



Press release

Lochem, 15 September 2020

ForFarmers announces strategy 2025

Resilient in challenging home countries, expansion to new markets

Today ForFarmers N.V. (ForFarmers/the Company) introduces its strategy **Build to Grow 2025** to analysts and investors during a Capital Markets Day. In the coming five years the Company will focus on further strengthening its market positions in existing home countries, by delivering innovative feed concepts that help farmers improve their returns on-farm in a sustainable way. To this end for instance, digitalisation of business processes will be further enhanced, both on-farm and internally at ForFarmers. In parallel, ForFarmers aims to grow by means of acquisitions in existing markets and in new growth markets, potentially outside of Europe. The objective is to be operational by 2025 in 7 countries, and have a more balanced portfolio between developing and mature markets.

Solid financial ambitions with attractive dividend policy

ForFarmers has determined the following financial ambitions for 2025, which are linked to the strategy:

- By 2025 an underlying EBITDA between €125 million and €135 million¹, as a result of both like-for-like growth and acquisitions (2019: €88.5 million and H1 2020: €48.2 million);
- Annual growth (like-for-like, i.e. excluding acquisitions) of underlying EBITDA by 0%-3%¹ (as of 2020) in the challenging home countries;
- Operational costs at least €10 million lower in 2025 compared to 2020;
- A dividend policy, with a distribution of 40%-60% (was 40%-50%) of underlying net profit (after tax).

Build to Grow 2025: customer focused, innovative, efficient and sustainable

As the leading feed company in Europe, ForFarmers is an important link in the value chain that supplies food, including animal protein, to the growing global population. However, with the exception of Poland, the agricultural sector is experiencing growing pressure in the European home markets of ForFarmers. For example farmers are increasingly faced with extensive environmental measures to reduce phosphate and ammonia emissions by animals. Growth expectations for the agricultural sector in Northwest-Europe are consequentially very limited. On a global scale the feed market continues to grow and remain very large and offers opportunities for strong and innovative players such as ForFarmers, both for organic growth and for further consolidation. ForFarmers is already the leading feed company in Europe and aims to retain and enhance this position.

With the strategy Build to Grow 2025, ForFarmers emphasizes its resilience in existing home countries and its ambition to expand to two carefully selected new growth markets, potentially outside of Europe. By being customer centric at the lowest possible cost ForFarmers believes it will make the difference in its home markets. The key to this is its Total Feed approach, aimed at helping farmers to achieve an optimal return on-farm, particularly in times of increasing environmental measures. This approach combines feed, with customized advice and is supported by monitoring tools. Innovative feed concepts and data-analysis are becoming more and more important, in making the agricultural sector more sustainable. ForFarmers is committing significant effort and resource to several programmes aimed specifically towards this. These include using more co-products from the food industry in animal feed

¹ At constant currencies



for instance and improving the feed conversion (less feed, more output). Accordingly, ForFarmers is launching a tightened and ambitious sustainability policy, as part of the strategy Build to Grow 2025, with the objective to reduce its carbon footprint of the production of feed and animal protein.

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

Capital Markets Day

Today ForFarmers presents the various elements of the strategy Build to Grow 2025 and the relating programmes during its Capital Markets Day. The presentations can be followed via a webinar (09.00 – 12.30 hours CET). After the event the webinar will be posted on the corporate site (www.forfarmersgroup.eu).

Note to the editor / For additional information:

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About ForFarmers N.V.

ForFarmers N.V. is an international organisation that offers complete and innovative feed solutions for livestock farming. With its **"For the Future of Farming"** mission, ForFarmers is committed to the continuity of farming and further sustainalising the agricultural sector.

ForFarmers is the market leader in Europe with annual sales of 10.1 million tonnes of animal feed. The company is operating in the Netherlands, Germany, Belgium, Poland and the United Kingdom. ForFarmers has approximately 2,600 employees. In 2019, the turnover amounted to approximately € 2.5 billion. ForFarmers N.V. is listed on Euronext Amsterdam.

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FORWARD-LOOKING STATEMENTS

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

