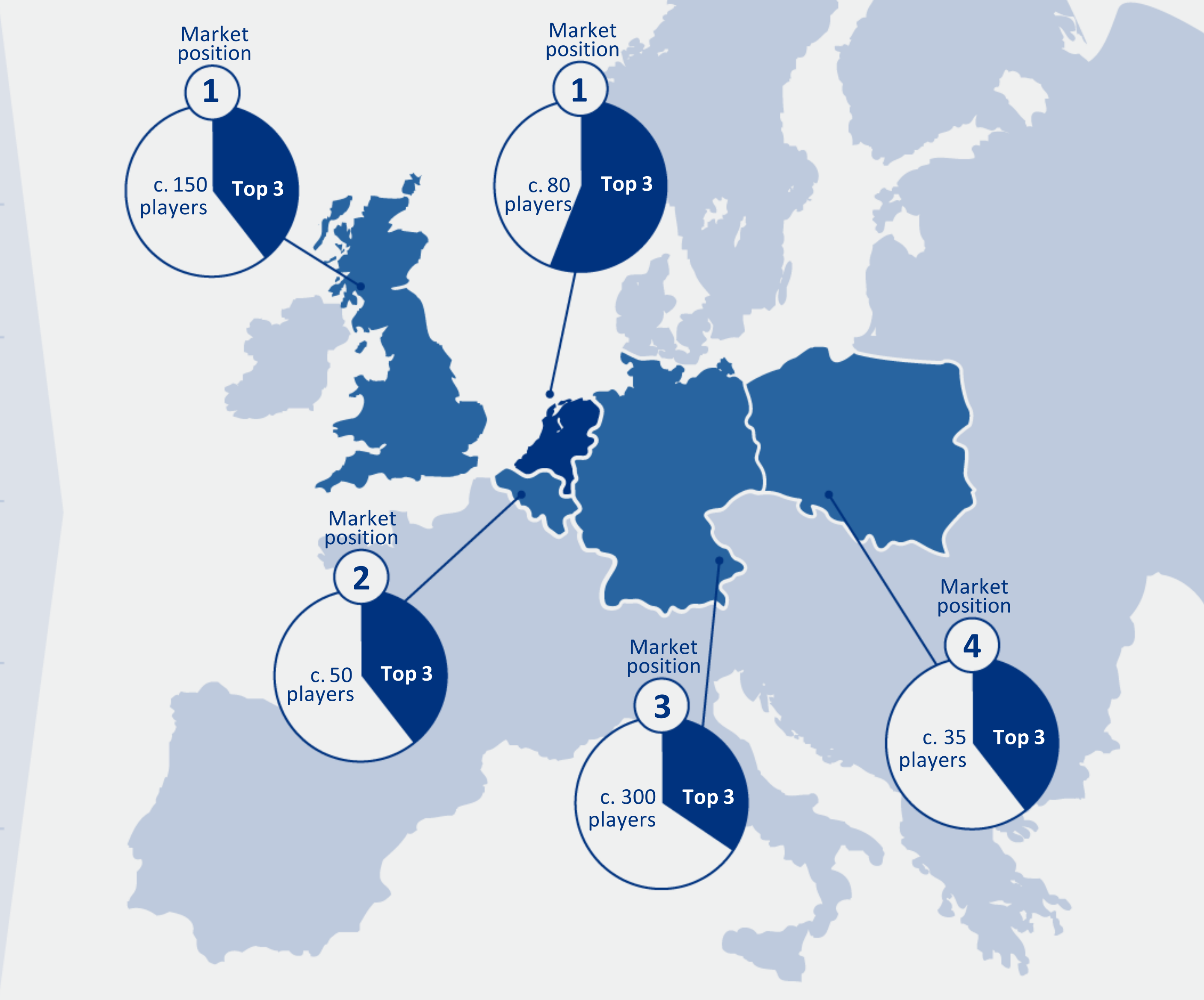
Conclusion
Focus on core position and go for geographic expansion best value creation option based on risk/reward

M&A — Home markets

Being an active consolidator drives value

Synergy area	Rationale
Overhead and SG&A reduction	• Shared Services Centers per country/cluster • Harmonize IT systems to reduce future Capex • Scale to improve professionalism • Create focused sales teams
Asset optimization	• Specie focused factories, larger batch size, more formulation options • Specialty factories per international zone
Logistics optimisation	• Optimise long distance network • Flexibility with dedicated partners • Combine inbound & outbound logistics
Purchasing benefits	• Network of regional and international suppliers • Use economies of scale in non-macro buying • More data analytics and hedging strategies
Enhance product offering	• New Product solutions to customers • Expand TFS offering • Expand offering of digital solutions
Potential risks	• Risk of losing sales advisors • Risk of losing customers (depending on relationship with sale force) • Integration and compliance costs

Priorities



M&A — Mapping plan

Accelerate consolidation in Europe...

Consolidation in (European) markets – looking for major synergies

- Target with > 300kT volume (preferably)
- Improving product offering and/or enlarging customer base
- Providing supply chain optimisation opportunities
- Pro-active approach in existing markets (in Germany and Poland in particular); opportunistic regarding new mature EU markets

M&A — Mapping plan

...and enter selected global growth markets

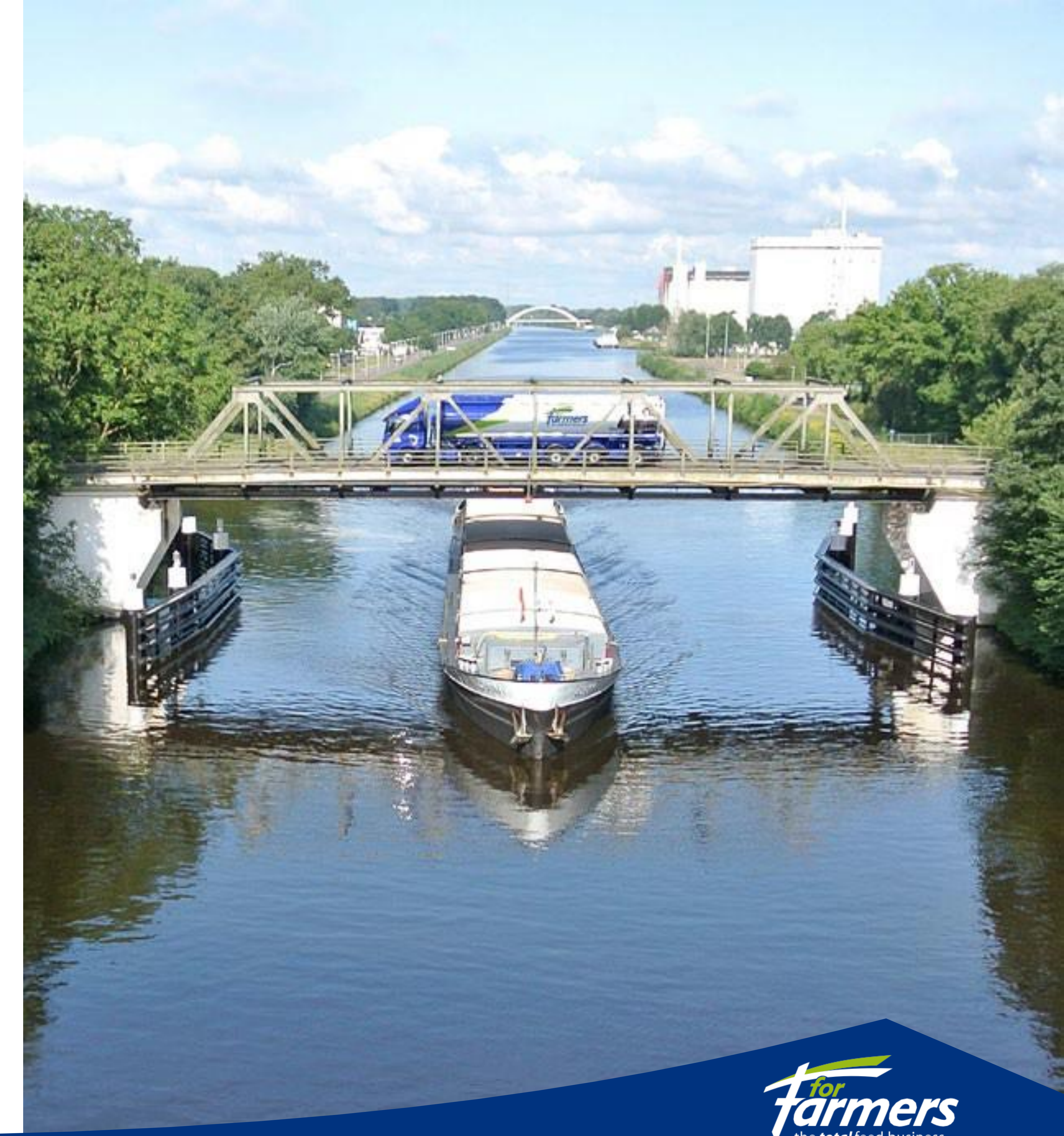
Enter selected global markets – balancing towards growth

- Sizable animal population, growing > 4% per year
- Local business model/access on-farm
- Non-integrated player with already strong market position
- > €5 million EBITDA
- Platform to become no. 1 or 2 (organic and/or acquisitive growth)
- Acceptable governance principles and country risks
- May consider joint ventures to reduce risk of market entrance
- Over time full consolidation in ForFarmers results
- Local management willing to stay on, complemented by ForFarmers leaders

M&A

Financial metrics

- Historic multiple paid: approximately 5-8 x (underlying) EBITDA, pre synergies
- Leverage: up to 2.5x underlying EBITDA
- Value accretion within one year after closing
- ROACE after 2 years > 17% (based on underlying EBITDA)



M&A

Key enablers to be enhanced

Capacity & Focus ◕
- management resources
- multinational profile/regional hubs

Organisational readiness ◕
- international team
- integration experience
- business control

Financial strength ●

Partner network & local connectivity ◑

M&A

M&A summary

- Focus on core position in value chain in home markets and geographic expansion:
  optimal value creation strategy ForFarmers
- Market developments in core markets drive consolidation in search for synergies:
  optimally leverage scale in all home markets
- As of 2014 acquired 11 companies
- Taken learnings on board
- To balance portfolio: enter selected global growth markets
- On schedule to put key enablers in place to be successful and become market leader in 7 countries

ForFarmers Capital Markets Day 2020

Agenda

09:00	Welcome: ForFarmers at a glance	10:30	Break
09:10	Current position	10:45	Build to Grow 2025
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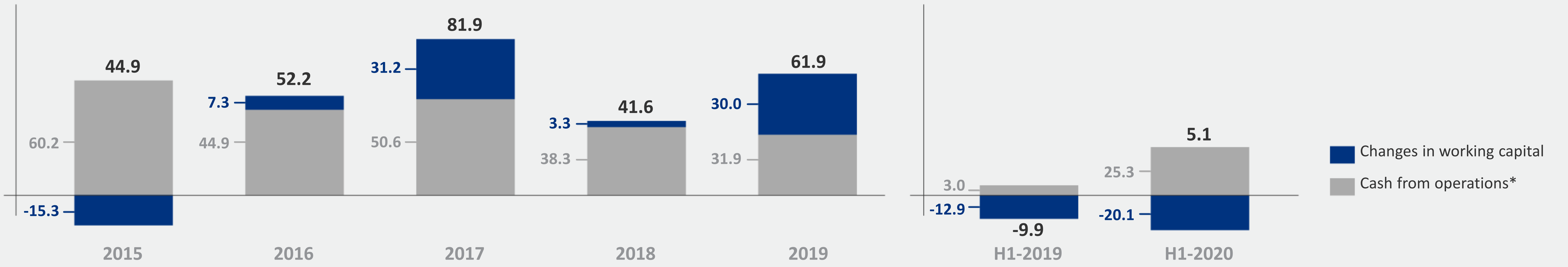
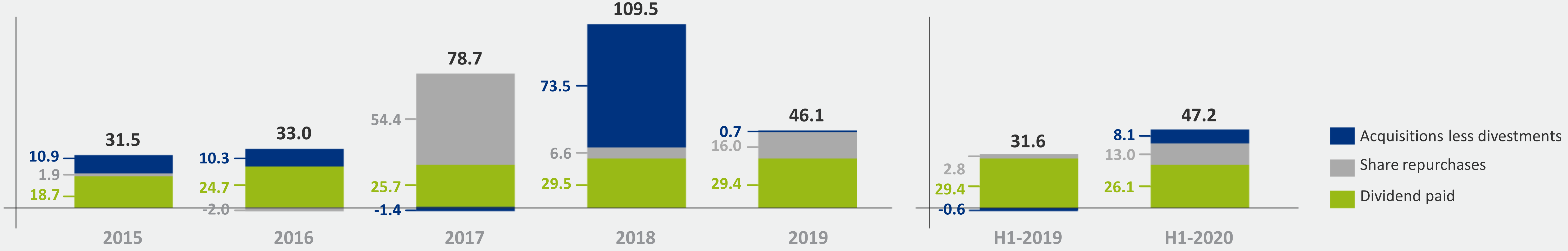
Healthy cash flow generation for acquisitions and returns to shareholders

Free Cash Flow generation
in €m



Uses of cash
in €m

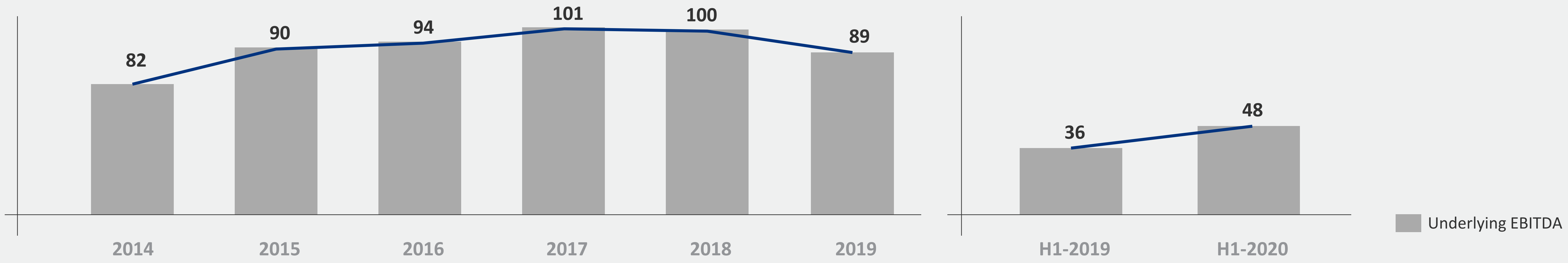


* Cash generated from operations, including income from equity-accounted investees and net of cash outflow for capex, interest and tax

Resilient earnings in challenging markets

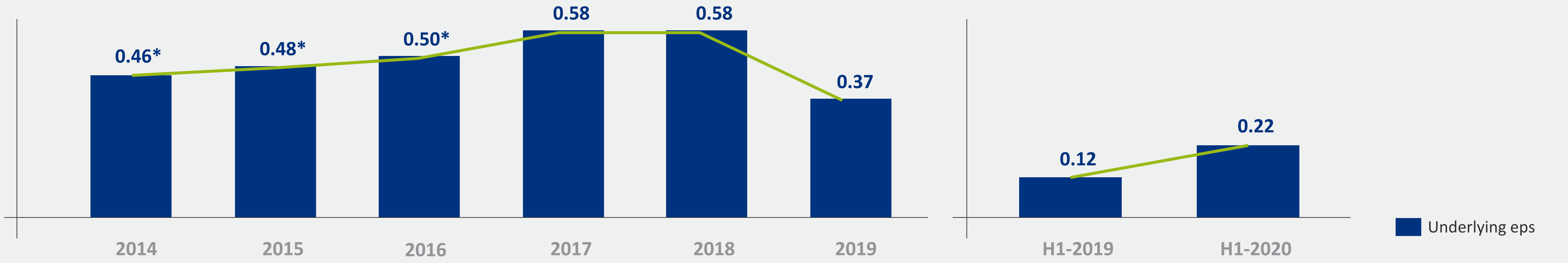
Underlying EBITDA

in €



Earnings per share

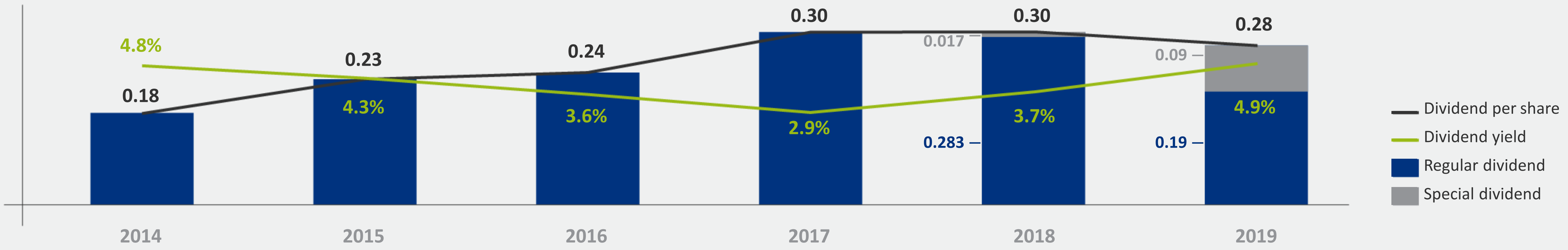
in €m



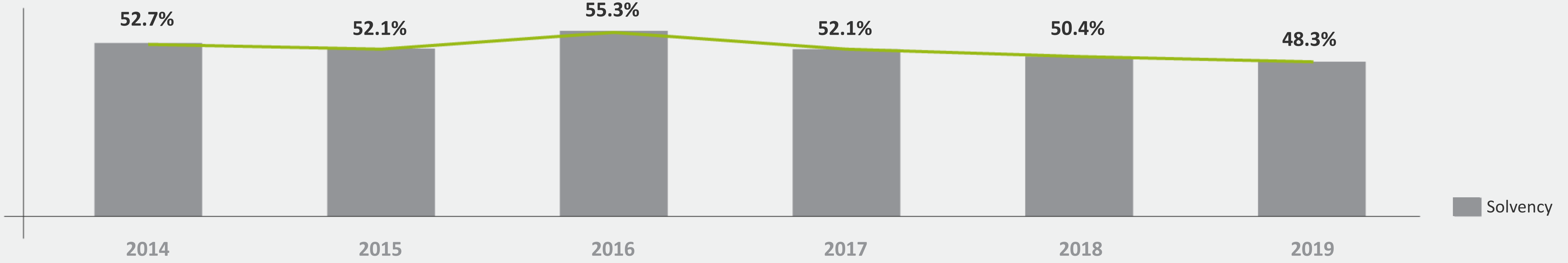
* Ordinary earnings pershare

Attractive dividend combined with healthy solvency ratio

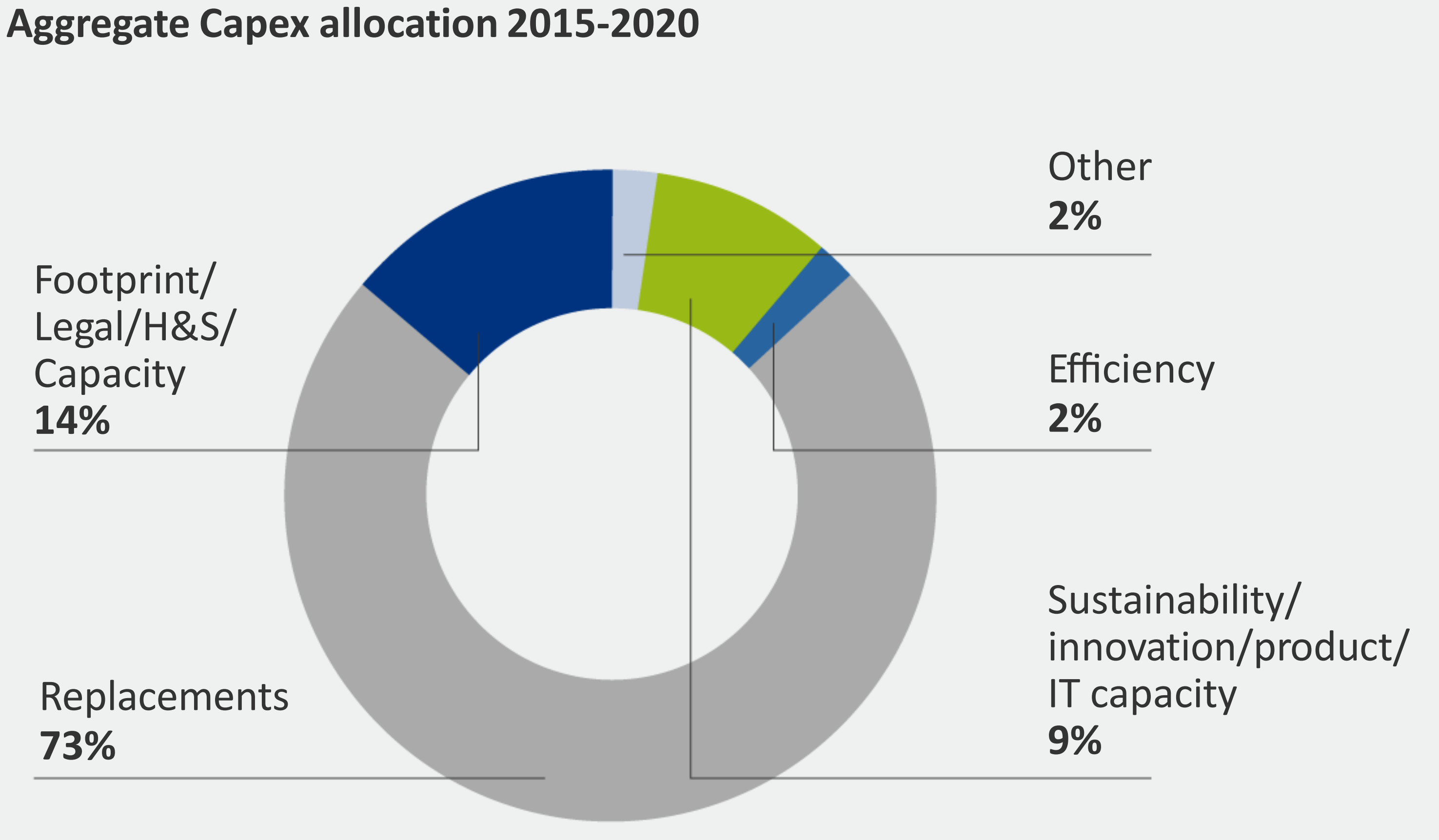
Dividend per share
in €

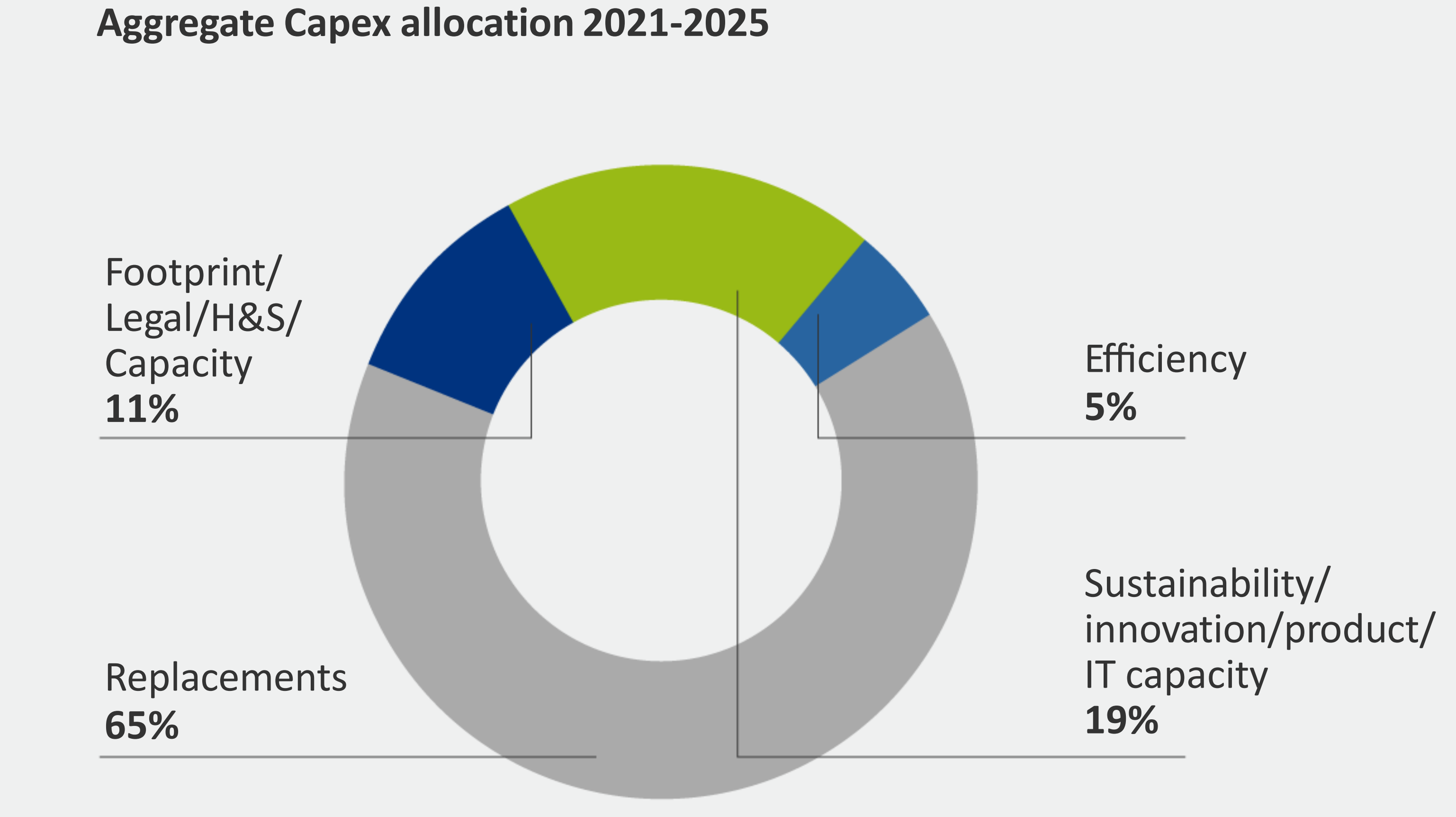


Solvency
in %



Increasing Investments in Sustainability & Innovation





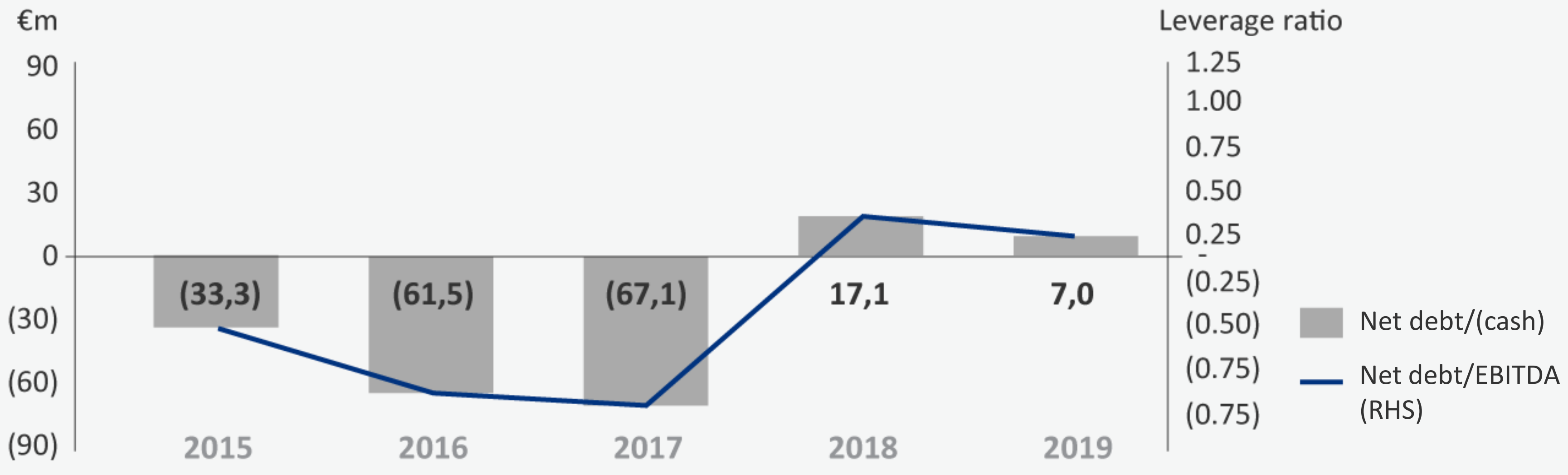
- Majority of capex relates to replacements
- 2021-2025 reduction in replacement projects, but increase in return-generating investments
- IT Capability & product innovation key drivers in forward looking capex
- New capex strategy to lead to overall lower total investments 2021-2025

Ample headroom for operational improvements and M&A

Envisaged cash allocation

1. Investments in innovation etc.
2. M&A
3. Dividend (40% - 60% of net profit)
4. Super dividend / share buy-back programme

Historical net debt/(cash) position



Financial policy

- ForFarmers has Net debt/EBITDA comfort < 2.5x providing headroom of c. €200m - €250m
  - 2.5x EBITDA
- Net debt as per year-end 2019 of €7m
- Bank covenants
  - Leverage ratio < 3.0x, one-off spikes allowed of between 3.0x - 3.5x
  - Interest coverage ratio not less than 4.0x

Financial objectives 2025

Creating value
for the Future of Farming

Underlying EBITDA 2025 (incl acquisitions) €125m - €135m*

- Underlying EBITDA growth (excl. acquisitions) 0% - 3% p.y* (as of 2020)
- Challenging markets offset by commercial savviness and cost efficiency focus

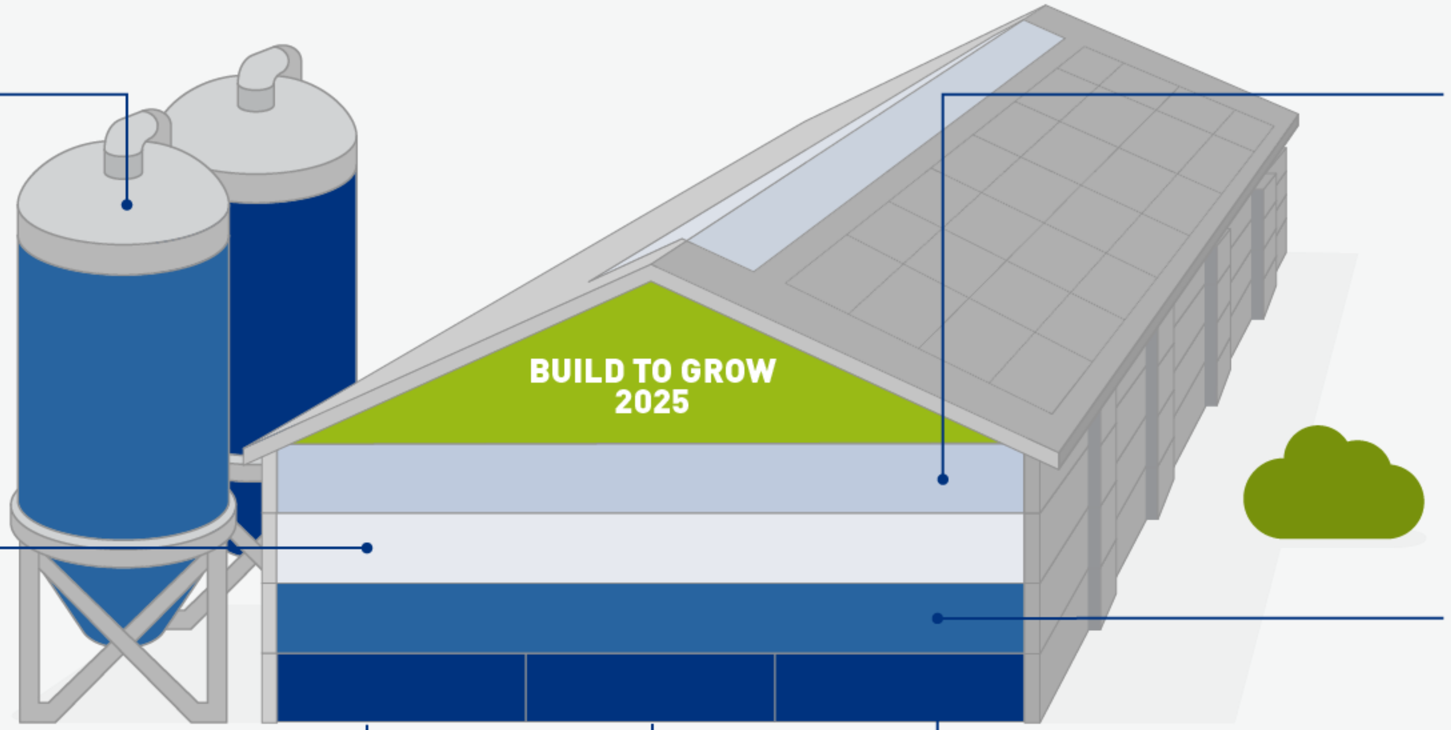
M&A: consolidation in existing markets & enter carefully selected growth markets to become active in 7 countries

Operational Excellence plans to lead to at least €10m (in total) savings in operating costs by 2025 (vs. 2020)

Dividend distribution 40% - 60% of underlying net profit

* At constant currencies

Long-term value drivers



VALUE EXPANSION
M&A
- Accelerate consolidation and deliver synergies in home markets
- Enter two selected new growth markets
- Global basis

VALUE CREATION
Next Level Innovation
- Digitalisation to improve returns on-farm
- Interface: data, processing and nutrition

OUR COMPASS
Ambition
- Employee net promotor score
- Diversity
- In-house promotions
- Reduction of LTIs

OUR COMPASS
Sustainability
- Going circular: zero pollution, no waste, transform low value ingredients to high quality food

VALUE DELIVERY
Customer Excellence
- Market share
- Volume development
- Product mix development & cross selling
- Digitalisation and sales force productivity

STRENGTHEN BASE
Operational Excellence
- Enhancing and simplifying processes
- Highest quality at lowest cost
- Agility to deal with volume swings

OUR COMPASS
Partnerships
- Flexible shell
- Total Feed solutions
- Virtual integrations

ForFarmers investment profile

Resilience in challenging home countries, expansion to new markets

- Operational excellence and commercial savviness
- Unique access to farm gate as Total Feed solutions provider
- Helping farmers cope with new reality with superior knowledge
- Going Circular For the Future of Farming
- M&A: consolidation in existing markets & enter carefully selected growth markets to become operational in 7 countries

Financial profile

- Exposure to global commodities (raw materials)
- Strong balance sheet (solvency around 50%)
  and substantial recurring free cash flow (~€50m)
- Substantial dividend distribution (40-60% of underlying net profit)

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Wrap up

Market Leader in 7 Countries

Mergers & Acquistions

Current Markets

Mergers & Acquistions

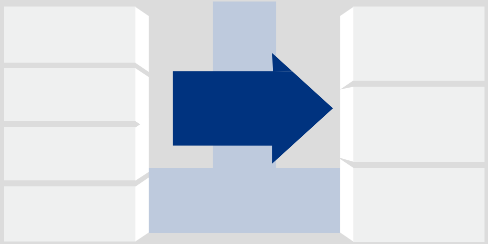
New Markets

BUILD TO GROW 2025

Customer Excellence		
Next Level Innovation		
Operational Excellence		
Ambition	**Sustainability**	**Partnership**

- **Value Delivery**
- **Value Creation**
- **Strengthen Base**
- **Our Compass**

Build to Grow 2025: based on the foundation of Horizon 2020

Horizon 2020	Remaining challenge after Horizon 2020	Response	Build to Grow 2025
	Transactional business model gaining momentum	Addressed as separate segment per market, tailor made approach defined	
	Compete with specialists	Invest in own capability and sustainable innovation in combination with more and extended partnerships	
	Accelerate M&A agenda	Broaden geographical scope to selective growth markets, dedicated M&A team	
	Further harvest economies of scale (processes)	Operational Excellence to deliver highest quality at lowest cost	
	Diversity (at senior management level)	New HR programme ‘Ambition’	
	Slow take-up of data use on-farm outside NL	Detailed programme for data application per market segment fuelled by sustainability demands	
	Enhanced cost efficiency	Additional efficiency programs	

Build to Grow 2025: customer centric at lowest possible cost

Examples	Regional players	Local players and cooperatives	Specialists and additive traders	New unbundled competition
	agrifirm ab agri AGRAVIS RAIFFEISEN AG de heus	VOERGROEP zuid NU AGRICULTURE Rothkötter UNTERNEHMENSGRUPPE RAIFFEISEN EMS-VECHTE Mole Valley FARMERS	DENKAVIT GROEIEN DOE JE SAMEN trouw nutrition a Nutreco company Milkivit	Agriconomie.com MijnVoer Cheapfeed.com Agrando
Development market position	Stable market players; consolidators	Mixed picture of winners and losers; potential acquisition targets	Stable position; loyal customers	Small yet disruptive
Response	Granular plan focused of attractive profit pools with detailed implementation plan	Use our scale to create superior solutions as a Total Feed Specialist	Total Feed Specialist: integrated solutions, ease of doing business for farmers	Ensure added value of the bundled solution based on Next Level Innovation: combining data, nutrition, processing

Build to Grow 2025: on the back of key market trends

Sector	Trend	Response
	Environmental measures & regulation	Supporting farmers with Total Feed Solutions
	Alternative protein	Initiating and joining reseach projects with partners
	Differentiation in route to market (eg e-commerce)	Launching and expanding own e-platform
	Overcapacity in NW Europe	Optimising footprint, consolidate and open up new markets
	Data & smart chains	Strong digital agenda, integrated in innovation, partnership approach
	Professionalisation & consolidation of farms and processors	Total Feed Solutions
	Pressure on animal protein consumption in W-Europe	Frontrunner in making livestock production more circular; move to growth markets
	Diversification of end products	Total Feed Solutions and enhanced focus on partnerships

Ambition 2025: our integrated objectives

Developing talent
for the Future of Farming

- LTI frequency rate < 0.5
- More diversity in management positions
- Increased employee engagement score

Sharing knowledge
for the Future of Farming

- Y-o-Y better FCR
- Bespoke solutions for specific chains
- Leading edge digital tools

Going Circular
for the Future of Farming

- Leadership position reduction CO_2 emissions of feed materials (upstream)
- 10% energy/fuel reduction per tonne feed (vs 2020)
- Take leadership position on % non-human edible feed material in diets
- 100% responsibly sourced soya and palm oil

Creating Value
for the Future of Farming

- Underlying EBITDA 2025 (incl. M&A) €125m-€135m; L-f-L growth 0%-3% p.y. (excl. M&A)
- M&A: consolidate in existing markets & expand to growth countries to become active in 7
- At least €10m savings in operating costs by 2025 (vs. 2020)
- Dividend distribution 40%-60% of underlying net profit

For the Future of Farming

BETTER RETURNS

GREATER EFFICIENCY

HEALTHIER LIVESTOCK

Tailored & Total Feed Solutions

PRODUCTS

Targeted Planning & Analysis

PERFORMANCE

Specialist & Expert Support

PEOPLE

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Contact

Caroline Vogelzang
Director Investor Relations
M.+31 6 10 949 161
T. +31 573 288 194
Caroline.Vogelzang@forfarmers.eu

ForFarmers N.V.
Kwinkweerd 12
7241 CW Lochem
Nederland

BUILD
– TO –
GROW
2025

FOR THE FUTURE OF FARMING

forfarmers
the total feed business

FOR THE FUTURE OF FARMING

for farmers