

## PRESS RELEASE – FINANCIAL YEAR 2018

### Proposed dividend set at €1.00 per share

## ACOMO DEMONSTRATES EARNINGS RESILIENCE IN CHALLENGING MARKETS AND REPORTS NET PROFIT AT €31.1 MILLION FOR 2018

### Main financial indicators 2018

Sales:	€700.2 million	(2017: €709.7 million, -1.3%)
EBITDA:	€50.4 million	(2017: €52.1 million, -3.3%)
Net profit:	€31.1 million	(2017: €32.5 million, -4.2%)
Earnings per share:	€1.263	(2017: €1.327, -4.8%)
Proposed dividend:	€1.00 per share	(2017: €1.10 per share)
Solvency:	53.4%	(2017: 53.5%)

*Pending the finalization of the external audit, the financials 2018 shown above are unaudited.*

### ROTTERDAM (NL), 14 FEBRUARY 2019

Today, Amsterdam Commodities N.V. (Acomo), the Euronext Amsterdam-listed trader in spices and nuts, edible seeds, tea and food ingredients reports a net profit at €31.1 million for its financial year 2018. The Company's reported net profit decreased by 4% versus the year 2017. Considering the challenging market circumstances with decreasing commodity prices, the Board of Directors is pleased with the Company's results and the performance of its trading teams. Acomo proposes its shareholders a dividend of €1.00 per share (2017: €1.10) following the consistent policy on dividend pay-out.

### Major events and developments 2018

- For most of the year, food commodity prices in major product groups continued the downward trend that started in the second half of 2017. A number of spices reported market prices at the lowest level of the last nine years. Desiccated coconut saw a sharp decline in prices as well. Major nut categories declined in price during 2018, with some stabilization towards the end of the year. Edible seeds, however, showed improved prices in the second half of the year, especially for poppy seeds. Tea prices showed different trends across the origins. Kenya had unusually low prices due to a record crop, while at the same time Sri Lanka reported high prices due to market uncertainties.
- The geopolitical environment created uncertainty in the market and added to an increasingly short-term focus among customers.
- Snick EuroIngredients, which celebrated its 25th anniversary in 2018, reported strong results and came close to last year's record performance.
- The change in the euro/US dollar exchange rate resulted in a negative translation impact on net profit of €0.5 million and an increase in the reported total asset value of €6.1 million.

## Key figures 2018 – unaudited

	2018	2017
<b>Consolidated figures (in € millions)</b>		
Sales	700.2	709.7
Gross margin	116.9	116.9
EBITDA	50.4	52.1
Operating income (EBIT)	45.0	46.4
Financial result	(4.0)	(3.0)
Corporate income tax	(9.9)	(10.9)
<b>Net profit</b>	<b>31.1</b>	<b>32.5</b>
Shareholders' equity (before final dividend)	193.5	185.1
Total assets	362.2	346.0
<b>Ratios</b>		
Solvency – shareholders' equity as % of total assets	53.4%	53.5%
Leverage ratio (net debt/EBITDA)	1.8	1.5
Return on equity	16.4%	17.6%
Dividend pay-out ratio	79.2%	83.4%
<b>Key performance indicators (in €)</b>		
Earnings per share	1.263	1.327
Equity per share at year-end	7.851	7.520
Dividend per share – total (2018: proposed)	1.00	1.10

In 2018, consolidated reported sales of **Amsterdam Commodities N.V.** (Acomo) decreased slightly by 1.3% to €700.2 million (2017: €709.7 million). Reported gross margin remained in line with 2017 at €116.9 million. Gross margin as a percentage of sales increased with 0.2 percentage points. For the full year 2018, reported net profit reached €31.1 million, a decrease of €1.4 million versus 2017 (€32.5 million, -4.2%).

Unrealized FX hedge results (due to not applying hedge accounting) had a positive effect on gross margin of €2.1 million (2017: -€1.4 million). The impact of unrealized FX hedge results on net profit was €1.6 million (2017: -€1.1 million).

Costs increased by 2.5% due to further investments in the organization and inflation.

## Non-recurring items

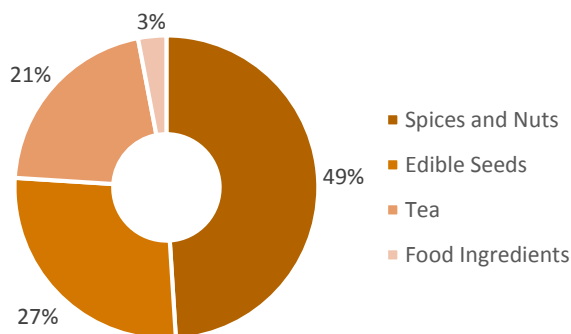
There were no non-recurring items in 2018. In 2017 net results were positively impacted by non-recurring items of in total +€0.7 million.

### Currency euro/US dollar

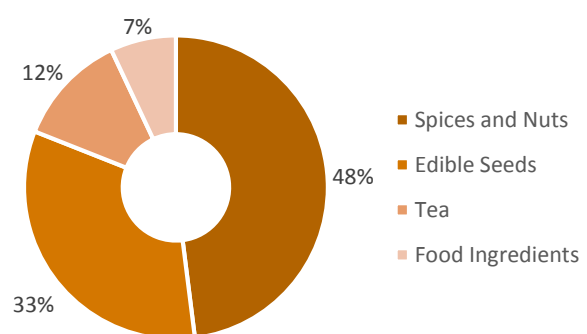
The euro/US dollar exchange rate was stable during the first four months of the year. In the remainder of the year the US dollar strengthened. The average annual euro/US dollar exchange rate in 2018 was 1.181 (2017: 1.130). The FX rates contributed negatively to sales (-€12.5 million) and net profit (-€0.5 million).

The 2018 year-end exchange rate of 1.147 reflects the stronger US dollar against the euro when compared to the 2017 year-end rate of 1.200. As per 31 December 2018, this resulted in an increase in total assets (+€6.1 million).

**Sales split 2018**



**EBITDA 2018**



*'In 2018, the performance of the Group was solid given the declining commodity price levels in most of our product categories. In several major product groups prices declined by 20% to 40%. On top of these low price levels, the geopolitical environment created uncertainty in the market and added to the increasingly short-term focus among customers. I thank our teams who demonstrated their day-to-day flexibility under all circumstances. They continue to be able to bridge our customers' and supplier's needs, underlining the added value that our Group is able to deliver through the various supply chains that we service,' said Group Managing Director Allard Goldschmeding. 'One example is our European edible seeds business, which bounced back after a difficult 2017 and delivered an outstanding performance in 2018.'*

## Activity reviews per segment

### Spices and Nuts

Catz International in Rotterdam, the Netherlands, performed well in difficult market circumstances, but reported a lower profit. Pepper prices continued the decline of 40% during 2017 with another 40% in 2018, and reached the lowest price levels in nine years. Most other spices reported lower price levels as well. In addition desiccated coconut price levels declined on average by 15%. Dried fruits and dehydrated vegetables faced slow markets and lower price levels. Nuts saw declining prices for most of the year for key categories. Towards the end of the year, market conditions for some nuts improved.

Tovano in Maasdijk, the Netherlands, active in packed nuts and dried fruits, was impacted by the low price levels in nuts. However, profitability was only slightly below prior year.

King Nuts & Raaphorst in Bodegraven, the Netherlands, active in nuts and rice crackers, reported a sales growth despite lower price levels due to increased volumes. For most of the year prices of major nuts declined. Towards the end of the year, nut prices improved, and King Nuts & Raaphorst achieved good results.

Delinuts in Ede, the Netherlands, active in nuts and dried fruits, brought further focus in their portfolio in 2018 after joining the Group early 2017. The young and energetic team in Ede developed well in 2018 and is well positioned to further build the business.

### Edible Seeds

Red River Commodities in Fargo (ND), USA, active in the sourcing, processing and distribution of edible seeds (mainly sunflower), had a challenging year. The wildlife division had a slow start of the year due to low market demand resulting in lower volumes. Export opportunities were limited due to the changed market circumstances. The import trading entity Red River Global Ingredients (Canada), however, reported a substantial sales growth and proved the trend of growing market opportunities for imported products. The SunGold division achieved a major success by being awarded the Spitz® production contract. Production of Spitz® was transferred into SunGold during the summer months within an extremely short time frame. The unique product and positioning of SunButter® continued to provide substantial opportunities.

Red River-Van Eck in Zevenbergen, the Netherlands, delivered a strong performance due to improved market circumstances and a successful anticipation of market trends.

SIGCO Warenhandel in Hamburg, Germany, developed well in its core products and increased margins due to a focussed commercial strategy.

### Tea

Van Rees Group in Rotterdam, the Netherlands, reported sales growth at stable margins. Global availability of tea has been good in 2018. Kenya experienced a record crop resulting in low prices. Prices in Sri Lanka were high in the first half of 2018, but eased in the second half year. Business growth was achieved in Asia and in high-margin specialty teas, creating a good starting point for the company's 200<sup>th</sup> anniversary in 2019.

### Food Ingredients

Snick EuroIngredients in Ruddervoorde, Belgium, active in food ingredients, continued to be successful and came close to last year's record performance. The overall margin percentage was healthy and investments in additional mixing capacity were made to facilitate further growth.

## Consolidated balance sheet

Total assets per 31 December 2018 amounted to €362.2 million (year-end 2017: €346.0 million, +4.7%).

In 2018, the main financial developments were:

- Shareholders' equity increased by €8.4 million to €193.5 million on 31 December 2018 (year-end 2017: €185.1 million). The main movements were: 2018 net profit of €31.1 million, €0.3 million of issued new shares relating to the Acomo share option plan, and a positive currency translation effect of €3.8 million, partly offset by dividend payments to shareholders of €27.1 million.
- Goodwill increased by €1.5 million due to the stronger year-end US dollar that affected the recorded goodwill paid for the seeds and tea businesses in 2010.
- Working capital (inventories, receivables and creditors) increased by €9.6 million, mainly due to higher trade receivables, partly offset by lower inventories.
- Solvency as per 31 December 2018 was 53.4% (year-end 2017: 53.5%).

## Dividend

The Board of Directors proposes a dividend of €1.00 per share (2017: €1.10). This represents a pay-out of 79% of earnings per share (2017: 83%). Taking into account the interim dividend of €0.40 per share paid in August 2018, the final 2018 dividend therefore amounts to €0.60 per share, payable in cash.

The following dividend timetable applies:

29 April 2019	Ex-dividend date (final dividend 2018)
30 April 2019	Final dividend record date
9 May 2019	Final dividend payment date
23 July 2019	Ex-dividend date (interim dividend 2019)
24 July 2019	Interim dividend record date
2 August 2019	Interim dividend payment date

## Performance H2 2018

The performance in the second half of 2018 was generally in line with the second half of prior year due to somewhat improved market conditions towards the end of the year.

## Outlook 2019

Although it is still very early in the year, 2019 activity has started generally in line with the second half of 2018. Given the nature of the Group's activities, it is impossible to forecast market developments or likely Group results. However, the Company is confident that the teams will continue to generate good results for the shareholders.

## General meeting of shareholders

The annual general meeting of shareholders will be held on Thursday 25 April 2019 at 10 am at the Hilton Hotel in Rotterdam, the Netherlands. The 2018 Annual Report will be published on [www.acomo.nl](http://www.acomo.nl) on Thursday 7 March 2019, after the close of trading.

Rotterdam, 14 February 2019

Board of Directors

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## ANNEXES

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This report in the English language has also been translated into the Dutch language. In case of any differences between the two versions, the English version will prevail.

### **Note to the editors:**

For further information, please contact:

#### **Amsterdam Commodities N.V. (Acomo)**

Mr A.W. Goldschmeding  
WTC, Beursplein 37  
3011 AA Rotterdam  
The Netherlands

[info@acomo.nl](mailto:info@acomo.nl)

Tel. +31 10 4051195

[www.acomo.nl](http://www.acomo.nl)

#### **Creative Venue PR**

Mr F.J.M. Witte, spokesperson  
Sophialaan 43  
1075 BM Amsterdam  
The Netherlands

[f.witte@creativevenue.nl](mailto:f.witte@creativevenue.nl)

Tel. +31 20 4525225

[www.creativevenue.nl](http://www.creativevenue.nl)

### **About Amsterdam Commodities N.V.**

Amsterdam Commodities N.V. (Acomo) is an international group with as its principal business the trade and distribution of natural food products and ingredients. Our main trading subsidiaries are Catz International B.V. in Rotterdam, the Netherlands (spices and food raw materials), Van Rees Group B.V. in Rotterdam, the Netherlands (tea), Red River Commodities Inc. in Fargo, USA (confectionary sunflower seeds), Red River Global Ingredients Ltd. in Winkler, Canada, Red River-van Eck B.V. in Zevenbergen, 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 ingredients). Acomo shares have been traded on Euronext Amsterdam since 1908.

## Amsterdam Commodities N.V.

### Consolidated balance sheet

before final dividend

(in € thousands)

31 December

2018

\* unaudited

31 December

2017

ASSETS		
<b>Non-current assets</b>		
Intangible assets	68,098	66,242
Property, plant and equipment	38,057	36,574
Other non-current receivables	1,261	1,257
Deferred tax assets	1,484	1,846
<b>Total non-current assets</b>	<b>108,900</b>	<b>105,919</b>
<b>Current assets</b>		
Inventories	142,512	149,570
Trade receivables	100,269	83,493
Other receivables	7,601	4,131
Derivative financial instruments	1,954	261
Cash and cash equivalents	957	2,590
<b>Total current assets</b>	<b>253,293</b>	<b>240,045</b>
<b>Total assets</b>	<b>362,193</b>	<b>345,964</b>

\* Pending the finalization of the external audit, the financials 2018 shown above are unaudited.

## Amsterdam Commodities N.V.

**Consolidated balance sheet**  
before final dividend  
(in € thousands)

**31 December**  
**2018**  
\* unaudited

**31 December**  
**2017**

### EQUITY AND LIABILITIES

<b>Total shareholders' equity</b>	<b>193,522</b>	<b>185,051</b>
<b>Non-current liabilities and provisions</b>		
Bank borrowings	9,068	11,571
Provisions	8,804	9,448
<b>Total non-current liabilities and provisions</b>	<b>17,872</b>	<b>21,019</b>
<b>Current liabilities</b>		
Bank borrowings	83,513	68,214
Trade creditors	45,713	45,593
Tax liabilities	3,233	6,135
Derivative financial instruments	165	1,271
Other current liabilities and accrued expenses	18,175	18,681
<b>Total current liabilities</b>	<b>150,799</b>	<b>139,894</b>
<b>Total equity and liabilities</b>	<b>362,193</b>	<b>345,964</b>

\* Pending the finalization of the external audit, the financials 2018 shown above are unaudited.



## Amsterdam Commodities N.V.

Consolidated income statement (in € thousands)	2018 * unaudited	2017
Sales	700,170	709,679
Cost of goods sold	(583,317)	(592,758)
<b>Gross margin</b>	<b>116,853</b>	<b>116,921</b>
Personnel costs	(43,203)	(42,303)
General costs	(23,275)	(22,533)
<b>Total costs</b>	<b>(66,478)</b>	<b>(64,836)</b>
<b>EBITDA</b>	<b>50,375</b>	<b>52,085</b>
Depreciation and amortization	(5,333)	(5,643)
<b>Operating income (EBIT)</b>	<b>45,042</b>	<b>46,442</b>
Interest income	42	68
Interest expense	(4,053)	(3,114)
Other financial income and expenses	(22)	(60)
<b>Profit before income tax</b>	<b>41,009</b>	<b>43,336</b>
Corporate income tax	(9,902)	(10,864)
<b>Net profit</b>	<b>31,107</b>	<b>32,472</b>
Total basic EPS (in €)	1.263	1.327
Total diluted EPS (in €)	1.263	1.325

\* Pending the finalization of the external audit, the financials 2018 shown above are unaudited.

## Amsterdam Commodities N.V.

Condensed consolidated cash flow statement (in € thousands)	2018 * unaudited	2017
<b>Cash flow from operating activities</b>	<b>48,985</b>	<b>54,520</b>
Net changes in working capital	(10,599)	12,328
Paid interest and taxes	(19,041)	(16,725)
<b>Net cash generated from operating activities</b>	<b>19,345</b>	<b>50,123</b>
<b>Cash flow from investing activities</b>		
Investments in intangible assets, and property, plant & equipment	(5,559)	(5,736)
Acquisitions	-	(7,980)
Other investing activities	(274)	57
<b>Net cash flow from investing activities</b>	<b>(5,833)</b>	<b>(13,659)</b>
<b>Cash flow from financing activities</b>		
Dividend paid	(27,088)	(28,013)
Proceeds from new shares	348	450
Net changes in long-term borrowings	(2,359)	4,582
Net changes in bank financing of working capital	13,942	(12,713)
<b>Net cash flow from financing activities</b>	<b>(15,157)</b>	<b>(35,694)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(1,645)</b>	<b>770</b>
Cash and cash equivalents at the beginning of the year	2,590	1,805
Exchange gains/(losses) on cash and cash equivalents	12	15
<b>Cash and cash equivalents at the end of the year</b>	<b>957</b>	<b>2,590</b>

\* Pending the finalization of the external audit, the financials 2018 shown above are unaudited.