



Sligro Food Group N.V.

Press release

2021 half-year figures

Strong recovery after difficult start to the year

Group net sales for the first half of 2021 totalled €788 million, a COVID-19-driven decrease of 16.5% compared to the same period last year (Q2: increase of 12.0%). Despite the drop in net sales, the Group's EBITDA increased by €8 million to €35 million. A net loss of €4 million remained for the first half of the year (net loss excluding impairment in the first half of 2020: €16 million).

Koen Slippens, CEO

"The year started with the strict lockdown that came into effect in the fourth quarter of last year. As a result, we were faced with 20 weeks of lockdown in the first half of the year, compared to 11 weeks in 2020. Additionally, where last year we were allowed to open up our cash-and-carry stores in the Netherlands to private individuals as well for 13 weeks, this was no longer the case in 2021. The sales markets were severely impacted by the effects of the lockdown up to mid-May. With the easing of the measures, we saw a strong recovery, especially in June. In the first half-year, net sales declined by 34% from the pre-COVID levels (Q2: decrease of 24%). The cost-cutting measures taken and the flexible and decisive approach of our teams in the Netherlands and Belgium ensured that, despite a further dip in net sales, we were able to significantly improve the EBITDA over the first

half of the year. Free cash flow was also positive, further reducing our debt position. As a result, we once again remained within the boundaries of our original financing covenants, even though a temporary easing was provided for. We have been preparing for the restart in recent months, together with our customers and partners. This is now in full swing and we aim to give our customers plenty of scope to start doing business again. Though we are operating in a market marked by shortages of personnel, transport and goods, together we are moving ahead with plenty of energy and passion in order to achieve the best possible results. Sligro Food Group has a good reputation on the job market and is seen as a reliable employer, which helps us to retain and recruit many good employees despite the general job market tightness. For each other, and with each other!"

Key figures for the first half-year

x € million

	2021	2020
Net sales	788	943
Organic net sales growth (%)	(16.5)	(20.6)
Gross operating result (EBITDA)	35	27
Operating result before amortisation (EBITA)	4	(7)
Operating result (EBIT)	(5)	(79)
Net profit (loss)	(4)	(72)
Net profit (loss) excluding impairment	(4)	(16)
Free cash flow ¹⁾	40	28
Earnings (loss) per share (x € 1)	(0.09)	(1.63)

x € million

	30 June 2021	31 December 2020
Net invested capital	757	802
Net interest-bearing debts	355	402

¹⁾ The free cash flow has been adjusted for the impact of lease liabilities paid under IFRS 16.

General

In addition to the ongoing effort to reduce costs and capital expenditure, we spent a lot of time in the first half of the year on our agenda under our 'High Five' programme. We have already migrated a large number of Heineken customers to our new online environment ahead of the restart. From the moment these customers started up again, they could experience the benefits of our 'one order, one delivery, one invoice' promise.

We have changed the way we collaborate with our fresh partner Smeding with the aim of enhancing our fruit and vegetable proposition for our customers. We started using this new model in the Netherlands and Belgium from the second quarter.

We have harmonised our product range, making it possible to route a larger part of our product range for Belgium via the central distribution centre in Veghel. Not only does this put us in a better procurement position, it also leads to efficiency gains in the supply chain.

We have successfully completed the closure of Océan Marée in Belgium and the transfer of the volumes to SmitVis in the Netherlands, all without disruptions in the deliveries to our customers.

We have continued to work hard on the construction of our new IT and data infrastructure. Last year, we launched our new online platform and in the first quarter of this year, we started using our new article master data environment. Our plans to have the new ERP system implemented in Belgium before the summer proved to be not feasible: the complexity in combination with the restrictions arising from the lockdown measures caused delays. Based on the expected remaining work and taking into account the impact of the restart of our sales markets in the second half of the year, we have decided to move full implementation of the new ERP landscape past the end of the year.

We have started the construction of our new fresh distribution centre in Veghel, which will replace the current centre. The conversion of the cash-and-carry stores to the 3.0 format has also been resumed with the renovation of Sligro Heerlen. In Belgium, the process of realising a delivery service site in Ghent has started. We are also working on plans for a cash-and-carry store in Leuven.

Results in the Netherlands

Net sales fell further in the first half of the year, by €139 million to €719 million. We see similar mix effects in the customer segments to those we saw last year, with a still relatively high tobacco share and a low share for net sales from services (to Heineken), resulting in a lower-than-usual gross profit margin. Although the gap

decreased by €1 million in absolute terms, this meant an increase in the gap as a percentage of net sales, pressing the gross margin down by 0.1% from last year. However, as a result of an improvement in our conditions and a favourable mix between cash-and-carry sales and delivery service sales, the gross margin increased on balance by 0.5% to 23.9%.

Wage costs fell sharply due to limited deployment of the flexible workforce, limited filling of vacancies and numerous smaller cost-saving initiatives. The €28 million we received in the first quarter under the NOW wage subsidy scheme has been deducted from the wage costs. This support measure had the intended effect at Sligro Food Group and we were able to retain our permanent employees, who have now been back at work since the restart. The number of temporary workers we hire through our regular partners is also returning to pre-COVID-19 levels.

We were able to have the transport costs move along with the development in net sales for the delivery service. As we did last year, we compensated our transport partners to some extent in order to maintain the fleet in view of the restart. We are now reaping the rewards of that measure. The scarcity upon restart has mainly been due to the availability of drivers, which is still causing temporary regional shortages in a number of places. We are using alternative solutions such as couriers to address this situation.

The other costs decreased as a result of the cost-saving initiatives we have launched. In addition, there was a small reduction in the provision for doubtful debts. Our customers appreciated the leeway we gave them in terms of their payment term and have since paid off all their arrears, with no significant losses for Sligro Food Group.

In June, we sold our former Van Hoeckel location in 's-Hertogenbosch, which we had previously shut down. We generated nearly €6 million through this sale, with a book profit of almost €4 million listed under other operating income.

The EBITDA rose by €8 million compared to last year, to €38 million, representing 5.2% of total net sales. The EBIT increased by €13 million, resulting in a profit of €2 million.

Results in Belgium

Net sales fell in the first half of the year, by €16 million to €69 million. This was the net result of a sharp decline in delivery service sales and a significant increase in cash-and-carry sales. Partly as a result of this improved mix and its impact on cash-and-carry operations, the gross profit margin in Belgium increased by 2.2% to 25.3% of net sales.

We were able to cut costs in Belgium through a combination of strict cost-control measures and the use of the TWO wage subsidy scheme (approx. €2 million). Costs as a percentage of the net sales did increase, however. Compared to the Netherlands, a larger part of the cost structure is fixed, which is immediately visible in the relative cost development at lower net sales.

Despite the drop in sales, we were able to maintain EBITDA in Belgium at last year's level. Even excluding the impact of last year's impairment, we improved slightly at the EBIT level and the loss decreased somewhat.

Free cash flow and debt position

The improvement in results in combination with the focus on working capital management produced a positive free cash flow totalling €40 million. Holding back on investments also contributed to this. As a result of our choice to use NOW wage subsidy support in 2021, we are not permitted to pay a dividend for this financial year. Instead, the free cash flow has been used to further improve our debt position. As a result, the net interest-bearing debt excluding lease liabilities at the end of June 2021 amounted to €124 million.

As a result of the above, the net interest-bearing debt/EBITDA ratio decreased to 2.2, where our covenants allow a maximum of 3.0. The agreed temporary easing allowed an increase in the ratio to 4.5, but we did not need to make use of that space. We are pleased to note that we did not breach our original covenants at any of the official measurement moments during the crisis. This gives us confidence for the future and creates leeway in the event of possible consolidation opportunities in the market.

There are currently no short-term repayment obligations and we have agreed with our main bank to extend our short-term committed credit facilities until the end of 2022, with an option to extend this for another year. Our focus on prioritising protection and recovery of the financial position during the crisis has paid off.

Staffing changes

In connection with her appointment as Director of Professional Football at KNVB, Marianne van Leeuwen has decided to step down as a member of the Supervisory Board of Sligro Food Group N.V. with effect from 31 July 2021. We greatly appreciate the contribution Ms Van Leeuwen has made to the development of Sligro Food Group in her role as supervisory director and we wish her every success in her new role. The process to appoint a successor to the Supervisory Board has begun.

Outlook

Despite the recent increase in the number of infections and the reinforcement of some of the previously relaxed measures, we do not foresee a large-scale reintroduction of restrictions. We are therefore focusing on the further recovery of the various customer segments over the course of the second half of the year.

Though there is still a level of uncertainty for now in the corporate catering, events and education segments, the other customer segments are showing a strong recovery and may return to pre-COVID-crisis levels in the second half of the year.

With increasing volumes, the ongoing cost-reducing measures we have implemented in recent years will be reflected in the results. Moreover, we can start expanding our services to Sligro and Heineken customers from our integrated platform, with one order, one delivery and one invoice.

We do foresee an increase in inflation over the upcoming period, with the scarcity of raw materials and the shortage of personnel pushing up prices. In the current market, we can largely pass this on in the supply chain, although this will be with some delay.

The uncertainty that appeared to be behind us has resurfaced to some extent in recent weeks. Nevertheless, we look ahead with confidence to the second half of the year and to the coming years as our markets recover and we benefit from the rebound.

We are refraining from making any firm forecasts about the results for the second half of the year.

Comments on the half-year figures will follow today at an analyst meeting. The presentation has been published on www.sligrofoodgroup.nl.

The trading update for the third quarter will be published on 21 October.

Veghel, 22 July 2021

On behalf of the Executive Board of Sligro Food Group N.V.

Koen Slippens, CEO
Rob van der Sluijs, CFO

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Appendices

Statement of directors' responsibilities	5
Consolidated statement of profit or loss for the first half-year	6
Consolidated statement of comprehensive income for the first half-year	7
Abridged consolidated statement of cash flows for the first half-year	8
Consolidated statement of financial position	9
Consolidated statement of changes in shareholders' equity for the first half-year	10
Notes to the consolidated 2021 half-year financial statements	11
Profile	14

Statement of directors' responsibilities

The Directors declare that, to the best of their knowledge:

1. the half-year financial statements, as shown on pages 6 to 13 of this report, give a true and fair view of the assets, liabilities, financial position, and profit or loss of Sligro Food Group N.V. and the undertakings included in the consolidation taken as a whole; and
2. the half-year report, as shown on pages 1 to 3 of this report, gives a true and fair view of the development and performance of the business and the position of Sligro Food Group N.V. and the undertakings included in the consolidation taken as a whole (details of which are included in the half-year financial statements) on the reporting date. The half-year report also gives a true and fair view of the expected development and performance of the business, the investments and the conditions on which the development of net sales and return depend.

Koen Slippens, CEO

Rob van der Sluijs, CFO

Consolidated statement of profit or loss

for the first half-year

x € million

	2021	2020	2019
Net sales	788	943	1,135
Cost of net sales	(599)	(722)	(863)
Gross margin	189	221	272
Other operating income	4	3	9
Employee expenses	(92)	(114)	(130)
Accommodation costs	(14)	(16)	(14)
Costs to sell	(1)	(9)	(9)
Logistics costs	(35)	(41)	(55)
General costs	(16)	(17)	(17)
Depreciation of tangible fixed assets and right-of-use assets	(31)	(34)	(28)
Amortisation of intangible fixed assets	(9)	(10)	(10)
Impairment of tangible fixed assets	(0)		
Impairment of goodwill and other intangible fixed assets		(62)	
Total operating costs	(198)	(303)	(263)
Operating result	(5)	(79)	18
Finance income	0	0	0
Finance costs	(4)	(4)	(3)
Share in the result of associates	3	1	1
Pre-tax profit (loss)	(6)	(82)	16
Income taxes	2	10	(3)
Net profit (loss)	(4)	(72)	13

x €

	2021	2020	2019
Details per share			
Basic earnings (loss) per share	(0.09)	(1.63)	0.29
Diluted earnings (loss) per share	(0.09)	(1.63)	0.29

Consolidated statement of comprehensive income for the first half-year

x € million	2021	2020	2019
Net profit (loss)	(4)	(72)	13
Items that have been or may be transferred to the statement of profit or loss:			
Effective part of changes in the fair value of cash flow hedge of long-term borrowings, after tax		1	1
Total unrealised profit (loss)	0	1	1
Other comprehensive income	(4)	(71)	14
To be allocated to shareholders' equity	(4)	(71)	14

Abridged consolidated statement of cash flows

for the first half-year

x € million

	2021	2020	2019
Net cash flow from business operations	57	19	48
Interest paid	(1)	(3)	(2)
Dividend received from participations	3	0	5
Income tax received and paid	1	2	(7)
Net cash flow from operating activities	60	18	44
Acquisitions / participations			(55)
Divested operations		1	1
Expenditure for investments in tangible fixed assets	(5)	(32)	(58)
Proceeds from disposal of tangible fixed assets / assets held for sale	5	61	6
Expenditure for investments in intangible fixed assets	(10)	(11)	(5)
Investments in / loans to associates			0
Repayments by / net disinvestment receipts from associates	2		0
Net cash flow from investing activities	(8)	19	(111)
Long-term borrowings drawn	0		50
Repayment on long-term borrowings		(0)	(8)
Change in own shares	1	1	1
Lease liabilities paid	(12)	(9)	(9)
Dividend paid			(37)
Net cash flow from financing activities	(11)	(8)	(3)
Change in cash, cash equivalents and short-term borrowings from credit institutions	41	29	(70)
Opening balance	(5)	(7)	33
Closing balance	36	22	(37)

Consolidated statement of financial position

x € million	30 June 2021	31 December 2020	30 June 2020
Assets			
Goodwill	125	125	125
Other intangible fixed assets	149	149	146
Tangible fixed assets	283	299	319
Right-of-use assets	210	216	212
Investments in associates	54	54	52
Other financial fixed assets	8	8	8
Deferred tax assets		2	
Total fixed assets	829	853	862
Inventories	212	188	208
Trade and other receivables	118	111	122
Other current assets	43	30	45
Income tax	6	1	1
Cash and cash equivalents	36	13	22
	415	343	398
Assets held for sale		2	
Total current assets	415	345	398
Total assets	1,244	1,198	1,260
Liabilities			
Paid-up and called-up capital	3	3	3
Reserves	426	429	426
Shareholders' equity	429	432	429
Deferred tax liabilities	24	22	17
Employee benefits provision	2	2	2
Other provisions	0	0	0
Long-term borrowings from credit institutions	160	160	160
Lease liabilities	213	218	216
Total non-current liabilities	399	402	395
Provisions	1	3	2
Repayment obligations			77
Short-term borrowings from credit institutions		18	0
Lease liabilities	19	19	18
Accounts payable	266	217	219
Income tax		1	0
Other taxes and social security contributions	64	37	63
Other liabilities and accruals and deferred income	66	69	57
Total current liabilities	416	364	436
Total liabilities	1,244	1,198	1,260

Consolidated statement of changes in shareholders' equity

x € million	Paid-up and called-up capital	Share premium	Other reserves	Hedging reserve	Share repurchase reserve	Total
Balance at 28 December 2019	3	31	473	(1)	(6)	500
Share-based payments						0
Dividend paid						0
Change in own shares					1	1
Transactions with owners	0	0	0	0	1	1
Profit (loss) for the financial year			(70)			(70)
Cashflow hedge				1		1
Total realised and unrealised profit (loss)	0	0	(70)	1	0	(69)
Balance at 31 December 2020	3	31	403	0	(5)	432
Share-based payments						
Dividend paid						
Change in own shares					1	1
Transactions with owners	0	0	0	0	1	1
Profit (loss) for the first half-year			(4)			(4)
Total realised and unrealised profit (loss)	0	0	(4)	0	0	(4)
Balance at 30 June 2021	3	31	399	0	(4)	429

Notes to the consolidated 2021 half-year financial statements

General

Sligro Food Group N.V. is located in Veghel, Netherlands. The consolidated half-year financial statements cover the Company and its subsidiaries (also referred to as the Group). As of the 2020 financial year, the Group moved from reporting on a financial year on the basis of 52 weeks (with a 53rd week once every five years) to a financial year coinciding with the calendar year. The half-year financial statements cover the period from 1 January 2021 to 30 June 2021. The comparative figures cover the period from 29 December 2019 to 30 June 2020.

Statement of compliance

This half-year report has been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and IAS 34 Interim Financial Reporting. It does not contain all the information required for full financial statements and should be read in conjunction with the consolidated financial statements for 2020.

Audit

This half-year report has not been audited.

Accounting policies applied in the preparation of the half-year financial statements

The accounting policies applied by the Group in this half-year report are the same as those applied to the consolidated financial statements for the 2020 financial year.

Seasonal effects

Net sales are subject to a seasonal pattern. Under normal circumstances, net sales in the second half of the year are higher than in the first half. This is mainly due to relatively high expenditure in the food service channel in the Christmas period, followed by relatively low expenditure at the start of the new year. Because this variation in net sales is also accompanied by a shift in the sales mix, profitability in the second half of the year is generally higher than in the first. The expectation this year is that, just as last year, this effect will be even more pronounced in connection with substantially lower net sales in the first half-year of 2021 due to COVID-19.

Segment reporting for the first half-year

x € million	Netherlands		Belgium		Group	
	2021	2020	2021	2020	2021	2020
Net sales	719	858	69	85	788	943
Gross margin as % of net sales	23.9	23.4	25.3	23.1	24.0	23.4
Gross operating result (EBITDA)	38	30	(3)	(3)	35	27
Operating result before amortisation (EBITA)	11	0	(7)	(7)	4	(7)
Operating result (EBIT)	2	(11)	(7)	(68)	(5)	(79)
Net profit (loss)	2	(10)	(6)	(62)	(4)	(72)
Average net invested capital	732	803	64	83	796	886
EBITDA as % of net sales	5.2	3.5	(3.7)	(3.0)	4.4	2.9
EBIT as % of net sales	0.2	(1.3)	(10.3)	(79.4)	(0.7)	(8.4)
EBITDA as % of average net invested capital	11.7	12.5	(4.6)	(4.2)	10.4	10.9
EBIT as % of average net invested capital	1.4	2.7	(20.1)	(88.4)	(0.3)	(5.9)
Free cash flow ¹⁾	40	26	0	2	40	28
Net investments	(9)	(18)	(1)	(0)	(10)	(18)

¹⁾ The free cash flow has been adjusted for the impact of lease liabilities paid under IFRS 16.

Going concern and impact of COVID-19

The outbreak of COVID-19 and the measures the government took in response to it have had a major impact on net sales in the current financial year. The Group has protected its cash flow by intervening in its cost base, choosing investments with care, making use of government facilities and carefully managing its operating capital. These measures were started in 2020 and continued in the first half-year of 2021. In addition, the Group distributed no dividends in the entire 2020 calendar year and it will not distribute any dividends in 2021.

The measures the Group has taken in terms of cost-cutting in combination with government support from the NOW and TWO wage subsidy schemes, limiting investments and scrapping dividends have kept its debt position stable. The Group held constructive talks with its main bank and USPP financiers right at the beginning of the COVID-19 outbreak. These talks led to broader financing conditions being agreed with regard to financing for the period until the end of 2022. Besides that, the liquidity margin is adequate to support the operational situation.

In the Netherlands, the Group made use of the fourth and fifth period of the Dutch government's temporary wage subsidy scheme (NOW 3.2 and 3.3). Advances amounting to €22 million were received on the basis of the expected drop in net sales and another advance of €3 million will be received in July. On the basis of the actual net sales generated, we expect to receive another €3 million at the settlement stage. The income from NOW amounting to €28 million has been deducted from employee expenses. In the first half-year of 2021, the Group repaid €2 million of the NOW 1.0 advances received in 2020 on the basis of the final settlement including the auditor's report.

In Belgium, the Group took advantage of the Belgian wage subsidy scheme TWO in the first half of 2021 as well. This resulted in lower salary costs and social security costs amounting to €2 million.

Contrary to in 2020, the Group did not take advantage of the opportunity to defer payment of taxes in the Netherlands in the first half-year of 2021.

Given the marketability of the inventories, no significant downward revaluation of inventories took place as at the end of June 2021. Losses in connection with lower net sales will be recognised in the result on a monthly basis.

The credit risk the Group is exposed to, particularly in relation to receivables from food service customers, was assessed in connection with COVID-19 developments. Receivables from food service customers, as recognised under accounts receivable, amounted to €100 million (year-end 2020: €78 million), whereby €1 million was released from the provision for accounts receivable in the

first half-year of 2021. This release related to the provision determined on the basis of the "expected-credit-loss" (ECL) model. The total expected credit loss from accounts receivable therefore amounts to €6 million (year-end 2020: €7 million).

The development of COVID-19 in the second half of 2021 remains uncertain and, by extension, so does its impact on our customers and net sales. Although many restrictions were lifted in both the Netherlands and Belgium at the start of the second half of 2021, developments remain unpredictable. For that reason, the Group will continue to monitor costs and expenditure for investments very critically during the rest of 2021.

Throughout, the government has offered appropriate support to accompany the COVID-19 developments and has indicated that it will continue to do so in the future. The Group has furthermore reached agreement with its financiers until the end of 2022 regarding the extension of its short-term credit facilities. This gives the Executive Board the confidence that the Group will have sufficient resources to remain operational in the near future. In compiling the figures, the assumption therefore remains that the business is a going concern. The Group sees no reason to presume that it will be unable to continue its activities in the foreseeable future.

Other operating income

Book profit of €4 million resulting from the sale of the Van Hoeckel premises in Den Bosch is recognised under Other operating income.

Taxation

The corporate income tax gain in the first half of 2021 was €2 million.

The Group received €1 million in the first half of 2021 on the basis of corporate income tax returns submitted for the previous year.

Furthermore, an agreement was reached with the Dutch and Belgian tax authorities about the transfer pricing method in the context of MLC (Multilateral Control) up to the end of the 2019 tax year. In anticipation of the recently submitted BAPA (Bilateral Advanced Pricing Agreement) for 2021 and subsequent years, the Group applied the same mechanism in 2020 and 2021.

Borrowings from credit institutions and facilities

The Group has had short-term credit facilities totalling €167 million available since December 2020, but as at 30 June 2021, none had been used. In the first half-year of 2021, the Group extended all committed short-term credit facilities until the end of 2022.

As at 30 June 2021, the Group had met the criteria of the covenants imposed by its financiers which apply to both its non-current liabilities and its short-term credit facilities, in which the ratio of Net interest-bearing debts/EBITDA has to be less than 3.0. The actual ratio at the end of June 2021 was 2.2.

Contingent liabilities

Claims

On 13 March 2020, the Group was informed of a claim made against the Group by the Jumbo & Coop consortium in relation to the transaction regarding the sale of EMTE in 2018. The consortium argues that, for the purposes of this transaction, an incorrect impression was given of EMTE's historical profitability, which led to the results after the acquisition failing to meet the consortium's expectations. The Group utterly rejects all such accusations. The consortium's statements lack any factual or legal basis. The Group has therefore made no provision for possible financial losses in the future. The Group contested the consortium's claim, providing extensive reasons, in its defence of October 2020. The proceedings on the substance of the case will continue in September 2021, but it is unclear when the court of first instance will pass its judgment.

Profile

Sligro Food Group comprises businesses which specifically focus on the food service market in the Netherlands and Belgium, offering a comprehensive range of food and food-related non-food products and services in the wholesale market.

Netherlands

In the Netherlands, we are the market leader and operate a nationwide network of Sligro cash-and-carry and delivery service wholesale outlets supplying large and small-scale companies in the hospitality industry, leisure facilities, caterers, large-volume users, company restaurants, petrol stations, small and medium-sized enterprises, small-scale retail businesses and the institutional market. Van Hoeckel focuses specifically on the institutional market, while Sligro serves all the other segments. We operate in the City Region of Amsterdam under the wholesale formula brand De Kweker. In a long-term strategic partnership with Heineken, Sligro is responsible for the exclusive distribution of Heineken keg beer in the Netherlands. Sligro/De Kweker and Van Hoeckel each have a dedicated commercial organisation focusing on their specific markets, while they make operational use of joint delivery and other shared networks and the back-office organisation.

Belgium

In Belgium, JAVA Foodservice, based in Rotselaar, focuses primarily on the institutional, corporate catering and hotel chain market segments in Belgium. Sligro-ISPC supplies high-quality, innovative food and non-food products to culinary professionals, the rest of the hospitality market, wholesale customers and small and medium-sized enterprises. Sligro-ISPC operates combined cash-and-carry and wholesale delivery service outlets in Antwerp, Ghent and Liege. Sligro-ISPC and JAVA Foodservice both have their own commercial organisation and are increasingly making use of a single joint delivery service structure and shared services.

Sligro Food Group has its own production facilities for specialist convenience products and fresh fish. The company also sources meat, game and poultry, fruit and

vegetables, and bread and pastries through its participations in fresh partners, which serve both the Dutch and Belgian market. Sligro Food Group has two specialist companies: Bouter for advertising, design, delivery, fitting out and maintenance of professional kitchen layouts, equipment and cooling and freezing technologies. Tintelingen is our business unit for online gift concepts and Christmas gifts. Sligro also sells traditional Christmas hampers.

We offer our customers a selection of around 75,000 food and food-related non-food items, together with numerous services to support our customers' businesses and help them to advance. Most of the purchasing for specific food service products is handled directly through the Sligro Food Group, although a portion is arranged through CIV Superunie B.A.

Sligro Food Group companies actively seek to share knowledge and make good use of the extensive scope for synergy and economies of scale on a national and international level. Activities that are primarily customer-related are carried out in the separate countries and business units. By combining our central purchasing with direct, meticulous category and margin management, we aim to continuously improve our gross margins and offer our customers a unique and innovative range. Operating expenses are managed by having an integrated supply chain and through constant focus on cost control. Centralised management of our IT landscape, centralised design and control of master data management, and centralised talent and management development all work to further enhance group synergy.

Sligro Food Group strives to be a high-quality business for all its stakeholders that constantly grows in a controlled manner. Sligro Food Group shares are listed on Euronext Amsterdam. The Group's head office is located in Veghel, Netherlands.