

ForFarmers N.V.: ForFarmers 2022 first-half results

Lochem, 11 August 2022

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Increase underlying EBITDA due to positive results in countries outside of the Netherlands

Financial highlights for first-half of 2022¹:

- Total Feed² volume: -7.4% to 4.5 million tonnes; due to like-for-like decline in all clusters
- of which compound feed: -7.9% to 3.2 million tonnes; decline in all clusters
- Gross profit: +18.3% to €257.3 million; higher raw material and energy prices largely passed on in Q2; 1H 2021 depressed by German incident
- Underlying EBITDA: +5.6% to €43.1 million; higher gross profit and efficiency measures
- Underlying net profit³: -4.5% to €17.1 million; mainly due to increased interest expenses and higher effective tax rate
- Working capital: increase of €21.7 million (year-on-year) to €75.0 million due to sharp increase in raw material prices

1. *Results are always compared year-on-year*
2. *Total Feed: the entire ForFarmers product portfolio consisting of compound feed, specialties, co-products (including DML products), seed and other products (such as forage)*
3. *Net profit: in this context is defined as profit attributable to shareholders of the Company*

Commenting on the 2022 first-half results ForFarmers CEO Chris Deen said:

“While still in my induction period at ForFarmers it is my privilege to present these better-than-originally-expected first-half results, mainly due to the second quarter results. This is a great achievement by the team amid challenging market conditions due to the war in Ukraine and the consequential further increase in raw material and energy prices. Our total volumes fell, mainly due to a decline in the pig sector in Netherlands/Belgium and the United Kingdom, whereas poultry volumes in Poland grew. The cost increases could only be passed on in the chain in the course of the second quarter. This explains the result improvement versus the first quarter. Finally, the absolute rise in gross profit in the first half-year was higher than the absolute increase in operating expenses. Underlying EBITDA consequently was higher than originally expected

In the Netherlands, the approach taken in handling the nitrogen crisis is leading to a polarised public debate as well as widespread unrest among livestock farmers. We call on politicians to be more open to a meeting in which everything is open for discussion. Cooperation and innovation are more effective and better than just restructuring. Moreover, prospects are prerequisites for sustainable business practices, in any sector. The agricultural sector has always proven itself in terms of innovation and solution-based thinking. Our cooperation with customers and other partners in the chain is invaluable. In all the conversations I have held in the past few months I have experienced the huge knowledge and pride in the sector in general and this great company in particular.

The tightening of the strategy in light of all the aforementioned developments is in full swing and underpins our confidence in the future. We will make further announcements about this in the fourth quarter.

We are also pleased about the recently announced joint venture between ForFarmers UK and the poultry feed company 2Agriculture in the United Kingdom. The proposed joint venture is subject to regulatory approval in the United Kingdom.

Looking ahead, there are still many uncertainties at present, especially due to the war in Ukraine. In addition, we need to consider a possible new Covid wave and the low water levels in the rivers in the Netherlands. In view of this we consider it unwise to provide any guidance about the expected development of the results in the second half of 2022 or a possible resumption of the share buy-back programme.”

[Read the full press release on www.forfarmersgroup.eu](http://www.forfarmersgroup.eu).

This press release contains information that qualifies as inside information in the sense of Article 7 paragraph 1 of the EU Market Abuse Regulation.

Note to the editor / For additional information:

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About ForFarmers N.V.

ForFarmers N.V. is an international organisation that provides complete innovative feed solutions to the livestock farming industry. With its ‘**For the Future of Farming**’ mission ForFarmers is committed to the continuity of farming and to further increasing the sustainability of the agricultural sector.

ForFarmers is the market leader in Europe with annual sales of around 10 million tonnes of animal feed. The company is active in the Netherlands, Belgium, Germany, Poland and the United Kingdom. ForFarmers has approximately 2,500 employees. In 2021 revenue amounted to approximately €2.7 billion.

ForFarmers N.V. is listed on Euronext Amsterdam.

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

Attachment

- [220811 Press Release ForFarmers first-half 2022 results](#)