

Acomo reports EBITDA of €41 million for H1 2024 supported by double digit growth in Spices and Nuts, however cocoa market circumstances continued to negatively impact Group results

Interim dividend set at €0.40 per share

ROTTERDAM (NL), 23 JULY 2024

Today, ACOMO N.V. (Acomo), the Euronext Amsterdam-listed diversified, plant-based food ingredients Group, reports H1 2024 results with sales of €668 million (equal to H1 2023) and an EBITDA of €41.2 million (H1 2023: €45.3 million). The Spices and Nuts segment performed very strongly across the board with an EBITDA growth of +20%. As already announced in the Group strategy update in April 2024 the extreme cocoa market price developments materially impacted the performance of the Organic Ingredients segment in H1. Edible Seeds saw lower results in North America due to a lower demand for bird feed and reduced export sales to Europe, whereas Tea and Food Solutions results were similar to H1 2023.

Working capital slightly increased versus 31 December 2023 and the balance sheet position remains strong with a solvency ratio of 53.7%.

The company set the interim dividend at € 0.40 per share in line with last year.

Highlights:

- **EBITDA of €41.2 million versus €45.3 in H1 2023.**
- **Net Profit of €17.8 million versus €22.0 million in H1 2023.**
- **Spices & Nuts achieved a record first half year with strong sales; margins and EBITDA at double-digit growth versus H1 2023.**
- **Unpredictable and volatile cocoa market prices negatively impacted results of the Organic Ingredients segment as previously announced.**
- **Edible Seeds performance impacted by warm winter in North America and lower export sales from North America to Europe.**
- **Agreement reached on the acquisition of the Caldic nuts and dried fruits business in the Nordics.**
- **New Group CFO will start as per 1 October 2024 and new Tradin Organic CEO will start as per 1 September 2024.**

(in € millions)	H1 2024	H1 2023	Change vs H1 2023
Sales	668.2	668.0	0%
EBITDA	41.2	45.3	-9%
EBIT	32.7	36.4	-10%
Net Profit	17.8	22.0	-19%
Operating Cash Flow	(9.7)	54.2	-118%

'I am very happy with the continued excellent performance of our Spices and Nuts businesses. The performance in this segment is strong across the board, showing the solid foundation this segment is built upon and the excellence of our teams. Therefore I am pleased that we signed the agreement with Caldic on the acquisition of their nuts and dried fruits business in the Nordics. This acquisition will enable further growth of our business through portfolio and geographic expansion. Again, our Organic Ingredients segment was heavily impacted by the cocoa market developments. Although 2023 already showed a sharp increase in market prices, this development became even more extreme in H1 2024. Despite the dedication of our people and all measures taken, the impact of the sharp price increase could not be eliminated. Cocoa market prices remain very volatile, although prices have lately eased somewhat. The cocoa market outlook for H2 2024 remains uncertain, but we may see some improvement in the second half of the year. I am excited that we will fill two key

roles for the organization soon. Mirjam van Thiel will join per 1 October as Group CFO of Acomo, bringing highly relevant business and financial experience. Floris Wesseling will start as the new CEO of Tradin Organic per 1 September 2024. Floris has a proven track record in the food industry and brings a wealth of experience that will allow Tradin Organic to further develop and grow,' said CEO Allard Goldschmeding. 'Based on the strength of the underlying business, the Board has set the interim dividend at €0.40 per share, consistent with previous year. The Board of Directors is grateful for the dedication and commitment of the teams.'

Key figures H1 2024

Consolidated figures (in € millions)	H1 2024	H1 2023
Sales	668.2	668.0
Gross profit	88.8	86.7
EBITDA	41.2	45.3
Operating income (EBIT)	32.7	36.4
Financial expense	(8.3)	(7.8)
Corporate income tax	(6.6)	(6.6)
Net profit	17.8	22.0
Shareholders' equity	411.3	402.8
Total assets	768.1	804.7
Ratios		
Solvency-equity as % of total assets	53.7%	50.3%
Earnings and equity per share (in €)		
Earnings per share	0.61	0.75
Equity per share as at 30 June	13.89	13.60

In the first half year of 2024, Group sales stayed on par with 2023, at somewhat improved margins. Operational expenses increased mainly due to higher labour expenses. Consolidated reported sales were €668.2 million (2023: €668.0 million) and gross profit increased by 2.4% to €88.8 million (2023: €86.7 million). The financial expenses increased to €8.3 million due to a changed currency borrowing mix. The average tax rate increased from 23.2% in H1 2023 to 27.1% in H1 2024 due to a changed country mix. Net profit for the first half year reached €17.8 million, a decrease of -19% versus 2023 (€22.0 million).

The reported results include amortization charges of -€2.5 million (equal to H1 2023) in relation to the acquisition of Tradin Organic, as well as unrealized FX/CX hedge results, which impacted both gross profit and operating expenses. The unrealized FX/CX hedge results had a positive impact of +€4.4 million on the H1 2024 EBITDA versus a negative impact of -€4.4 million on the EBITDA in H1 2023.

ESG

In the past half year we continued our efforts to prepare for the Corporate Sustainability Reporting Directive (CSRD). Based on the double materiality analysis outcomes, we assessed the reporting requirements of the applicable European Sustainability Reporting Standards (ESRS). In the remainder of the year we will take the necessary steps to collect data, compile information, draft disclosures and secure limited assurance on the sustainability statements.

Currency euro/US dollar

The average euro/US dollar exchange rate of 1.081 in H1 2024 was equal to H1 2023 (1.081), resulting in a negligible translation effect on sales and net profit.

The euro/US dollar rate of 1.071 at 30 June 2024 reflected the slightly stronger US dollar against the euro compared to the 2023 year-end rate of 1.104. The impact of the stronger US dollar on total assets was +€11 million.

Interim dividend H1 2024

Based on the fundamentals of the business, the interim dividend has been set at € 0.40 per share. The ex-dividend date is 29 July 2024 and the dividend is payable on 6 August 2024.

Activity reviews per segment

Spices and Nuts

The Spices and Nuts segment started 2024 with a record performance, realizing double digit EBITDA growth. Sales increased amongst all product groups and margins were healthy. Especially nuts & dried fruits volumes developed positively. Prices of some spices such as black pepper and garlic increased versus the start of the year, while cumin and nutmeg showed downward trends. In the nuts and dried fruits market, prices increased compared to the beginning of the year for important products such as cashew, walnuts, macadamias, brazil nuts and desiccated coconut. Market prices for almonds and figs were volatile during the first half of 2024. Overall sales increased by 7% and margins improved.

The effects of the announced acquisition in the Nordics are not included in the H1 2024 reported results. Finalization of the acquisition is subject to approval of the Swedish authorities and the transaction is expected to close in Q3.

Edible Seeds

The Edible Seeds segment increased its margin versus last year. Consequently, the segment was able to partially compensate for the pressure on sales volumes. The main cause of the lower sales (-7%) was lower demand for US-grown seeds in Europe, leading to reduced exports. The Wildlife business sales are below last year due to the very mild winter leading to lower retail demand industry wide. Double digit sales and margin growth of SunButter®, the leading brand for non-peanut, allergen-free spreads in the USA, were bolstered by the good demand for Jammies™, a convenient ready-to-eat frozen sandwich introduced last year. Contract manufacturing of roasted sunflower seeds contributed positively to the results with double digit growth in sales volumes and margin. The implementation of the long-term strategy to rationalize and optimize the production and logistic operations (e.g. a central warehouse near the Fargo factories), initiated in 2023, is on track and has started to show the first contributions towards process efficiency and effectiveness for all lines of business. European Seeds contributed double digit growth on margin as well as EBIT(DA) due to a more balanced product portfolio and price volatility in their specific product markets.

Organic Ingredients

The continued unprecedented cocoa price records and extremely volatile market price developments in the first half-year materially impacted the performance of Tradin Organic. Limited availability of organic cocoa beans in origin countries also contributed to this effect. Despite these challenges, Tradin managed to protect cocoa sales due to good relationships with suppliers and customers. Sales value increased with strong gross margins.

Excluding cocoa Tradin Organic delivered improved results. Although in both North America and EMEA, demand for the various organic products was still somewhat slow as a result of selective consumer spending, the fruits & vegetables and the premium juice business performed strongly. The other desks are generally showing an upward trend on volumes and margin. The various trading desks are fully staffed, while the new CEO, Floris Wesseling, will join the company per 1 September 2024.

Tea

The ongoing geopolitical tension and instability continues to have an effect on the worldwide performance of the Tea segment. In H1 2024 higher sales and volumes were achieved compared to last year. The further strengthening of the global client base and product portfolio (including fruits and herbs speciality business) resulted in these increased volumes. Margins on Tea were less favorable due to market pressure compared to the first six months of 2023. As a result, reported EBIT and EBITDA were close to prior year.

Food Solutions

The Food Solutions segment managed to realize results in line with last year's record year. With some refocus in the product portfolio, its higher-margin product ranges for dry and wet blends could be enlarged, which almost compensated for the shortfall in the ingredients distribution. In order to facilitate further growth and expand production capacity a new facility was recently rented. The first production in this new facility is planned for early 2025.

Other information

Consolidated balance sheet

Total assets amounted to €768.1 million as at 30 June 2024 (year-end 2023: €747.6 million). The main financial developments in the first half of 2024 were:

- Shareholders' equity increased by €5.8 million to €411.3 million as at 30 June 2024 (year-end 2023: €405.5 million). The main movements were the H1 2024 net profit attributable to the shareholders of €17.9 million, and the currency translation effect of €10.1 million, partly offset by the dividend payments to shareholders of €22.2 million.
- Working capital increased by €17.0 million compared to 31 December 2023, due to higher trade receivables and lower trade payables, partly offset by lower inventories.
- Solvency as at 30 June 2024 was 53.7% (30 June 2023: 50.3%).

Outlook 2024

Given the nature of our activities, it is difficult to predict market developments or Group results. The impact of the current global economy, supply chain disruptions, the geopolitical situation, inflation rates, currency rate developments, and more specifically the development of the cocoa market on the outlook for the remainder of the year cannot be predicted. The Board is confident in the knowledge, experience, and capabilities of Acomo's management to deal with these uncertainties in the best way possible.

Investor call

On Tuesday 23 July at 15.00h (CET) these results will be further discussed during the investor call. A link can be found on the company's website.

Note

This H1 2024 report has not been subject to an audit.

Financial calendar

23 July 2024	Investor call H1 2024 financials
29 July 2024	Ex-dividend date, interim dividend FY 2024
6 August 2024	Dividend payment date, interim dividend FY 2024
24 October 2024	Trading update Q3 2024
7 March 2025	Publication of the 2024 financials – pre-market
7 March 2025	Publication of the annual report FY 2024

Responsibility statement of the Executive Board as per section 5:25c (2) (c) of the Dutch Financial Supervision Act (Wft)

The Company's Chief Executive Officer hereby declares that, to the best of his knowledge:

1. The half-year report for the first six months of 2024 gives a true and fair view of the assets, liabilities, financial position and profit of the Company and its consolidated entities.
2. The half-year report for the first six months of 2024 gives a true and fair view of the financial position of the Company at the balance sheet date and the situation during H1 2024 of the Company and its related entities whose financial information has been consolidated in the half-year report.

Rotterdam, 23 July 2024

Allard Goldschmeding

CEO

Annexes

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Notes to the editors:

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About ACOMO N.V.

ACOMO N.V. is an international group with as its principal business the sourcing, trading, treatment, processing, packaging, and distribution of conventional and organic plant-based food ingredients. Our main subsidiaries are Catz International B.V. in Rotterdam, the Netherlands (spices and food raw materials), The Organic Corporation B.V. in Amsterdam, the Netherlands, and Tradin Organics USA LLC in Aptos, USA (organic ingredients), Royal Van Rees Group B.V. in Rotterdam, the Netherlands (tea), Red River Commodities Inc. in Fargo, USA, Red River Global Ingredients Ltd. in Winkler, Canada, Red River-van Eck B.V. in Etten-Leur, the Netherlands, Food Ingredients Service Center Europe B.V. in Etten-Leur, the Netherlands, and SIGCO Warenhandelsgesellschaft mbH in Hamburg, Germany (edible seeds), King Nuts B.V. in Bodegraven, Delinuts B.V. in Ede, and Tovano B.V. in Maasdijk, the Netherlands (nuts), and Snick EuroIngredients N.V. in Ruddervoorde, Belgium (food solutions). Acomo shares have been traded on Euronext Amsterdam since 1908.

Condensed consolidated income statement

(in € thousands)	H1 2024	H1 2023
Sales	668,202	668,027
Cost of goods sold	(579,434)	(581,302)
Gross profit	88,768	86,725
General and administrative expenses	(56,097)	(50,342)
Operating income (EBIT)	32,671	36,383
Financial income and expenses	(8,271)	(7,766)
Profit before income tax	24,400	28,617
Corporate income tax	(6,624)	(6,634)
Net profit	17,776	21,983
Profit attributable to shareholders of the Company	17,938	22,157
Profit attributable to non-controlling interests	(162)	(174)
Earnings per share (in €)		
Basic	0.61	0.75
Diluted	0.61	0.75

The interim financial statements have not been subject to an audit, review or compilation engagement, and no assurance is provided on them.

Consolidated statement of comprehensive income

(in € thousands)	H1 2024	H1 2023
Net profit	17,776	21,983
Other comprehensive income (OCI)		
<i>OCI to be reclassified to profit or loss in subsequent periods</i>		
Movement currency translation reserves	10,097	(7,875)
Movement on cash flow hedges	27	205
Total other comprehensive income	10,124	(7,670)
Total comprehensive income	27,900	14,313
Total comprehensive income attributable to shareholders of the parent	28,003	14,522
Total comprehensive income attributable to non-controlling interest	(103)	(209)

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Condensed consolidated balance sheet

(in € thousands)	30 June 2024	31 December 2023	30 June 2023
Assets			
Non-current assets			
Intangible assets	203,725	202,225	205,851
Property, plant and equipment	44,342	46,615	49,527
Right-of-use assets	14,687	16,400	17,646
Other non-current receivables	3,638	3,637	3,365
Deferred tax assets	374	367	250
Total non-current assets	266,766	269,244	276,639
Current assets			
Inventories	293,700	310,888	328,270
Trade receivables	173,881	145,157	168,722
Other receivables	26,769	19,494	28,631
Derivative financial instruments	2,684	310	568
Cash and cash equivalents	2,555	2,520	1,877
Total current assets	499,589	478,369	528,068
Assets held-for-sale	1,722	-	-
Total assets	768,077	747,613	804,707
Equity and liabilities			
Shareholders' equity			
Total shareholders' equity	411,278	405,476	402,846
Non-controlling interests	1,522	1,625	1,627
Total equity	412,800	407,101	404,473
Non-current liabilities and provisions			
Bank borrowings	110,297	119,456	119,547
Lease liabilities	11,592	13,186	14,541
Provisions and other non-current liabilities	15,114	14,104	13,096
Total non-current liabilities	137,003	146,746	147,184
Current liabilities			
Current portion long-term bank borrowings	711	792	628
Bank borrowings	122,232	75,363	140,951
Lease liabilities	3,979	4,165	4,007
Trade creditors	63,995	69,490	62,724
Tax liabilities	1,375	3,364	6,304
Derivative financial instruments	288	3,958	7,267
Other current liabilities and accrued expenses	25,694	36,634	31,169
Total current liabilities	218,274	193,766	253,050
Total liabilities	355,277	340,512	400,234
Total equity and liabilities	768,077	747,613	804,707

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Condensed consolidated cash flow statement

(in € thousands)	H1 2024	H1 2023
Cash flow from operating activities	36,213	46,806
Net changes in working capital	(31,090)	22,475
Paid interest and taxes	(14,789)	(15,081)
Net cash generated (used for)/from operating activities	(9,666)	54,200
Net cash used for investing activities	(1,682)	(3,500)
Cash flow from financing activities		
Net changes in bank borrowings	36,045	(27,616)
Payments of leases	(2,314)	(2,295)
Payments of other financing costs	(53)	-
Dividends paid to shareholders	(22,208)	(23,688)
Net cash generated/(used for) from financing activities	11,470	(53,599)
Net increase/(decrease) in cash and cash equivalents	122	(2,899)
Cash and cash equivalents at the beginning of the year	2,520	4,892
Exchange gains/(losses) on cash and cash equivalents	(87)	(116)
Cash and cash equivalents at the end of the year	2,555	1,877

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Condensed consolidated statement of changes in equity H1 2024

(in € thousands)	Attributable to owners of the Company							Total equity
	Share capital	Share premium reserve	Other reserves	Retained earnings	Net profit for the year	Total shareholders' equity	Non-controlling interests	
Balance 1 January 2023	13,329	155,269	45,974	142,630	54,681	411,883	1,836	413,719
Net profit for the period	-	-	-	-	22,157	22,157	(174)	21,983
Other comprehensive income	-	-	(7,635)	-	-	(7,635)	(35)	(7,670)
Total comprehensive income	-	-	(7,635)	-	22,157	14,522	(209)	14,313
Appropriation of net profit	-	-	-	54,681	(54,681)	-	-	-
Share-based payments	-	-	135	-	-	135	-	135
Dividends relating to 2022, final	-	-	-	(23,694)	-	(23,694)	-	(23,694)
Balance 30 June 2023	13,329	155,269	38,474	173,617	22,157	402,846	1,627	404,473
Balance 1 January 2024	13,329	155,269	35,381	161,770	39,727	405,476	1,625	407,101
Net profit for the period	-	-	-	-	17,938	17,938	(162)	17,776
Other comprehensive income	-	-	10,065	-	-	10,065	59	10,124
Total comprehensive income	-	-	10,065	-	17,938	28,003	(103)	27,900
Appropriation of net profit	-	-	-	39,727	(39,727)	-	-	-
Share-based payments	-	-	12	-	-	12	-	12
Dividends relating to 2023, final	-	-	-	(22,213)	-	(22,213)	-	(22,213)
Balance 30 June 2024	13,329	155,269	45,458	179,284	17,938	411,278	1,522	412,800

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Notes to the H1 2024 consolidated interim financial statements

Segment information

H1 2024 (in € thousands)	Spices and Nuts	Edible Seeds	Organic Ingredients	Tea	Food Solutions	Other	Total
Sales	229,657	134,056	227,942	66,228	11,775	(1,456)	668,202
Operating expenses	(204,899)	(120,944)	(233,522)	(63,330)	(8,827)	69	(631,453)
Operational EBITDA	24,758	13,112	(5,580)	2,898	2,948	(1,387)	36,749
Unrealized FX and CX results	51		4,392				4,443
Reported EBITDA	24,809	13,112	(1,188)	2,898	2,948	(1,387)	41,192
Depreciation, amortization and impairments	(1,041)	(2,266)	(4,494)	(369)	(238)	(113)	(8,521)
Operating income (EBIT)	23,768	10,846	(5,682)	2,529	2,710	(1,500)	32,671
Financial results							(8,271)
Income tax expense							(6,624)
Net result							17,776
Total assets	160,665	145,466	260,372	66,198	10,155	125,221	768,077
Total liabilities	93,909	91,289	106,022	20,667	7,674	35,717	355,278
H1 2023							
Sales	213,862	144,828	235,046	62,809	12,377	(895)	668,027
Operating expenses	(192,502)	(127,778)	(228,614)	(59,504)	(9,267)	(588)	(618,253)
Operational EBITDA	21,360	17,050	6,432	3,305	3,110	(1,483)	49,774
Unrealized FX and CX results	(615)		(3,810)				(4,425)
Reported EBITDA	20,745	17,050	2,622	3,305	3,110	(1,483)	45,349
Depreciation, amortization and impairments	(999)	(2,619)	(4,473)	(507)	(270)	(98)	(8,966)
Operating income (EBIT)	19,746	14,431	(1,851)	2,798	2,840	(1,581)	36,383
Financial results							(7,766)
Income tax expense							(6,634)
Net result							21,983
Total assets	167,440	149,040	290,654	68,500	13,021	116,052	804,707
Total liabilities	116,248	86,295	91,081	26,383	7,142	73,085	400,234

The column "Other" represents holding costs and intra-Group items.

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Sales per geography

(in € millions)	NL	Europe other	North America	Other	Total
H1 2024	105.8	258.5	253.5	50.4	668.2
H1 2023	104.9	221.1	283.0	59.0	668.0

Other

	30 June 2024	31 December 2023	30 June 2023
Number of FTEs	1,130	1,151	1,109

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General

The interim financial statements for the six months ended 30 June 2024 comprise the results of Acomo ('the Company') and its subsidiaries and have been prepared in accordance with International Financial Reporting Standards (IFRS), IAS 34 'Interim Financial Reporting', as adopted by the European Union. The interim statements do not contain all the information required for annual financial statements and should be read in conjunction with the Annual Report 2023, dated 8 March 2024 (published on the website of the Company). The accounting policies adopted are consistent with those of the previous fiscal year and corresponding interim reporting period and are in accordance with IFRS.

Shareholders' equity

The movements in shareholders' equity are shown in the consolidated statement of changes in shareholders' equity on page 10. As at 30 June 2024, the number of shares outstanding was 29,617,746 (31 December 2023: 29,617,746). Based on the existing share options granted, 75,250 share options are vested but not yet exercised. A total of 10,000 share options will vest on 1 July 2024, and 36,000 share options will vest on 15 September 2024. In the years 2025 until 2031, a total of 261,000 share options will vest.

Corporate governance, risks, and risk management

The risks related to the Group's activities and the risk control and management systems it has in place are unchanged compared to their description in the Annual Report of 2023. The main risks and uncertainties remain applicable in the current fiscal year. However, multiple risks and uncertainties can arise simultaneously with compounded effects.

Seasonality

The half-year reported results of Acomo are not impacted by a seasonal pattern. The sales and margins are determined by market prices and conditions rather than seasonal fluctuations.