
ACOMO REPORTS ADJUSTED EBITDA OF €74.6 MILLION FOR THE FIRST TEN MONTHS OF 2023 WITH SOLID PERFORMANCE IN MOST SEGMENTS AND STRONG CASH FLOW DESPITE CHALLENGING ENVIRONMENT AT ORGANIC INGREDIENTS

ROTTERDAM (NL), 21 NOVEMBER 2023

Today, ACOMO N.V., the Euronext Amsterdam-listed natural food products and ingredients Group, reported results for the first ten months of 2023, up to 31 October.

Key highlights year-to-date (YTD):

- Losses on cocoa futures and difficult consumer environment for Organic Ingredients negatively impacting Group results YTD
- Other divisions in the Group are trading well with solid results
- Adjusted Gross Profit margin increased to 13.6% versus 12.9% YTD 2022
- Adjusted EBITDA of €74.6 million versus €86.9 million YTD 2022
- Strong cash flow generation of €126.3 versus €62.7 YTD 2022
- Full Year 2023 forecasted adjusted EBITDA in range of €87 million to €92 million

Our Organic Ingredients segment (Tradin Organic) was impacted by several challenges this year, as outlined in the H1 2023 results. In addition to the reported atypical losses incurred on cocoa hedging contracts due to record cocoa prices, the difficult consumer environment has also contributed to a lower performance. Tradin's management and employees, supported by the Acomo Board, are fully focused on addressing the challenges in this segment, as shown by improving trends in recent trading.

The segments Spices & Nuts, Edible Seeds, and Food Solutions continued their strong and increased performance for the first four months of H2 2023. Margins in these segments improved further versus the first six months (H1-2023). The Tea segment reports results below prior year due to lower volumes.

The financial position of the company per 31 October 2023 is strong, with a balance sheet solvency ratio of 51%, and a reduction of total borrowings versus 31 December 2022 (-16%) due to strong operational cash flow.

The Acomo board expects the full Fiscal Year 2023 (FY23) adjusted EBITDA to range between €87 million and €92 million (FY22: €108 million). The full year results will be officially announced on 20 February 2024.

Segments

Spices and Nuts

- The Spices and Nuts segment continued its H1 trend with double digit EBITDA growth.

Edible seeds

- Edible seeds are on trend to outperform EBITDA versus last year in both North America and Europe.

Organic Ingredients

- H1 2023 results were impacted by extremely high cocoa prices and pressure on organic volumes. The unrealized hedge results reported in H1 2023 turned into realized losses in H2 2023 due to further increased cocoa market prices. Recent developments at Tradin Organic show positive trends where especially in the US business certain desks are outperforming versus prior year and it's organization is fully staffed. The European business also shows positive trends and the entire organization is committed to continue building towards a bright future.

Tea

- The Tea division is facing challenges due to global oversupply and price pressure. Margins are slightly above prior year.

Food Solutions

- Food solutions reports double digit EBITDA growth for YTD October 2023 versus YTD 2022.

The Acomo Board is confident in the commitment, experience and capabilities of our teams to deal with the market challenges in the best possible way.

The full year net result FY 2023 cannot be accurately derived from or forecasted based upon the aforementioned figures, given that the final impact of numerous financial items/factors (e.g. unrealized market-to-market results) can only be determined on December 31, 2023.

Caution concerning forward looking statement

This press release contains statements about management's future expectations that constitute forward-looking statements. The use of words like 'expects', 'estimates', 'anticipates', 'believes' and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. While forward-looking statements represent our expectations concerning the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from those contained in the forward looking statements, including but not limited to changes in demand for our products; market price developments; adverse impacts on the global economy, financial markets, global supply chains and our operations as well as those of our customers and suppliers; loss of significant customers; acts of terrorism and violence; disruption or failure of our information technology systems; additional risks factors described in Acomo's Annual Report for the year ended December 31, 2022; and other key factors that could adversely affect our businesses and financial performance contained in our filings and reports, including our statutory consolidated statements. We expressly disclaim any obligation to update or alter our forward-looking statements in response to new information, future events or any other relevant factors.



[ends]

Note to the editors

For further information, please contact:

ACOMO N.V.

Mr A.W. Goldschmeding

WTC, Beursplein 37

3011 AA Rotterdam

The Netherlands

info@acomo.nl

Tel. +31 10 4051195

www.acomo.nl

Creative Venue PR

Mr F.J.M. Witte, spokesperson

Sophialaan 43

1075 BM Amsterdam

The Netherlands

f.witte@creativevenue.nl

Tel. +31 20 4525225

www.creativevenue.nl

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 natural food products and ingredients. Our main trading 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 Warenhandels-gesellschaft 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.