Sligro Food Group N.V.

2024 half-year figures

18 July 2024

Agenda

Sligro Food Group N.V.

• Welcome	Koen Slippens
• 2024 half-year figures	Rob van der Sluijs
• Developments	Koen Slippens
• Outlook	Koen Slippens

Abridged statement of profit or loss[1]

x € million	H1-2024		H1-2023	
Revenue	1,393	100.0%	1,403	100.0%
Cost of sales	(1,027)	-73.7%	(1,032)	-73.5%
Gross profit	**366**	**26.3%**	**371**	**26.5%**
Other operating income	1	0.0%	2	0.1%
Total operating costs excluding depreciation, amortisation and impairments	(312)	-22.4%	(318)	-22.7%
Gross operating result (EBITDA)	**55**	**4.0%**	**55**	**3.9%**
Depreciation and impairment of property, plant and equipment and right-of-use assets	(34)	-2.5%	(32)	-2.3%
Operating result before amortisation (EBITA)	**21**	**1.5%**	**23**	**1.7%**
Amortisation and impairment of intangible assets	(15)	-1.1%	(19)	-1.4%
Operating result (EBIT)	**6**	**0.4%**	**4**	**0.3%**
Financial income and expenses	(7)	-0.5%	(5)	-0.3%
Pre-tax profit (loss)	**(1)**	**-0.1%**	**(1)**	**0.0%**
Income taxes	0	0.0%	2	0.0%
Profit (loss) after tax	**(1)**	**-0.1%**	**1**	**0.0%**

x € million	Netherlands	Belgium	Group
Revenue H1-2024	1.193	200	1.393
Revenue H1-2023	1.187	216	1.403
Total	**6**	**(16)**	**(10)**
Growth	0,5%	-6,9%	-0,7%

Revenue

- Organic sales drop of 0.7%:
  - Netherlands: +0.5%
  - Belgium: -6.9%
- Tobacco revenue up 25% to €130 million (9.4% of revenue)
- Regular volumes under pressure due to market conditions in the Netherlands and Belgium, and due to transitions in Belgium
- Inflation approx. 2%

[1] *Not audited.*

Gross profit[1]

Sligro Food Group N.V.

x € million	Netherlands	Belgium	Group
H1-2024			
Revenue	1.193	200	1.393
Cost of sales	(876)	(151)	(1.027)
Gross profit	**317**	**49**	**366**
Gross profit as % of revenue	*26,5*	*24,7*	*26,3*
H1-2023			
Revenue	1.187	216	1.403
Cost of sales	(867)	(165)	(1.032)
Gross profit	**320**	**51**	**371**
Gross profit as % of revenue	*27,0*	*23,7*	*26,5*

- Gross profit margin is 26.3% (down 0.2%)
- Gross profit margin adversely impacted by increased tobacco sales; corrected for tobacco products' share of revenue, margin would have been 26.7% (up 0.2%)

Steady gross profit margin overall in the Netherlands:

- Mix (cash-and-carry vs delivery service) and tobacco's increased share of revenue had a dampening effect; growth mainly in national accounts, not so much at regional delivery service and cash-and-carry outlets
- Offset by better operational grip, procurement terms and promo effectiveness

Gross profit margin grew in Belgium:

- Customer mix improved and better procurement terms

[1] *Not audited.*

Other operating income[1]

x € million	H1-2024	H1-2023
Rental income	1	1
Book result on sale of property, plant and equipment	0	1
Other non-recurring results	0	0
Total	**1**	**2**

- 2024: no material non-recurring results
- 2023: €1 million book profit on sale of vacant property.

[1] *Not audited.*

Operating costs[1]

Sligro Food Group N.V.

x € million	H1-2024	H1-2023
Operating costs		
Employee expenses	195	188
Premises costs	23	21
Selling costs	8	8
Logistics costs	59	72
General and administrative expenses	27	29
Total	**312**	**318**

- Cost inflation averaged 5.5%
- Ratio of operating costs to revenue down 0.3% to 22.4%
- Shift from logistics costs (- €12m) to employee expenses (+ €10m) and depreciation (+ €2m) because of SFG Transport
- Cost inflation more than offset by targeted transport-related interventions
- Premises costs up on the back of a sharp rise in energy prices; in 2023, prices were still fixed at a relatively low level

[1] *Not audited.*

Depreciation, amortisation and impairment[1]

Sligro Food Group N.V.

x € million	H1-2024	H1-2023
Depreciation and impairment of property, plant and equipment and right-of-use assets		
Land and buildings	8	8
Machinery and equipment	2	3
Other fixed operating assets	10	8
Right-of-use assets	14	13
Impairments	0	0
Total	**34**	**32**
Amortisation and impairment of intangible assets		
Places of business, customer relationships, trademarks and other	6	6
Software	9	13
Software impairments	0	0
Impairment of goodwill and other intangible assets	0	0
Total	**15**	**19**

- Depreciation and amortisation charges down €2 million
- Higher depreciation of other fixed operating assets following the acquisition of transport assets from Simon Loos and the addition of electric trucks to the fleet
- Higher depreciation on right-of-use assets as a result of lease contract indexations
- Lower amortisation charges on software in 2024 following impairment in 2023 and lower amortisation charges on software licences

[1] *Not audited.*

Financial income and expenses and income tax[1]

x € million	H1-2024	H1-2023
Financial income and expenses		
Finance costs on leases	(4)	(3)
Finance costs on other financial liabilities	(5)	(4)
Finance income	0	0
Share in the result of associates	2	2
Total	**(7)**	**(5)**
Income taxes		
Liabilities for financial year	0	2
Change in and release from deferred tax liabilities	0	0
Tax expense (income)	**0**	**2**

- Interest expenses up €2 million due to:
  - increased average debt position
  - rising variable interest rates.

[1] *Not audited.*

Abridged statement of cash flows[1]

x € million	H1-2024	H1-2023[2]
Net cash flow from business operations	21	81
Interest paid	(5)	(4)
Dividends received from participations	3	4
Income tax received (paid)	(5)	(5)
Net cash flow from operating activities	**14**	**76**
Net investment in operations	(9)	(44)
Net investment in fixed assets	(15)	(37)
Net investment in associates	0	0
Net cash flow from investing activities	**(24)**	**(81)**
Long-term borrowings drawn (repaid)	8	61
Change in treasury shares	(1)	0
Lease liabilities paid	(17)	(20)
Dividend paid	0	(11)
Net cash flow from financing activities	**(10)**	**30**
Change in cash, cash equivalents and short-term borrowings for operating activities	**(20)**	**25**
Opening balance	32	4
Closing balance	**12**	**29**
Free cash flow	(20)	19

x € million	H1-2024	H1-2023
Purchase of intangible assets	(5)	(12)
Purchase of property, plant and equipment	(23)	(27)
Sale of property, plant and equipment	13	2
Net fixed assets cash flow	**(15)**	**(37)**

- Lower cash flow from operations due to increase in working capital mainly by timing payments around the balance sheet date
- Lower cash flow from investing activities
  - Investments in the first half of 2024 relate to the Ghent cash-and-carry site, SFGT's (electric) vehicles, and IT and data infrastructure and software development
  - Acquisition of the Sligro part of Simon Loos' transport operations costs €9 million
  - Sale and leaseback of a section of Simon Loos' vehicles (€5m), De Kweker buildings (€4m) and Sligro-M's Liege building (€4m)

[1] Not audited.
[2] The figures for the first half of 2023 have been corrected. See the notes to the 2024 consolidated financial statements for more information.

Financing[1]

Sligro Food Group N.V.

x € million	Jun-2024	Dec-2023	Jun-2023
Loans			
Long-term borrowings	48	40	40
Current portion of long-term borrowings	0	0	0
Short-term borrowings	172	161	164
Total	**220**	**201**	**204**
Cash and cash equivalents			
Cash and cash equivalents	12	32	32
Net interest-bearing debts/EBITDA[2]			
Net interest-bearing debts (excl. IFRS 16)	197	169	172
EBITDA over past 12 months (excl. IFRS 16)	101	103	87
Actual	1.96	1.6	1.97
Rabobank/ING/ABN Amro condition	< 3.5	< 3.5	< 3.5
USPP condition	< 3.0	< 3.0	< 3.0

- Net interest-bearing debts/EBITDA = 1.96.
  - As at the end of June, we were comfortably within our lending covenants
- €8m drawdown on new ING facility of SFGT for long term lease of trucks
- Final repayment of €40 million on USPP loan due in 2025.

[1] Not audited.
[2] Based on the normalised figures, not including application of IFRS 16. The facilities' documentation states that, in the event of changes to the accounting rules that exceed the boundaries of the covenants, the report may be based on rules that were applicable before the change.

Net profit (loss) and earnings (loss) per share[1]

Sligro Food Group N.V.

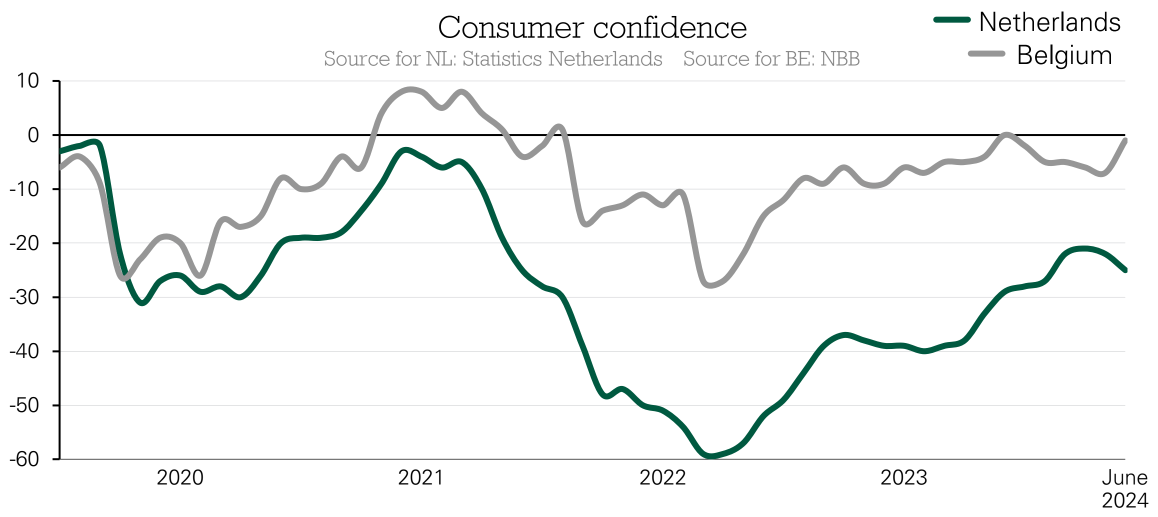
x € million	H1-2024	H1-2023
Net profit (loss)	(1)	1
Earnings (loss) per share (x €)	(0.02)	0.01
Interim dividend per share proposed (x €)	0.30	0.30

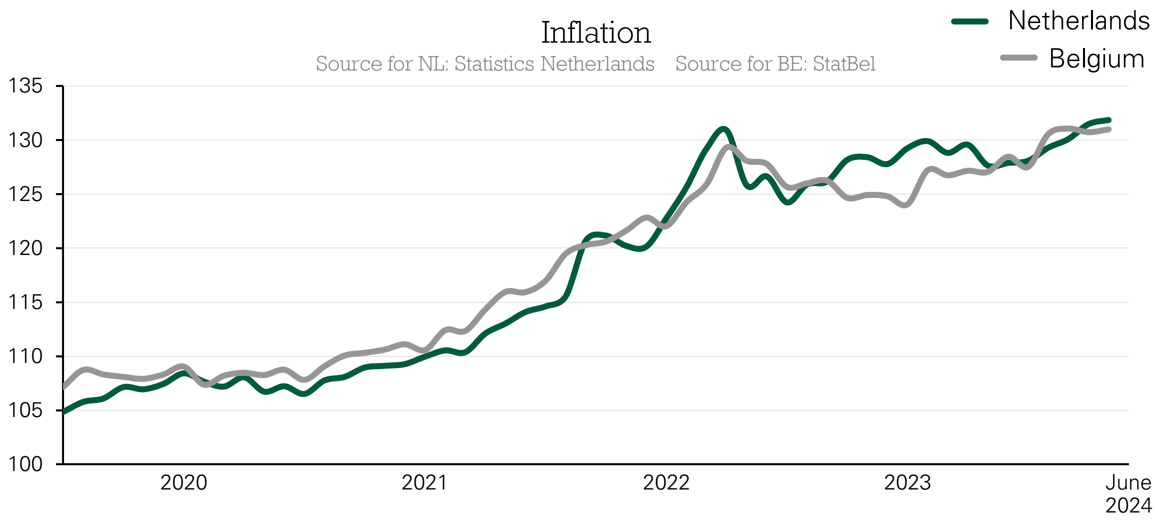
- Interim dividend of €0.30 per share paid in October.
- Interim dividend based on:
  - forecast for 2024;
  - strong financial position;
  - dividend policy.

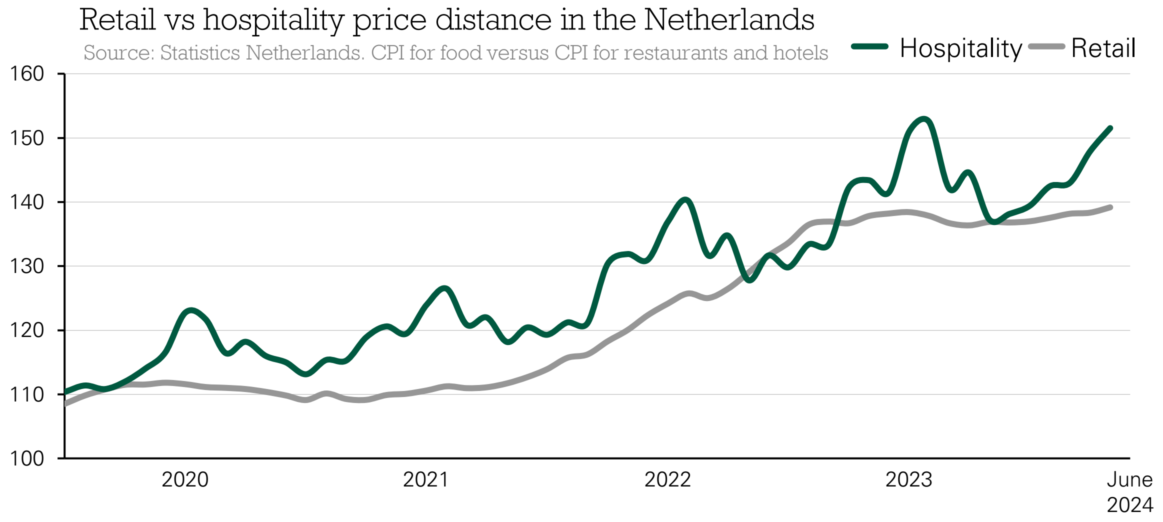
[1] *Not audited.*

Developments at Sligro Food Group

General economic developments

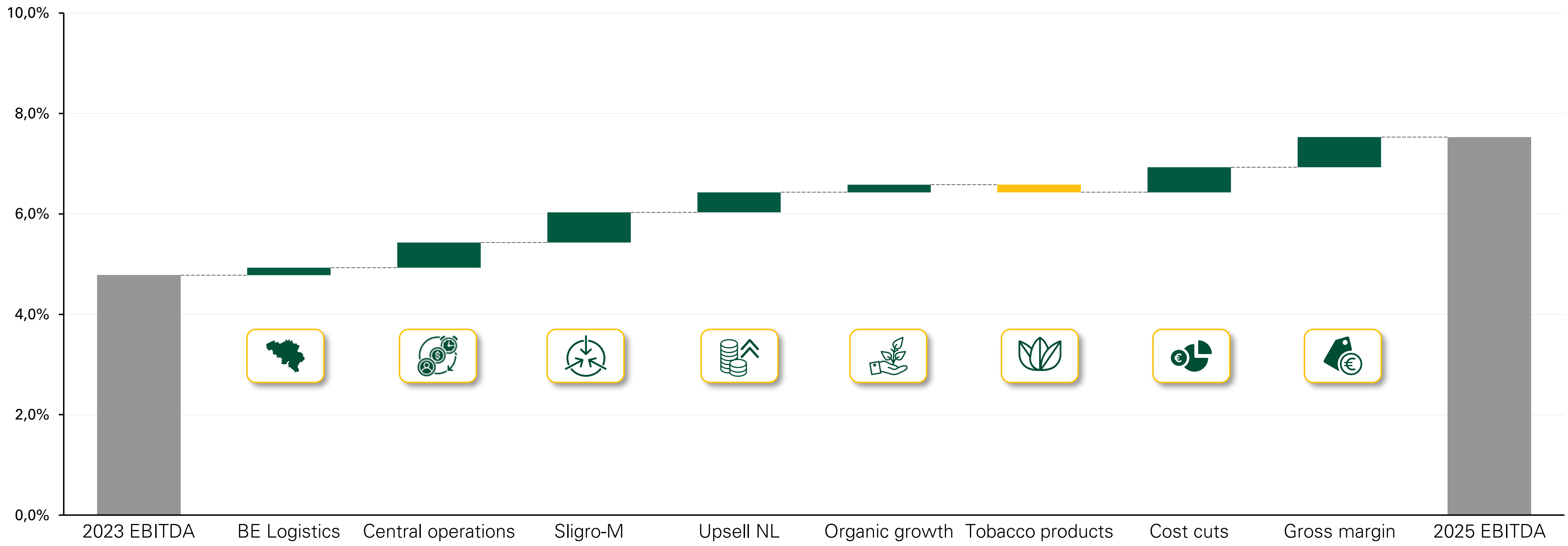






- Consumer confidence is picking up, but still low, especially in the Netherlands
- Restraint in spending; consumers are more price-conscious and visit less often
- Inflation stabilised at relatively high level
- Increased price distance between retail and hospitality has an adverse impact on the market and hospitality revenue model

EBITDA target for 2025



EBITDA target for 2025 of 7.5%

Logistics in Belgium

Sligro Food Group N.V.

Developments in the first half of the year

- Product range and supplier landscape harmonised between Belgium and the Netherlands
- System and process transition at Rotselaar delivery service site completed in June
- The whole of the Belgian operation is now running the same (legacy) systems as the Netherlands, except for the Antwerp site (SAP).
- Following the initial phase with implementation difficulties, stable performance and a basis to achieve further optimisation for customer satisfaction and returns

Outlook for the second half of the year

- Logistics infrastructure improvement through network optimisation in Belgium
- Better use of group synergies through standardised processes and systems
- Further improvement of service levels and on-time performance

Central operation

Developments in the first half of the year

- BeNe organisational structure largely implemented
- Centralisation of back-office activities (Finance, IT, master data)
- BE – Sligro-M sales collaboration model implemented
- Phase-out of 150 overhead positions through synergies is on schedule

Outlook for the second half of the year

- BeNe sales management model, marketing optimisation
- Harmonising product portfolio management processes and securing promo synergies
- Completing the integration of Sligro-M into BeNe structure

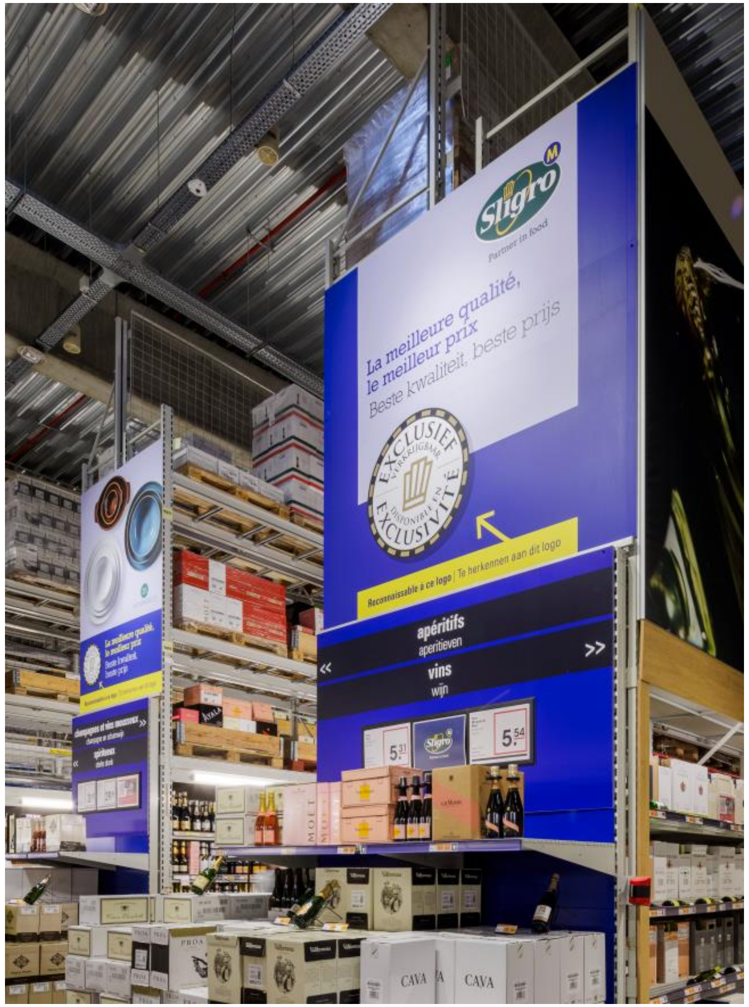
Sligro-M

Developments in the first half of the year

- Pricing and price image actions implemented positive feedback from customers in interviews
- Loyal Sligro-M customer base (approx. 7,500 customers per week) visits more often and spends more
- Focus on activation of new and reactivation of existing food professional customers
- Sligro Belgium’s new delivery service network has taken over Sligro-M’s delivery operations and can now, for the first time since the acquisition, fully focus on delivery service customers again

Outlook for the second half of the year

- Focus on revenue and attracting and winning back customers
- Seizing further synergies and growth potential from the BeNe structure



Organic growth

Sligro Food Group N.V.

Developments in the first half of the year

- Food professionals in the Netherlands and Belgium are experiencing market-wide pressure on their revenue and buying less; downtrading is also pushing down revenue
- Sligro's volumes were down slightly on last year
- Contracts with major accounts extended
- Increased visit frequency among medium-size delivery service customers
- Successful partnership with Heineken: 'buddy challenge' account management
- Poor weather conditions in the spring of 2024 had an adverse impact on revenue, while the weather was very good in the spring of 2023

Outlook for the second half of the year

- Slight improvement of market conditions and limited volume growth in delivery segment
- Focus on growth in number of new SME customers in the cash-and-carry domain through new segmented approach on socials, targeted acquisition (white spots), and by upgrading our promotions

Cross-selling and upselling

Sligro Food Group N.V.

Developments in the first half of the year

- Additional promotional and permanent low price activities to make cash-and-carry sites more attractive to regional food professionals
- Increase in share of premium brands

Outlook for the second half of the year

- Reactivation of SME customers with additional, data-driven sales approach
- Trigger impulse buying through a site-driven and data-driven approach
- Further successful events targeting food professionals (Horeca Voordeeldagen) and also other customer segments

Tobacco products

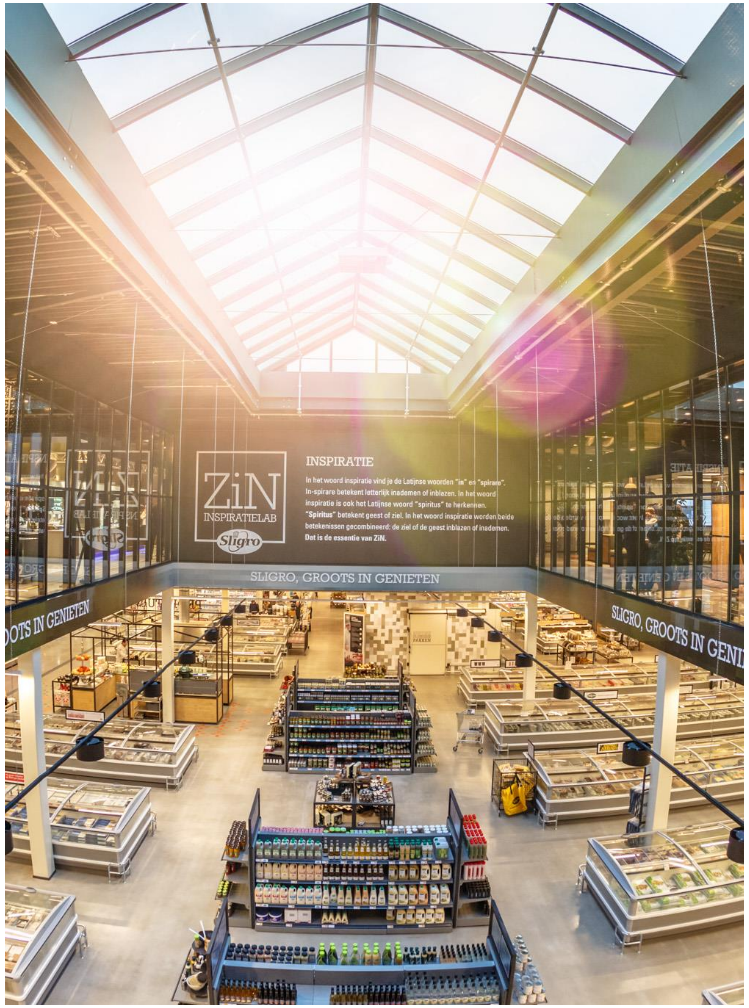
Sligro Food Group N.V.

Developments in the first half of the year

- Tobacco products share of revenue up 9%
- Cash-and-carry sites have stopped selling tobacco as of 1 July
- Delivery services sites have stopped selling tobacco as of 1 July, except for a few ongoing contracts (petrol stations segment)
- Stake in Vemaro sold

Outlook for the second half of the year

- Roll-out of food proposition for two specific customer segments: petrol (delivery service) and resellers (cash-and-carry)
- Termination of remaining delivery service contracts (petrol stations) by 1 January at the latest, while maintaining non-tobacco revenue under the contract
- Tobacco products to generate approximately €110m in revenue in the second half of the year; depends on timing of contract transfer; tobacco products share of revenue to fall to 0% as of 1 January 2025



Cost savings

Developments in the first half of the year

- Tight management of supply chain resources (people and transport) and operational improvement processes have reduced supply chain costs in an absolute sense
  - Increasing task length by extending delivery windows
  - Increasing the load volumes
  - Packaging mechanisation at Amsterdam delivery service site
- Cost inflation was 5.5%; additional measures taken to cushion drop in revenue
- Higher productivity in cash-and-carry operation
- Centralisation of back-office activities

Outlook for the second half of the year

- Complete integration leading to reduction of at least 150 overhead positions
- IT harmonisation of BeNe systems and processes
- Cost drive initiated across the organisation with further potential in second half of the year
- Network optimisation for supply chain in Belgium and increasing drop size and load volumes in the Netherlands

Gross margin

Sligro Food Group N.V.

Developments in the first half of the year

- Margin improvement through procurement synergies across BeNe and Superunie
- Improving collaboration conditions for suppliers and monetising data
- Price increases on goods largely passed on to the market
- The overall underlying margin in the Netherlands (corrected for tobacco products' share of revenue) is stable thanks to promo pressure and tighter pricing policy for bulk items

Outlook for the second half of the year

- Stable development of underlying gross margin
- Scope to pass on other cost increases is limited
- Optimise price and promo management to improve gross profit in Belgium
- More grip and control, resulting in slightly improved gross profit margins

General developments

Sligro Food Group Transport

Sligro Food Group N.V.

Developments in the first half of the year

- Takeover of Simon Loos' transport operations in Amsterdam, Berkel en Rodenrijs and Drachten went well and without any disruptions
- Integrating the transport business into Sligro (drivers, planning system, etc.)
- 15 new electric trucks delivered; charging points added at Amsterdam delivery service site
- New long-term contracts signed with all other external transport partners based on a new model

Outlook for the second half of the year

- Delivery of final batch of 50 e-trucks
- Sligro ready for fully electric delivery service in Amsterdam city centre by late 2024
- Optimisation of SFGT processes and collaboration with other transport partners

ERP/Digital development

Developments in the first half of the year

- New SAP roll-out approach adopted in collaboration with SAP
- Van Hoeckel and Sligro Food Group Belgium switched to the same digital platform (SAP Hybris)
- Roll-out of new data platform
- Throughout this phase, SAP showed itself to be a strong and reliable partner, and they have committed to guiding us towards a working, future-proof, SAP-based ERP solution during the implementation phase.

Outlook for the second half of the year

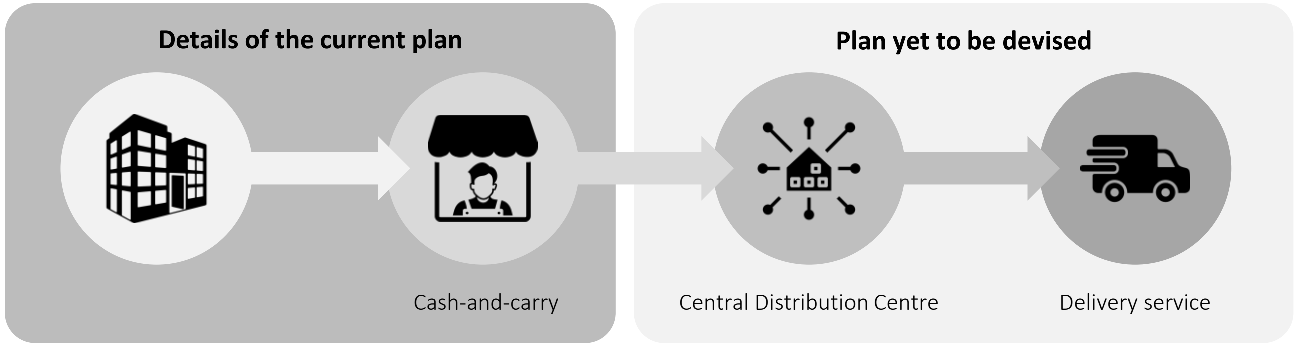
- Preparations for SAP restart from January 2025
- Preparing the organisation and master data for migration to SAP
- Expand self-service functionality of the digital platform
- Remaining SAP investment fits within annual CAPEX
- Given both parties' commitment to make the remainder of our SAP implementation a success, we are confident that will be able to complete this process over the coming years and start capitalising on the value that this transition will create.

SAP programme restart

In 2023, the SAP programme was the subject of intensive talks with IB and SAP

The aim is to, step by step, equip the Service Office, Cash-and-Carry Operation, Central Distribution Centre and Delivery Service with a future-proof, scalable and reusable ERP

After the Service Office and Cash-and-Carry Operation have switched, we will evaluate to see what would be best for CDC and Delivery Service



Building the system step by step will ensure focus on time, money and quality

Improvements to be implemented in a targeted manner based on lessons learnt

SAP responsible for design, building and first roll-out

Project start is firmly conditional on the organisation being ready for it

Developments in the first half of the year

- Progress of preparations for entry into force of CSRD:
  - dummy annual report is in the making
  - manual for KPIs and measurement is ready
  - stakeholder management completed
  - baseline measurement and climate test in progress
- Revenue share of ‘Eerlijk & Heerlijk’ range in the Netherlands rose to 14.2%
- Over 3,000 new solar panels in 2024; total panels: 61,000

Outlook for the second half of the year

- Ample time and focus to be dedicated to CSRD, including setting up Scope 3 calculations
- Carbon reduction thanks to building refurbishments and use of electric vehicles
- Sligro ready for fully electric delivery service in Amsterdam city centre by late 2024


OLITALIA
VLOEIBAAR
GOUD
Olitalia is één van de grootste olijfoliemerken
in de wereld. Het bedrijf selecteert de beste
Italiaanse olie. Hierdoor beschikken wij
exclusief over een uitgebreid assortiment
van top oliën. Olitalia is met recht
dé oliespecialist van Italië.
Olitalia, exclusief bij Sligro.
Sligro
CULTIVAR
Olitalia

Outlook

Outlook

Sligro Food Group N.V.

Market:

- (Food) inflation levelling off but will remain high at 2-3%
- Consumer confidence, hyperinflation over the past years, and (geo)political uncertainties will weigh on volumes in the 'out of home' channel
- No broad market recovery yet in the second half of the year; marginal market growth overall

At Sligro Food Group:

- Manage inflation in our pricing
- Good grip on costs; cost savings from improved efficiency and integration
- Tobacco products' revenue share in the second half of the year depends on the timing of the transfer of a remaining contract of the delivery service and the market dynamics in the tobacco products segment
- Operating result (EBITDA) on a par with 2023
- Plan to bring EBITDA up to 7.5%; focus and market recovery remain key determining factors for timing and implementation


TOT ZIENS
IN HET SEIZOEN
IN HET SEIZOEN
NAAR DE NON-FOOD VERDIEPING
MEER MARGE VOOR SLIMME INKOPERS
PLATTEGROND
AED

Statement of financial position

Sligro Food Group N.V.

x € million	Jun-2024	Dec-2023
Assets		
Goodwill	130	130
Other intangible assets	133	143
Property, plant and equipment	304	296
Right-of-use assets	246	250
Investments in associates	54	56
Other non-current financial assets	12	13
Deferred tax assets	4	4
Total non-current assets	**883**	**892**
Inventories	275	268
Trade and other receivables	255	244
Other current assets	40	37
Income tax	4	0
Cash and cash equivalents	23	32
	597	**581**
Assets held for sale	1	9
Total current assets	**598**	**590**
Total assets	**1,481**	**1,482**

x € million	Jun-2024	Dec-2023
Liabilities		
Paid-up and called-up capital	3	3
Share premium	31	31
Other reserves	(4)	(2)
Retained earnings	429	429
Total equity	**459**	**461**
Deferred tax liabilities	9	9
Employee benefits provision	3	2
Other non-current provisions	0	0
Long-term borrowings	48	40
Non-current lease liabilities	251	255
Other non-current liabilities	3	3
Total non-current liabilities	**314**	**309**
Current provisions	0	0
Current portion of long-term borrowings	0	0
Short-term borrowings	172	161
Current lease liabilities	28	26
Trade and other payables	390	364
Income tax	2	5
Other taxes and social security contributions	30	37
Other liabilities, accruals and deferred income	86	119
Total current liabilities	**708**	**712**
Total liabilities	**1,481**	**1,482**

[1] *Not audited.*

Segment figures[1]

Sligro Food Group N.V.

x € million	Netherlands H1-2024	Netherlands H1-2023	Belgium[2] H1-2024	Belgium[2] H1-2023	Group H1-2024	Group H1-2023
Revenue	1.193	1.187	200	216	1.393	1.403
Organic revenue growth as %	0,5	15,7	(6,9)	36,8	(0,7)	17,6
Gross profit as % of revenue	26,5	27,0	24,7	23,7	26,3	26,5
Gross operating result (EBITDA)	59	62	(4)	(7)	55	55
Operating result before amortisation (EBITA)	31	36	(10)	(13)	21	23
Operating result (EBIT)	19	19	(13)	(15)	6	4
Net profit (loss)	10	12	(11)	(11)	(1)	1
Net investments	12	30	4	8	16	38
Free cash flow	2	34	(22)	(15)	20	19
EBITDA as % of revenue	5,0	5,2	(2,0)	(3,2)	4,0	3,9
EBIT as % of revenue	1,5	1,6	(6,3)	(7,1)	(0,4)	0,3
Average net invested capital	713	740	166	90	879	830
EBITDA as % of average net invested capital	20,0	17,4	(3,6)	(14,5)	15,6	13,9
EBIT as % of average net invested capital	2,6	6,2	(7,7)	(27,5)	0,7	2,5

[1] *Not audited.*
[2] *Sligro-Metro's operations have been allocated to the Belgium segment in their entirety.*

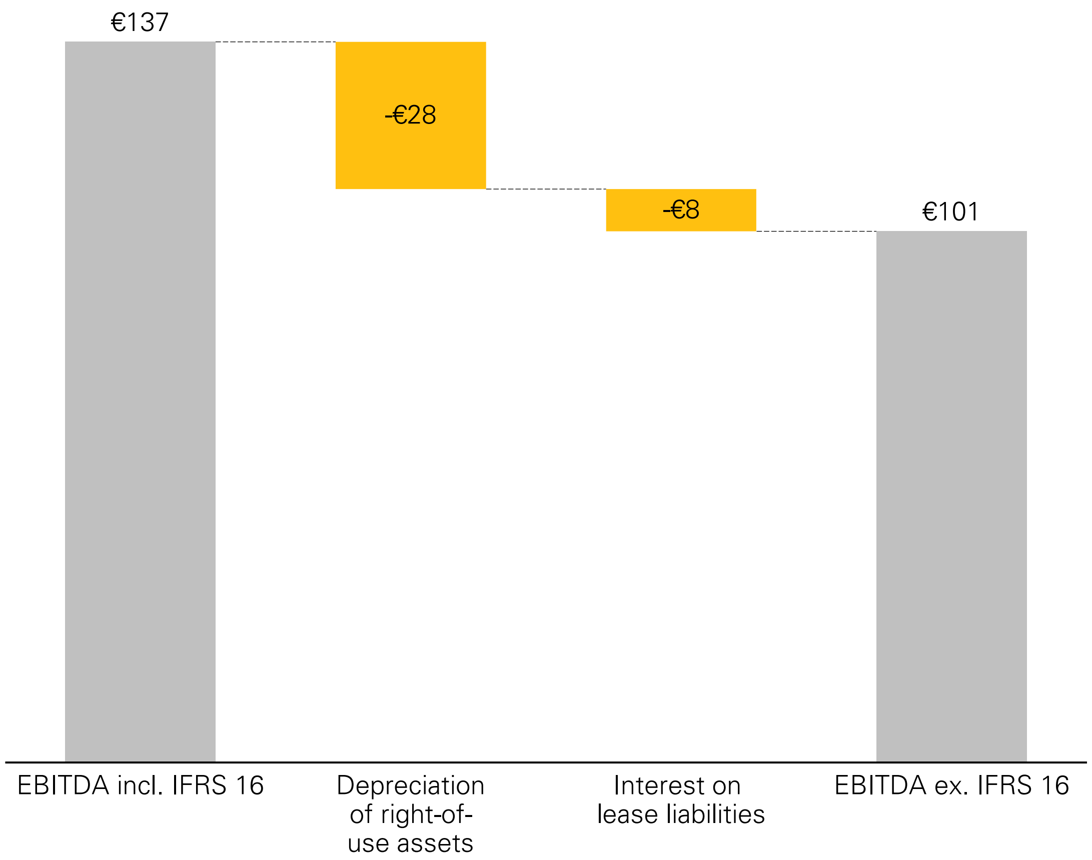
Segment cash flows[1]

Sligro Food Group N.V.

x € million	Netherlands		Belgium[2]		Group	
	H1-2024	H1-2023[3]	H1-2024	H1-2023	H1-2024	H1-2023[3]
Net cash flow from business operations	34	84	(13)	(3)	21	81
Interest received and paid	(5)	(4)	0	0	(5)	(4)
Dividends received from participations	3	4	0	0	3	4
Income tax paid	(5)	(4)	0	(1)	(5)	(5)
Net cash flow from operating activities	**27**	**80**	**(13)**	**(4)**	**14**	**76**
Net investment in operations	(9)	0	0	(44)	(9)	(44)
Net investment in fixed assets	(11)	(29)	(4)	(8)	(15)	(37)
Net investment in associates	-	0	0	0	-	0
Net cash flow from investing activities	**(20)**	**(29)**	**(4)**	**(52)**	**(24)**	**(81)**
Long-term borrowings drawn (repaid)	8	61	0	0	8	61
Capital contributions/current account	(17)	(18)	17	18	0	0
Change in treasury shares	(1)	0	0	0	(1)	0
Lease liabilities paid	(13)	(17)	(4)	(3)	(17)	(20)
Dividend paid	0	(11)	0	0	0	(11)
Net cash flow from financing activities	**(23)**	**15**	**13**	**15**	**(10)**	**30**
Change in cash, cash equivalents and short-term borrowings for operating activities	**(16)**	**66**	**(4)**	**(41)**	**(20)**	**25**
Opening balance	18	(48)	14	52	32	4
Closing balance	**2**	**18**	**10**	**11**	**12**	**29**

[1] Not audited.
[2] Sligro-Metro's operations have been allocated to the Belgium segment in their entirety.
[3] The figures for the first half of 2023 have been corrected. See the notes to the 2024 consolidated statement of financial position for more information.

EBITDA for ratio calculation[1]



- EBITDA reported from 2019 including IFRS 16.
- Financing based on net debt/EBITDA ratio not including IFRS 16.
- Not including IFRS 16 paints a better picture of the cash position.

[1] *Not audited.*