

# ForFarmers 2020 Results Road-show presentation



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# Results 2020

# Highlights 2020

## Satisfactory 2020 results in challenging markets

- Underlying EBITDA: +8.7% at €96.2m  
(at constant currencies: +9.3%)

- Strong operating cash flow €98.1m

## Covid-19

Animal diseases  
(African Swine Fever & Avian Influenza)

Continued smooth delivery of feed to farmers

Challenging year for customers due to closure out-of-home segment & export limitations

Implementation efficiency plans 2019 – 2020 successfully completed

Cost savings due to Covid, i.e. less travel & more use of digital tools (working from home)

Launch of Build to Grow 2025 strategy  
Tightened sustainability agenda  
Going Circular For the Future of Farming  
Next step efficiency plans

Announced take-over De Hoop Mengvoeders (NL)



# Market developments per country in 2020

## General

Covid-19: closure out-of-home segments impacts volumes and prices of farmers' products

EU policy for agricultural sector to reduce environmental impact (EU Green Deal)

Increasing focus on innovation in sector

Animal diseases (ASF<sup>1</sup> & AI<sup>2</sup>)

## The Netherlands

€5 bn (total to 2030) for nature recovery & reduction nitrogen emissions (which may be achieved through innovation)

Warm restructuring pig sector: smaller reduction pig herd than originally expected

AI detected in October; hygiene measures imposed

## Belgium

ASF free as of Q4 2020:  
export ban on pig meat to non-EU countries lifted

Cattle farmers especially impacted by Covid-19

## Germany

Animal welfare regulation enhanced leading to fewer broilers/m<sup>2</sup> over time

ASF detected among wild boar in East Germany, leading to export bans to non-EU countries

## Poland

Broiler sector impacted by AI, leading to temporary export ban to non-EU countries; putting pressure on prices

Covid-19: big impact on sales of poultry farmers & processors, both local and international

## United Kingdom

Good weather conditions forage for dairy farmers

Pig sector: prices fairly stable due to continued demand from China

Poultry sector suffered from Covid (i.e. catering turkeys for Christmas, other seasonal poultry)

# Summary financial results 2020

**Total Feed volume**  
-3.5% at 9.7m Tonnes  
(H1: -5.6%; H2: -1.4%)

**Compound Feed**  
-3.9% at 6.8m Tonnes



**Gross profit -1.7%**  
at €433.2m



**Underlying EBITDA**  
+8.7% at €96.2m  
versus weak 2019,  
mainly due to  
efficiency plans



**Underlying net profit**  
+10.0% at €46.3m



**CF operating activities: €98.1m**  
(+2.1%)

**Strong balance sheet; net cash**



**DPS: €0.29**

60% pay-out

(2019: Regular  
€0.19 + €0.09)



# Underlying EBITDA development

<i>(in €m)</i>	2020	2019	Total %	<i>Fx</i>	<i>M&amp;A</i>	<i>LFL</i> <sup>1</sup>	<i>Comments</i>
<b>Total Feed volume (in mT)</b>	<b>9.7</b>	<b>10.1</b>	-3.5%			-3.5%	Virtually stable in GE/PL; decline in NL/BE and UK
<i>Of which: Compound Feed</i>	6.8	7.1	-3.9%			-3.9%	Smaller decline in H2 than in H1
<b>Gross profit</b>	<b>433.2</b>	<b>440.7</b>	-1.7%	-0.5%	0.1%	-1.3%	Product mix with more specialties but overall lower volumes, margin pressure in PL
<i>Underlying operating expenses</i> <sup>2</sup>	-372.6	-385.7	-3.4%	-0.5%	0.1%	-3.0%	Lower volumes and full year effect of implemented efficiency plans
Underlying EBIT <sup>2</sup>	61.6	55.7	10.6%	-0.5%	0.2%	10.9%	
Underlying depreciation and amortisation	-34.6	-32.8					Extra investments in line with Build to Grow programmes
<b>Underlying EBITDA</b>	<b>96.2</b>	<b>88.5</b>	<b>8.7%</b>	<b>-0.6%</b>	<b>0.1%</b>	<b>9.2%</b>	Compared to weak 2019; due to a.o strong cost control
<b>Translation-effect</b>	0.5	-					
Underlying EBITDA at constant currencies	96.7	88.5	9.3%				



Presented percentages have been calculated on the rounded amounts in million euro with one decimal and additions may lead to small differences due to rounding; 1) LFL stands for Like-For-Like; and means the change excluding currency impact and acquisitions and divestments; 2) 2019 number has been adjusted according to new APM definition for comparative reasons

# Profit development

<i>(in €m)</i>	2020	2019	Comments
<b>Underlying EBIT</b>	<b>61.6</b>	<b>55.7</b>	Due to decline in underlying operating expenses
Underlying Net Finance result	-2.6	-2.7	
Share of profit of equity-accounted investees	4.1	2.8	More transshipment activities (HaBeMa) and better margins
Underlying Income tax expenses	-16.4	-13.2	Following changes in the assumed tax position and tax rates in UK and NL
Non-controlling interests	-0.5	-0.3	
<b>Underlying profit</b>	<b>46.3</b>	<b>42.1</b>	<b>Underlying profit</b>
Incidental items	-32.1	-24.4	Incl. impairment of goodwill Poland (2020) and UK (2019)
<b>Profit (attributable to owners of the company)</b>	<b>14.2</b>	<b>17.7</b>	
Non-controlling interests	0.5	0.3	Non-controlling interests
<b>Profit for the period</b>	<b>14.7</b>	<b>18.0</b>	<b>Profit for the period</b>



# Profit ratios and distribution

	2020	2019	Comments
<b>Underlying profit (in €m)</b>	<b>46.3</b>	<b>42.1</b>	
Underlying earnings per share (in €)	0.49	0.43	Based on 99.0 million ordinary shares (weighted average)
Dividend per share (in €)	0.29	0.28	Based on 95.2 million ordinary shares outstanding; 2019 DPS comprised regular DPS €0.19 and special DSP €0.09
Underlying effective tax rate	27.7%	25.1%	Following changes in the assumed tax position and tax rates in UK and NL
Underlying EBITDA/Gross Profit	22.2%	20.1%	
<b>ROACE<sup>1</sup></b>	<b>19.4%</b>	<b>16.2%</b>	



General remark: additions may lead to small differences due to roundings;  
 1. ROACE defined as underlying EBITDA/average capital employed over 12 months rolling average;  
 based on underlying EBIT it increased from 10.2% (2019) to 12.4% (2020)

# Healthy capital structure

<i>(in €m)</i>	31-12-2020	31-12-2019	Comments
<b>Total Assets</b>	816.7	865.5	A.o. due to goodwill impairment activities in Poland
<b>Equity</b>	362.5	418.4	Due to addition of profit (€14.7m) minus dividend distribution (-€27.2m) minus SBB <sup>1</sup> (-€14.4m) and remeasurement pension UK due to lower interest (-€20.1m) and currency translation (-€8.1m)
<b>Solvency ratio</b>	44.4%	48.3%	
<b>Net working capital</b>	<b>33.4</b>	<b>48.7</b>	WC improved mainly in UK
- Current assets <sup>2</sup>	319.1	328.6	
- Current liabilities <sup>3</sup>	285.7	279.9	
<b>Ratio overdue receivables</b>	12.5%	16.1%	Further significant progress despite challenging markets
<b>Net Debt / (Cash)</b>	-15.8	7.0	

General remark: additions may lead to small differences due to rounding

1. SBB means share buy back programme (started in 2019 and finished in 2020);

2. current assets excluding cash and cash equivalents;

3. current liabilities excluding bank overdrafts and lease liabilities.



# Cash flow development

<i>(in €m)</i>	2020	2019	Comments
<b>Net cash flow from operating activities</b>	<b>98.1</b>	<b>96.1</b>	Mainly due to better results over the period
Net cash flow from investing activities	-28.8	-35.0	Mainly regular capex, plus gain on sales of assets (2 mills), higher dividends from equity accounted investees, partially offset by earn-out liabilities
Net cash flow from financing activities	-47.5	-85.0	In 2020 no repayment of loans given the acquisition liability De Hoop to be paid
<b>Net increase/decrease in cash and cash equivalents</b>	<b>21.8</b>	<b>-23.8</b>	
Cash and cash equivalents (1 January)	15.4	38.4	
Currency translation effect	0.9	0.7	
<b>Cash and cash equivalents (31 December)</b>	<b>38.0</b>	<b>15.4</b>	



# Alternative Performance Measures<sup>1</sup> (incidental items)

<i>(in €m) adjustments on different levels</i>	Impairments		Business combinations and divestments		Restructuring		Other		Total APM items	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
On EBITDA <sup>A</sup>	-	-	5.2	2.0	-1.2	-5.1	-	-0.3	4.1	-3.3
On EBIT <sup>B</sup>	-34.2	-30.7	-2.1	-5.4	-1.2	-5.1	-	-0.3	-37.4	-41.5
On Net financing result <sup>C</sup>	-	-	4.5	13.4	-	-	-	-	4.5	13.4
On Tax	-	1.3	0.7	1.2	0.3	1.0	-0.2	0.1	0.8	3.7
<b>On Profit to shareholders</b>	<b>-34.2</b>	<b>-29.4</b>	<b>3.2</b>	<b>9.2</b>	<b>-0.9</b>	<b>-4.1</b>	<b>-0.2</b>	<b>-0.1</b>	<b>-32.1</b>	<b>-24.4</b>

## Comment

**General:**  
change in APM definition as of 2020 to include amortisation of acquired intangible assets

**2020:** goodwill impairment Poland (€34.2m);  
**2019:** goodwill impairment UK (€25.6m); closure mills (NL + UK) due to efficiency-programme & ceasing construction of mill DE (€5.1m) (B)

**2020:** gain on sale mills (A); balance on gain sale assets & impairment acquired intangible assets(B); remeasurement put-option Tasomix (C)  
**2019:** gain on sale real estate in NL (A+B), accrual put option liability and contingent (gain) earn-outs (C)

**2020:** various projects related to efficiency programme (A+B)  
**2019:** closing mills and effect efficiency programme (A+B)

1. Underlying performance measures are alternative performance measures that are not defined by IFRS. For further information see Note 17 of the financial statement 2020; (A,B,C): reference note in the comment section;  
General remark: additions may lead to small differences due to rounding



# Core parameters 2020 compared to 2019 (H1, H2 and FY)

<i>(in millions euro (unless stated otherwise))</i>		2020	2019	Total Δ in %	Currency	M&A	Like-for-Like
<b>Total Feed</b> (x 1,000 tonnes)	H1	4,793	5,079	-5.6%	-	-	-5.6%
	H2	4,947	5,017	-1.4%	-	-	-1.4%
	FY	9,740	10,095	-3.5%	-	-	-3.5%
<b>Compound feed</b> (x 1,000 tonnes)	H1	3,380	3,561	-5.1%	-	-	-5.1%
	H2	3,425	3,522	-2.8%	-	-	-2.8%
	FY	6,805	7,083	-3.9%	-	-	-3.9%
<b>Gross profit</b>	H1	219.5	214.1	2.5%	-0.1%	0.2%	2.4%
	H2	213.7	226.6	-5.7%	-0.9%	-	-4.8%
	FY	433.2	440.7	-1.7%	-0.5%	0.1%	-1.3%
<b>Underlying operating expenses</b>	H1	-188.9	-194.7	-3.0%	-	0.1%	-3.1%
	H2	-183.7	-191.0	-3.8%	-0.9%	-	-2.9%
	FY	-372.6	-385.7	-3.4%	-0.5%	0.1%	-3.0%
<b>Underlying EBITDA<sup>1</sup></b>	H1	48.2	35.8	34.6%	-0.3%	0.3%	34.6%
	H2	48.0	52.7	-9.1%	-0.8%	-	-8.3%
	FY	96.2	88.5	8.7%	-0.6%	0.1%	9.2%



# Results the Netherlands/Belgium

(in €m)	2020	2019	Comments
<b>Total Feed volume (in kT)</b>	<b>5,086</b>	<b>5,223</b>	Effect Covid-19 mainly on cattle farmers & poultry farmers (closure out-of-home sector); Stoppers arrangement pig farmers NL; Export ban pigs in Belgium till Q4; now ASF free
Revenue	1,237	1,275	
<b>Gross profit</b>	<b>246.9</b>	<b>240.5</b>	Lower volumes and compared to weak 2019
Underlying operating expenses	-186.4	-187.4	Staffing costs stable (fewer FTEs & wage indexation); Lower volume related costs; Higher overhead allocation
<b>Underlying EBITDA</b>	<b>72.6</b>	<b>64.4</b>	
Underlying EBIT	61.4	53.5	
<b>Underlying EBITDA/Gross profit</b>	<b>29.4%</b>	<b>26.8%</b>	
<b>ROACE</b> (on underlying EBITDA)	<b>39.3%</b>	<b>34.9%</b>	



Presented figures are calculated on the rounded amounts in € million with one decimal and additions may lead to small differences due to roundings;

# Results Germany/Poland

(in €m)	2020	2019	Comments
<b>Total Feed volume (in kT)</b>	<b>2,176</b>	<b>2,194</b>	Poultry sector in PL particularly impacted by Covid -19 measures and AI <sup>1</sup> ; Higher sales in ruminants and pig sector
Revenue	562.8	582.5	
<b>Gross profit</b>	<b>74.8</b>	<b>76.4</b>	Margins in PL under pressure due to overcapacity in market on back of Covid-19 measures; better margins in GE
Underlying operating expenses	-69.6	-68.7	Fewer FTEs in GE, higher overhead allocation
<b>Underlying EBITDA</b>	<b>12.2</b>	<b>14.3</b>	
Underlying EBIT	5.3	7.8	
<b>Underlying EBITDA/Gross profit</b>	<b>16.4%</b>	<b>18.7%</b>	
<b>ROACE</b> (on underlying EBITDA)	<b>7.3%</b>	<b>8.0%</b>	



1) AI means Avian Influenza

# Results United Kingdom

(in €m)	2020	2019	Comments
<b>Total Feed volume (in kT)</b>	<b>2,478</b>	<b>2,679</b>	Volumes in dairy sector impacted by early spring (good forage) and lower milk prices; Large customer in pig sector had fewer animals
Revenue	589.2	642.7	
<b>Gross profit</b>	<b>110.8</b>	<b>122.9</b>	Volume decline and Covid-19 impact in poultry sector (a.o turkeys)
Underlying operating expenses	-104.9	-114.6	Lower volume related costs, fewer FTEs due to closure of mills and additional cost saving measures; higher overhead allocation
<b>Underlying EBITDA</b>	<b>18.2</b>	<b>20.6</b>	
Underlying EBIT	5.9	8.4	
<b>Underlying EBITDA/Gross profit</b>	<b>16.4%</b>	<b>16.7%</b>	
<b>ROACE</b> (on underlying EBITDA)	<b>14.0%</b>	<b>12.3%</b>	



**ULTRA**  
Total Pig Performance



**feed2  
milk**



# Results per cluster

<i>(in €m)</i>	Netherlands/Belgium		Germany/Poland		United Kingdom		Group/ Eliminations		Consolidated	
	2020	2019 <sup>1</sup>	2020	2019 <sup>1</sup>	2020	2019 <sup>1</sup>	2020	2019	2020	2019 <sup>1</sup>
<b>Total Feed Volume (k tonnes)</b>	<b>5,086</b>	<b>5,223</b>	<b>2,176</b>	<b>2,194</b>	<b>2,478</b>	<b>2,679</b>	-	-	<b>9,740</b>	<b>10,095</b>
Revenue	1,237	1,275	562.8	582.5	589.2	642.7	-37.5	-37.6	2,352	2,463
Gross profit	246.9	240.5	74.8	76.4	110.8	122.9	0.7	0.9	433.2	440.7
Underlying operating expenses	-186.4	-187.4	-69.6	-68.7	-104.9	-114.6	-11.6	-15.0	-372.6	-385.7
Underlying EBIT	61.4	53.5	5.3	7.8	5.9	8.4	-10.9	-14.1	61.6	55.7
Underlying depreciation and amortisation	-11.2	-10.8	-6.9	-6.5	-12.3	-12.2	-4.2	-3.3	-34.6	-32.9
<b>Underlying EBITDA</b>	<b>72.6</b>	<b>64.4</b>	<b>12.2</b>	<b>14.3</b>	<b>18.2</b>	<b>20.6</b>	<b>-6.8</b>	<b>-10.7</b>	<b>96.2</b>	<b>88.5</b>
<b>Ratios</b>										
Underlying EBITDA/Gross profit	<b>29.4%</b>	<b>26.8%</b>	<b>16.4%</b>	<b>18.7%</b>	<b>16.4%</b>	<b>16.7%</b>			<b>22.2%</b>	<b>20.1%</b>
ROACE <sup>2</sup>	<b>39.3%</b>	<b>34.9%</b>	<b>7.3%</b>	<b>8.0%</b>	<b>14.0%</b>	<b>12.3%</b>			<b>19.4%</b>	<b>16.2%</b>
ROACE <sup>3</sup>									12.4%	10.2%

Additions may lead to slight differences due to rounding; 1) 2019 comparative data adjusted for new APMs; 2) ROACE means underlying EBITDA/average capital employed on 12 months rolling average; 3) ROACE based on underlying EBIT



# Strategic Update

# Strategic update 2020

## Sustainability

Launched 'Going Circular For the Future of Farming'

Added additional objectives

Framework:

- Feed Resources
- Feed Production
- Feed Solutions

Project: mill in Lochem carbon neutral, on track

## Ambition

Engagement survey

Lead to Grow training

## Partnership

Entered into new logistical partnership with AB Texel

## Operational Excellence

Business Process Optimisation

PMO office started to facilitate project execution

## Next Level Innovation

E.g. EggXchange (layers NL); investments in differentiating processing technology in NL

## Customer Excellence

E-business enhanced; roll-out plan on track

OTIF<sup>1</sup> maintained at high levels during Covid

## M&A

De Hoop Mengvoeders (poultry, NL) - closed Q1 2021

Mühdorfer Pferdefutter (horsefeed, Germany), closed Q1 2021



# Sustainability progress examples 2020

- First time reporting scope 3 GHG emissions (raw materials used in diets; accounting for over 90% of carbon footprint)
- Solar panels installed; Lochem estimated gain around 800,000kWh p/a
- Biomass installation in Lochem (NL), using local waste wood; enables saving of approx. 1.7 million cubic metres of natural gas p/a
- Transitioning from coal use in PL (in Biskupice and Pionki) to use of natural gas (and generated electricity)



# Outlook & Guidance



# De Hoop Mengvoeders (NL)

- Founded in 1906 in the Netherlands
- Fully focused on poultry sector, predominantly in NL, also in BE and GE
- Acquired 1 February 2021 by ForFarmers
  - to become leading poultry feed company as ForFarmers-De Hoop
- Hyper modern mill in Zelhem (NL) with 320kT capacity
- Acquisition price: fixed €23m & variable at max €17m by 2023 based on mutual objectives multiple within historic range ForFarmers (5-8 x ebitda)
- Integration plan on track to be completed by end 2021

# Outlook per sector<sup>1</sup>



## Ruminants

- European and global outlook positive
- European dairy- and meat consumption stabilising; consumption worldwide continues to increase
- Nitrogen discussion in NL can limit growth in sector



## Swine

- Somewhat decreasing demand from China due to rebuild of their pig herd after ASF<sup>2</sup> impact
- European consumption slowly declining
- Number of pigs likely to grow in UK (Brexit effect), but decreasing in NL ('warmer sanering') and GE
- ASF detected in East Germany



## Poultry

- Consumption poultry products continues to grow
- EU exports benefit from valorising specific cuts (to Asia for example)
- Solid & quick recovery expected once Covid-19 measures are lifted
- AI<sup>3</sup> in some European countries limiting export possibilities short term

# Outlook ForFarmers

## Financial Objectives Build to Grow 2025

- Underlying EBITDA in 2025 of €125m-€135m<sup>2</sup>; through organic growth + acquisitions
- Annual like-for-like growth underlying EBITDA: 0%-3% as of 2020
- Cost reduction of at least €10m (by 2025 versus normalised<sup>1</sup> level 2020)
- M&A: consolidate in existing markets & expand to growth countries to become active in 7

## Intended Capex 2021

- Capex stable at around €35m in 2021

## Efficiency programme 2021 – 2022

- 2021-2022: plans for saving the first €7m
- Systems and process optimisation

1) Normalised means net of one time Covid-19 effects;  
2) At constant currencies



# Ambition 2025: our integrated objectives



## Developing talent for the Future of Farming

- LTI frequency rate < 0.5
- More diversity in management positions
- Increase 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<sub>2</sub> 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.a. (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

ForFarmers:  
business & strategy

Our mission

# For the Future of Farming



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.

# European leader in Total Feed solutions



#1 European Total Feed solutions provider



Total Feed<sup>1</sup> volume approx. 10 mT<sup>2</sup>



2020 Revenue: €2.4b & underlying EBITDA<sup>3</sup>: €96.2m



Servicing over 26,000 farmers



Completed 13 acquisitions since 2014



Approximately 2,600 employees



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



AA rating in the MSCI ESG rating

<sup>1</sup> Total Feed comprises compound feed, specialties, co-products (incl. DML products), seeds and other products (such as forage);

<sup>2</sup> Total Feed volume 2020 in million metric tonnes (mT);

<sup>3</sup> Earnings before interest, tax, depreciation and amortisation, excluding incidental items;

# ForFarmers Executive Committee



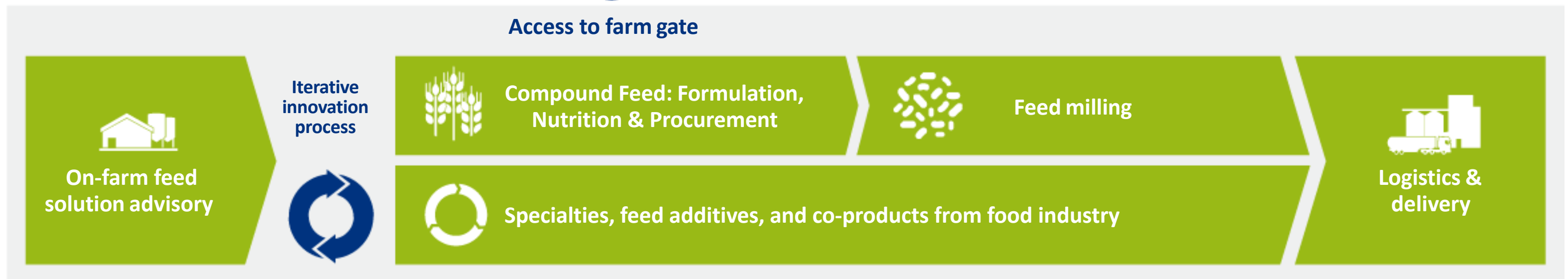
# ForFarmers' products, clients and species

<b>Compound feed</b> 	 <p><b>On-farm knowledge exchange to improve returns</b></p>	<p><b>Total Feed solution</b></p>		 <p><b>Ruminant</b></p>
<b>Specialties</b> 				 <p><b>Swine</b></p>
<b>Dry Moist Liquid (DML)</b> 				 <p><b>Poultry</b></p>
<b>Forage</b> 				



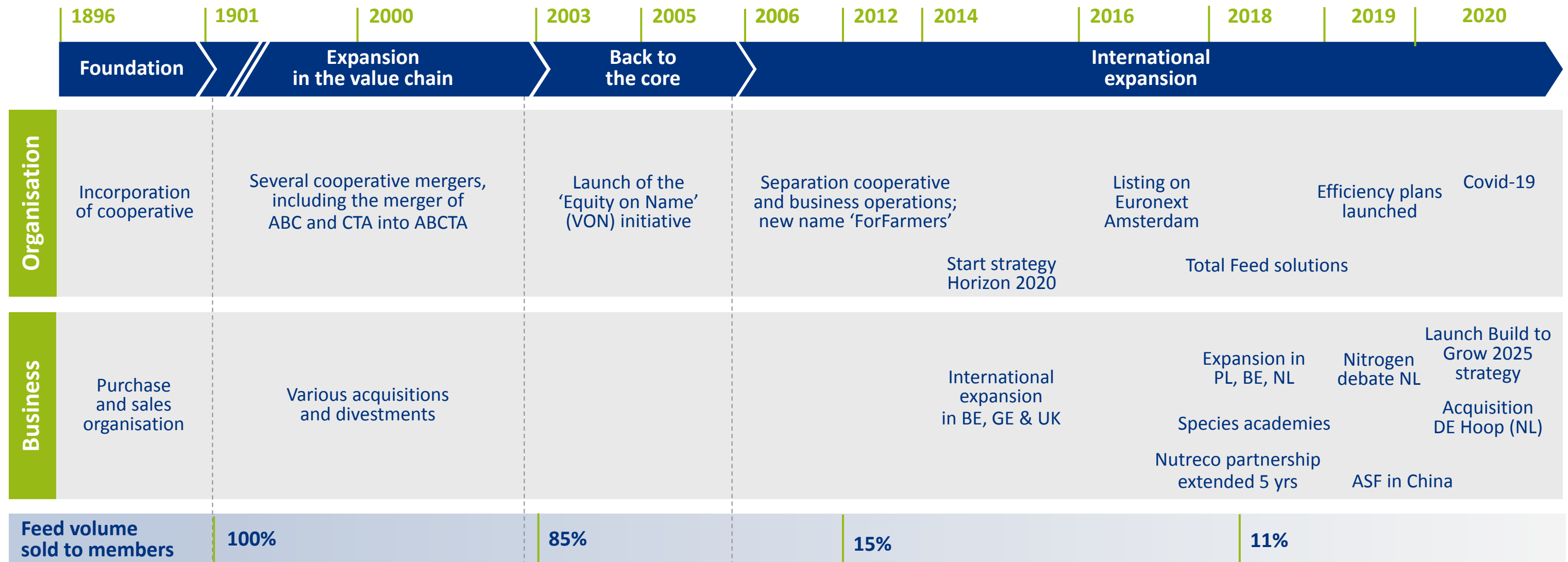
# ForFarmers' approach: From Feed To Farm

## Central position in value chain to farmers



# History

from regional compound feed cooperative to leading European listed Total Feed company



# ForFarmers' shareholders

Technical listing on  
Euronext Amsterdam:  
24 May 2016

Included in Amsterdam  
Small Cap Index (AscX)  
19 September 2016

Average daily traded  
volume in 2020:  
approx. 130.000

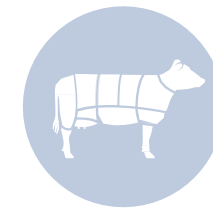
Shareholder	Capital interest	Date & source	Based on number of issued shares
APG Asset Mgt	9.98%	16 April 2020; AFM	106,261,040
Kempen Capital Mgt	5.27%	8 February 2017; AFM	106,261,040
Cooperative FromFarmers (direct)	19.4%	31 December 2020; ForFarmers	95,218,821
Cooperative FromFarmers (indirect)	28.4%	31 December 2020; ForFarmers	95,218,821
Stichting Beheer ForFarmers	8.5%	31 December 2020; ForFarmers	95,218,821

*The stakes of Kempen and APG are based on rounded capital interests as last registered at AFM (as % on issued ordinary shares ForFarmers at the time) and the stakes of ForFarmers, Cooperative FromFarmers (direct and indirect) and of Stichting Beheer- en Administratiekantoor ForFarmers are the positions as presented in the Annual Report 2020 as at 31 December 2020; \* Indirect holding of FromFarmers relates to the holdings of the individual members of the cooperative; Please note that on 11 September 2020 shares from SBB programmes were cancelled and consequently as of that date 95,218,821 ordinary shares are outstanding*

# Market trends

## Industry trends throughout the chain

# Pace and impact are changing



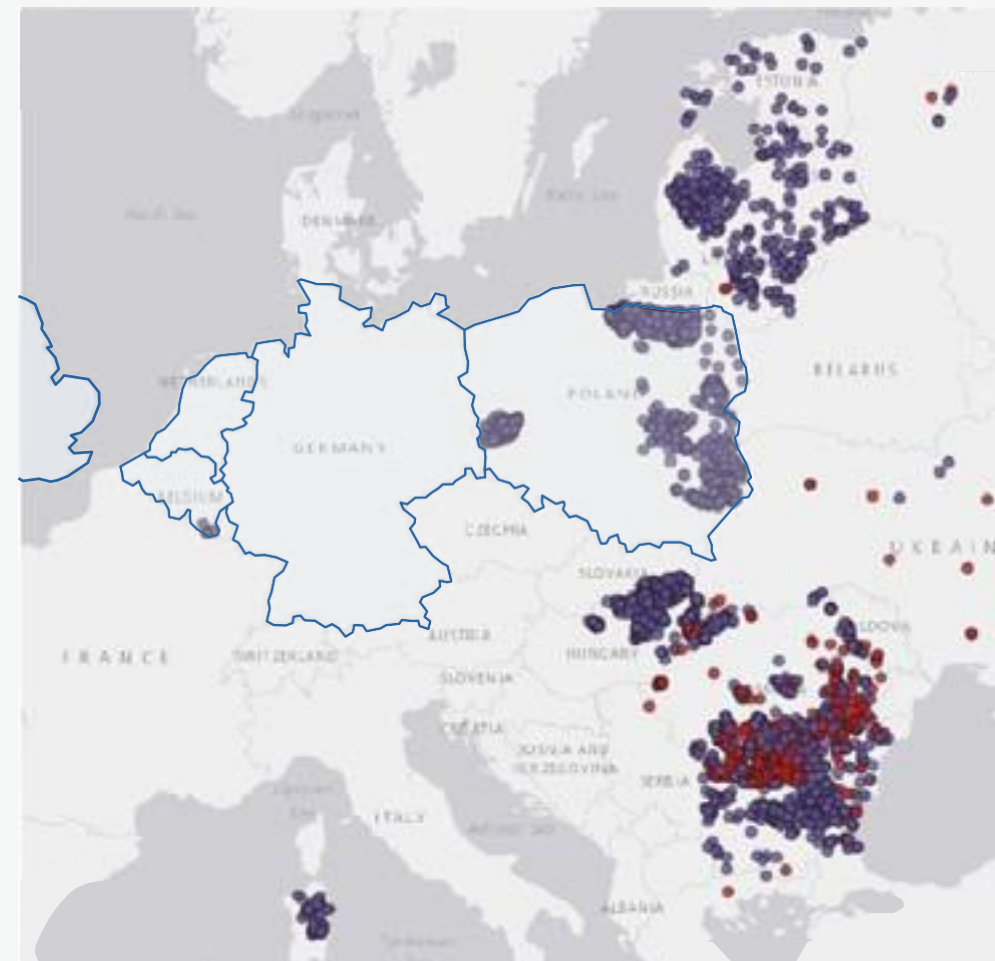
**Trend along all sectors:** Environmental measures & regulation, Data & smart chains

Raw materials suppliers	Feed Suppliers Production, supply and application of Total Feed solutions	Farmers	Dairy processors, slaughterhouses & egg packers	Retail	Consumers
<ul style="list-style-type: none"> <li>Alternative protein as feed input</li> </ul>	<ul style="list-style-type: none"> <li>Differentiation in route-to-market (e.g. e-commerce platforms)</li> <li>Overcapacity in NW Europe</li> </ul>	<ul style="list-style-type: none"> <li>Professionalization and consolidation of farms and processors</li> </ul>		<ul style="list-style-type: none"> <li>Pressure on animal protein consumption in home markets</li> <li>Diversification end-product by adding requirements (e.g. traceability, non-GMO)</li> </ul>	

# 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

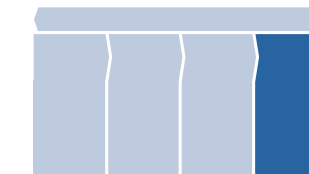
High Pathogen Avian Influenza (Bird flu)



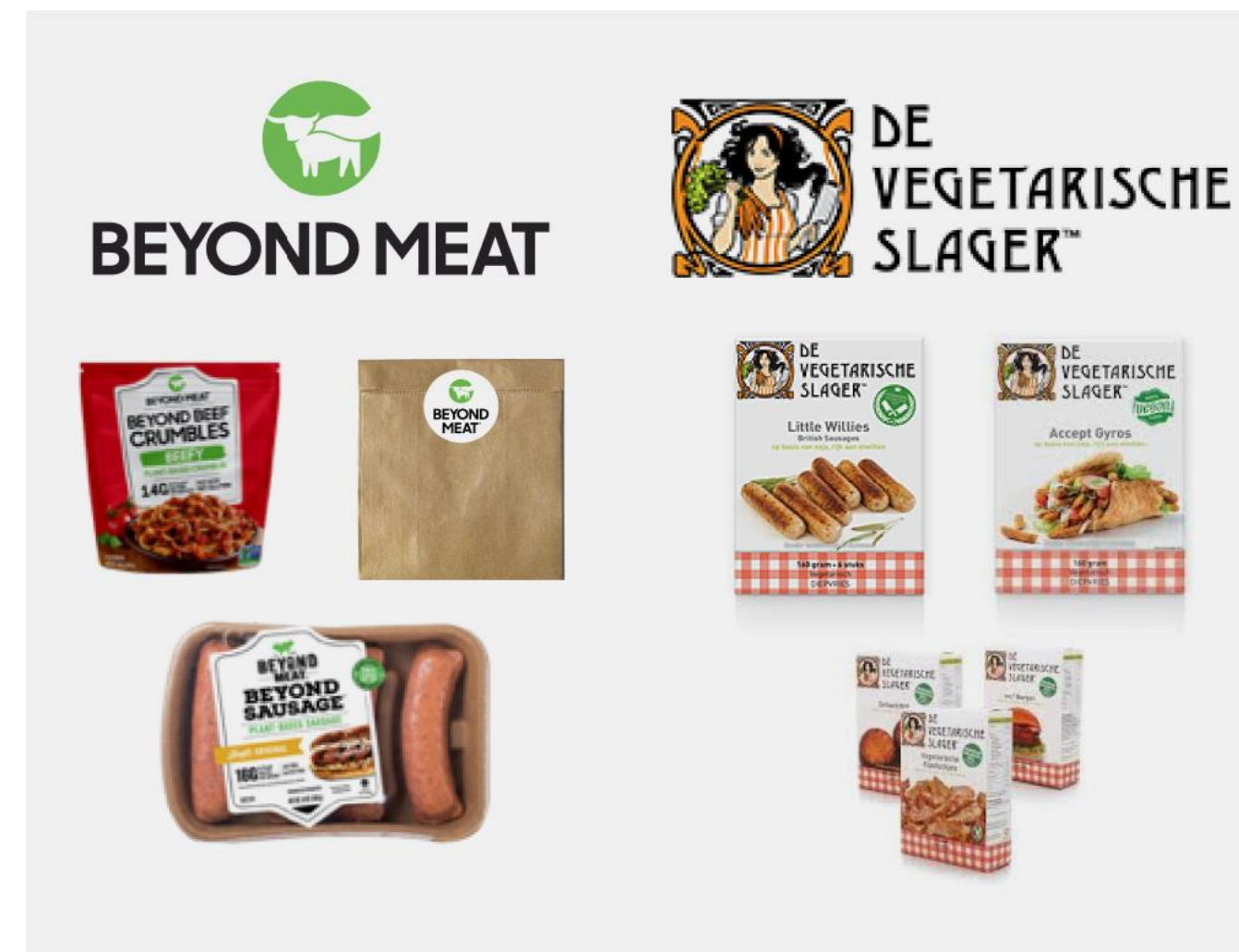
■ Captive birds ■ Poultry ■ Wild birds

# 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<sub>2</sub>, health, legislation
- Alt-meat adding to total protein consumption volumes in developed markets (no replacement of animal protein yet)<sup>1</sup>
- Not a natural place to play for a feed player



# BUILD - TO - GROW 2025



# Market Leader in 7 Countries



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



# 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 <sub>2</sub> emissions of feed materials (scope 3 - upstream)	30% CO <sub>2</sub> reduction compared to today <sup>1</sup>
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	
50% renewable energy	75% reduction of CO <sub>2</sub> per tonne of feed (scope 1 and 2) compared to 2015
10% energy/fuel reduction per tonne feed compared to today <sup>1</sup>	
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 <sup>2</sup> in Number of Lost Time Incidents	Creating a Zero LTI Culture
Reduction of 50% of Feed Safety Incidents <sup>3</sup>	Creating a Zero Feed Safety Incident Culture



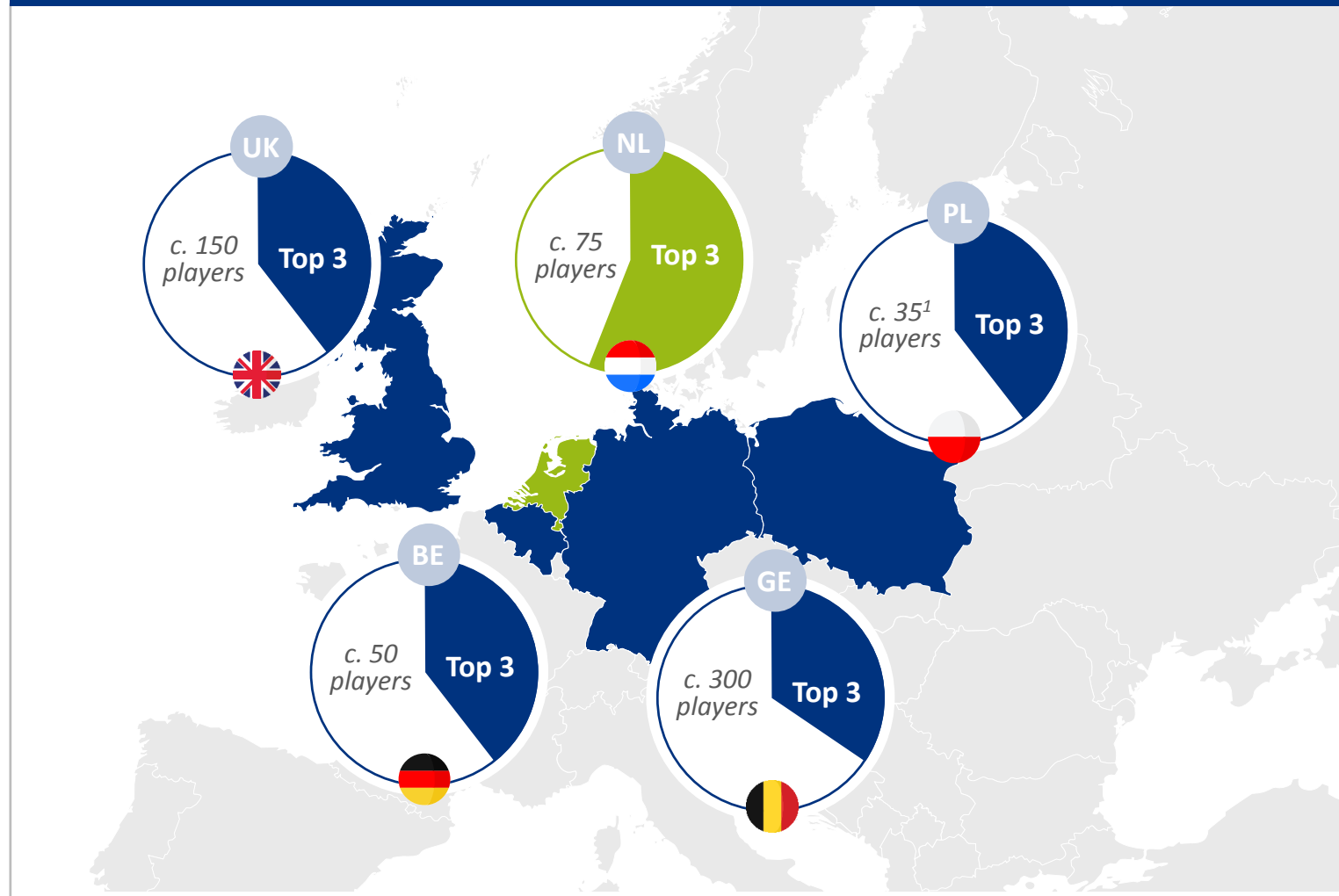
<sup>1</sup> 2020

<sup>2</sup> Baseline 2019

<sup>3</sup> Baseline 2017 Feed safety = External audit gaps, control authority warnings or fines

# ForFarmers' positions

## Fragmented markets with many players



## Market positions based on Total Feed volumes

Netherlands		
#1	ForFarmers	
#2	Agrifirm	
#3	De Heus	
#4	Fuite	
United Kingdom		
#1	AB Nutrition	
#2	ForFarmers	
#3	2Agriculture	
#4	Mole Valley Partners	
Belgium		
#1	Arvesta	
#2	ForFarmers	
#3	Quartes / Agrifirm	
#4	VandenAvenue	
Germany		
#1	Agravis	
#2	DTC	
#3	Bröring	
#4	ForFarmers	
Poland		
#1	Cargill	
#2	De Heus	
#3	Wipasz	
#4	ForFarmers / Tasomix	

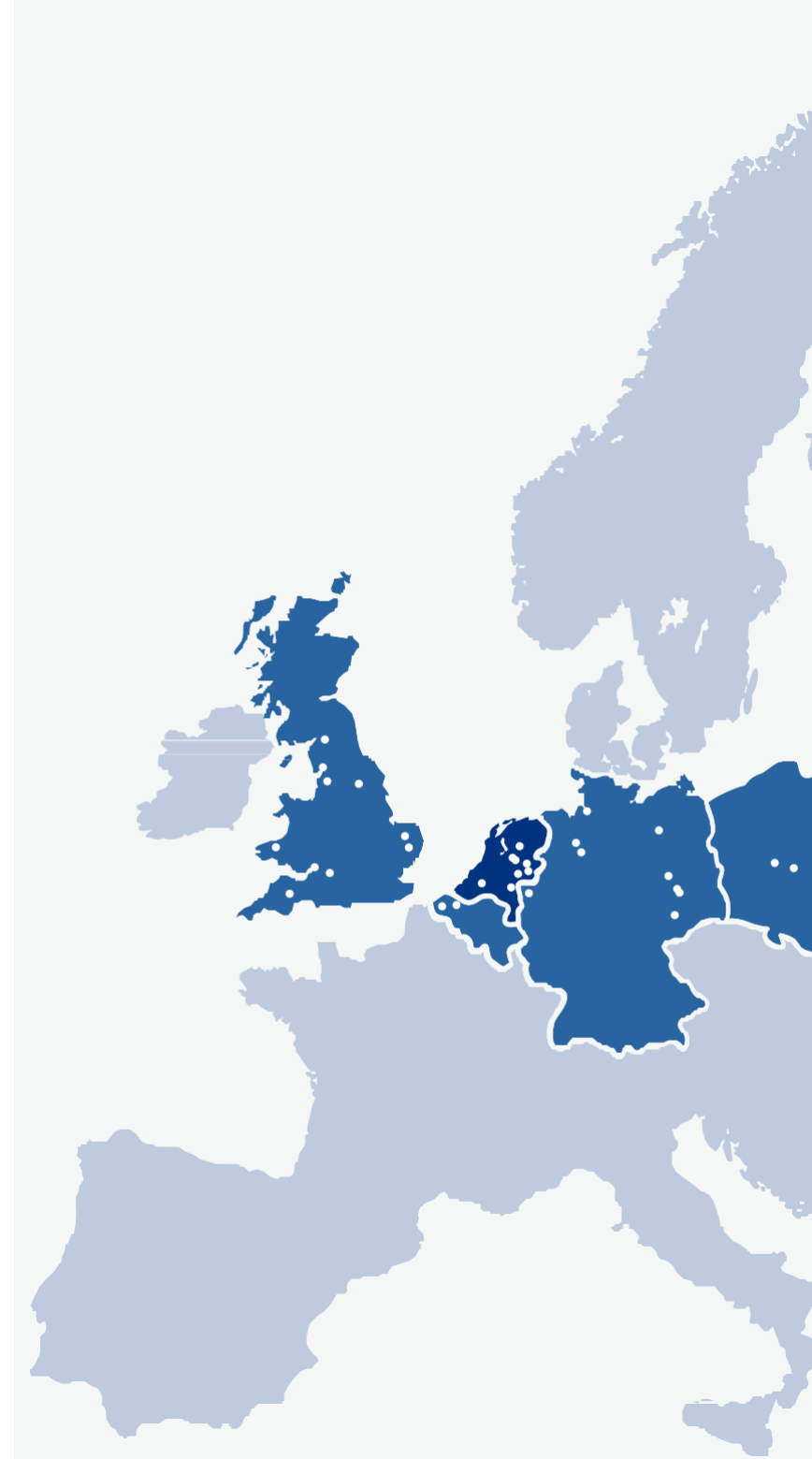


1. with a capacity of over 30kT ; Sources: Feed production volumes : FEFAC, NL, BE and PL: ForFarmers' estimates, GE: Deutscher Verband Tiernahrung data, UK: AG Industries estimate. Includes feed for poultry, cattle and pig categories, as defined by FEFAC (pet food not included)

# 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

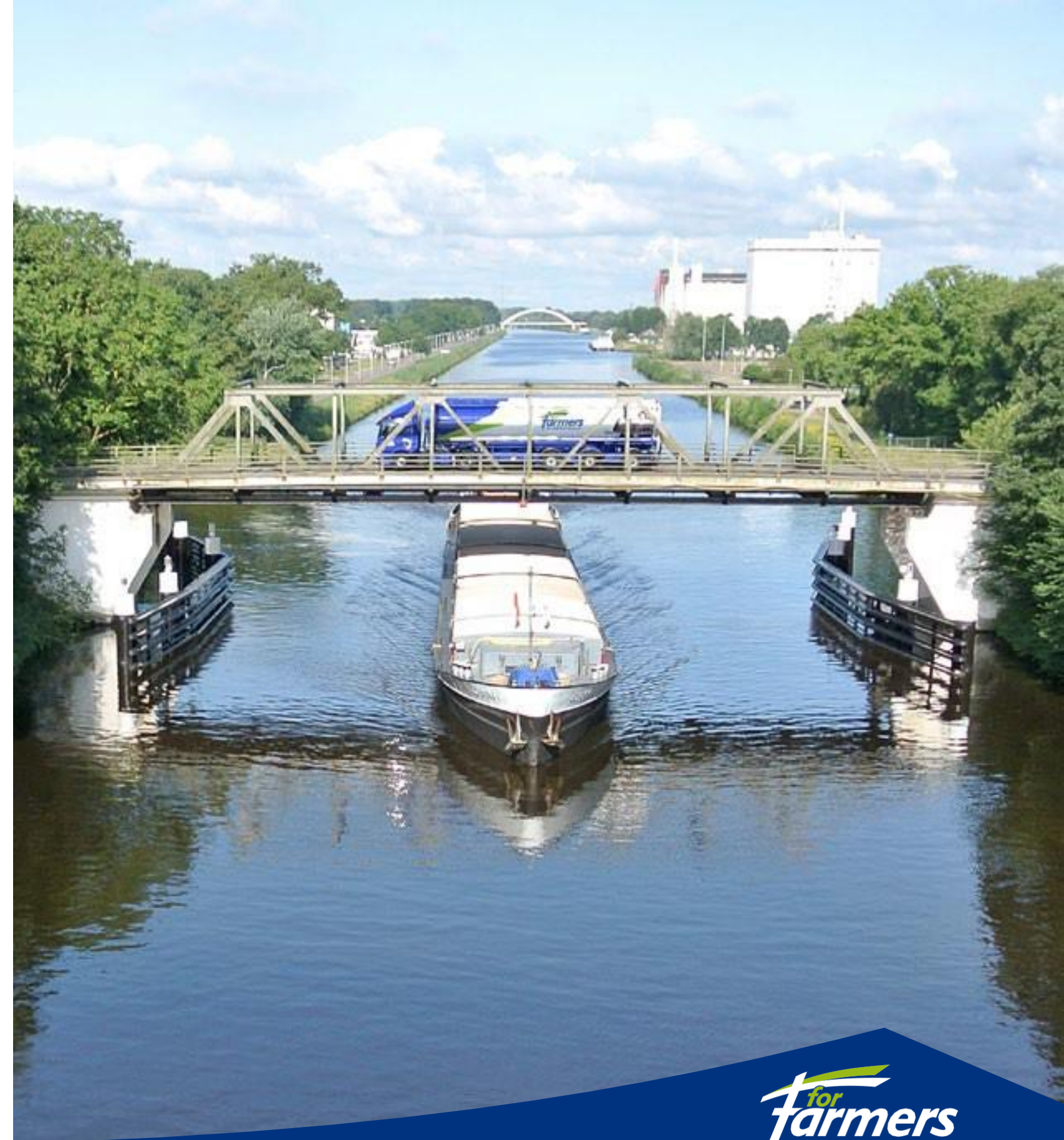
- Sizable animal population, growing > 4% per year
- Local business model/access on-farm
- Non-integrated player with already strong market position
- > €5 million EBITDA
- Platform to become no. 1 or 2 (organic and/or acquisitive growth)
- Acceptable governance principles and country risks
- May consider 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



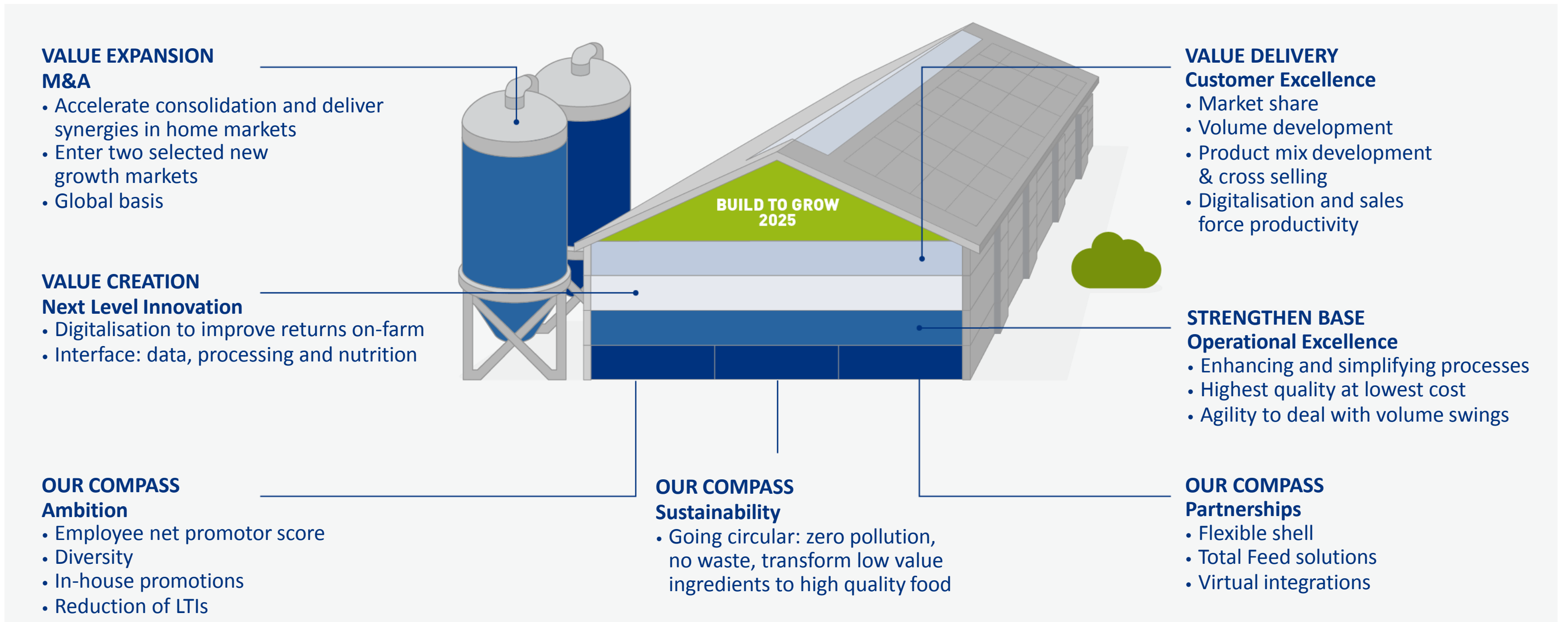
## M&A

# 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)



# Long-term value drivers



# 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)
- Dividend distribution (40-60% of underlying net profit)



# Contact

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**BUILD  
— TO —  
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2025**



