



2022 RESULTS



CONTENTS

- 1. INTRODUCTION**
- 2. BUSINESS UNIT RESULTS 2022**
 - 2.1 Rice
 - 2.2 Pasta
- 3. CONSOLIDATED GROUP RESULTS 2022**
 - 3.1 P&L
 - 3.2 Debt Performance
- 4. CONCLUSION**
- 5. CORPORATE CALENDAR 2022**
- 6. CALCULATION OF ALTERNATIVE PERFORMANCE MEASURES**
- 7. LEGAL DISCLAIMER**

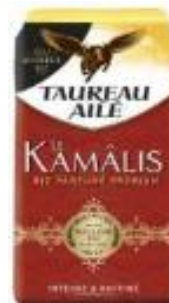
1. Introduction

- o In 2022, in addition to the ongoing issue of spiralling inflation from 2021, we faced another barrage of challenges due to the aftermath of Russia's invasion of Ukraine: (i) fresh waves of cost inflation for raw and auxiliary materials, transport, energy and labour costs, and (ii) the transport strike in Spain, which came about in response to rising fuel costs.
- o This resulted in a cost increase of EUR234 million compared to 2021, a year in which we already had to cope with a year-on-year increase of EUR60 million.
- o In this difficult environment, the Group achieved some very satisfactory results.
- o During the year, we also made further progress towards achieving our strategic objectives:
 - o We sold Roland Monterrat, the French sandwich company based in France, which had not performed as well as expected during the Group's ownership. The claim lodged against the sellers remains open.
 - o We acquired the assets comprising InHarvest, Inc, a US company with a strong presence in the industrial (B2B), Food Service and Private Label businesses for premium specialities in rice, quinoa and grains in the United States.



2.1.1 Rice 2022

- The Division maintained a strong financial position while managing rice cost inflation over the last three harvests, and ended the year with record results.
- In addition to raw materials, logistics freight rates have been soaring for most of the year and only started to level off in Q3.
- This environment has made it impossible to offset all cost increases through price hikes, and forced us to focus even more on productivity and structural cost adjustments.
- Three key factors enabled us to succeed in this regard: (i) the resilience of our supply chain, which allowed us to mediate and take long positions on raw materials, giving us peace of mind during this period of ongoing inflation; (ii) the strength of our brands; and (iii) the expertise of our sales team, who have helped to fend off much of the competition from private labels.
- We are pleased that our flagship products (instant, microwave, ethnic and premium) continue to deliver double-digit growth.
- Prices are expected to remain high in 2023 for three main reasons:
 - Poor harvests in Spain, Italy and California, which led to price inflation for Japanese rice.
 - Flooding in Pakistan, which has pushed up the price of the latest basmati rice harvest.
 - Import duties in Europe rose from EUR30 to EUR65 per tonne.

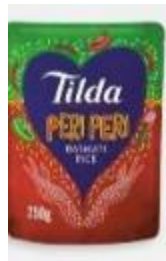


2.1.2 Rice 2022

- Sales increased by 25.3% y-o-y to EUR2,329.5 million, as we were able to pass on some of the cost of inflation and achieve higher sales volumes. On a standalone basis, sales grew 20.3% in the last quarter, driven by price increases. InHarvest contributed EUR38.9 million to sales from April onwards.
- Advertising investment was up 23.1% to EUR53.9 million and remained at this increased level throughout the whole year.
- Ebitda-A grew by 17.0% to EUR289.8 million, with a 22.5% increase in Q4. Currency exchange had a positive impact of EUR13.7 million on Ebitda-A. InHarvest contributed EUR3.8 million to Ebitda-A.
- Operating profit grew 13.9% to EUR213.2 million.

EUR Thous.	2020	2021	2022	22/21	CAGR 22/20
Sales	1,893,924	1,858,919	2,329,486	25.3%	10.9%
Advertising	43,120	43,789	53,898	23.1%	11.8%
EBITDA-A	252,614	247,680	289,830	17.0%	7.1%
EBITDA-A Margin	13.3%	13.3%	12.4%		
EBIT-A	195,210	189,087	222,664	17.8%	6.8%
Operating Profit	191,083	187,089	213,176	13.9%	5.6%

* In the last three periods, the Panzani rice business was reclassified from the Pasta Division to the Rice Division.



2.2.1 Pasta 2022

- The fresh pasta business (Bertagni, France and Olivieri) faced a very challenging year with significant inflation in various areas.
- In terms of raw material prices, we have not been able to implement long-term stockpiling and storage policies due to the shelf life of the ingredients. Our sales team dealt with a range of price increases during the period, but these were not enough to offset cost overruns.
- We have also seen a greater impact on consumption of these products, as they are more price elastic than rice or dry pasta.
- We would highlight the strong uptake of gnocchi in all markets where we have launched it. However, gnocchi has become less profitable due to supply chain issues with its main ingredient, potatoes.
- On the other hand, Garofalo had an excellent year in 2022, achieving double-digit growth in mature markets such as the US, France and Spain, and strengthening its position at the top of the premium segment in Italy.



2.2.2 Pasta 2022

- Turnover grew by 10.3% to EUR651.5 million, driven by increased volumes for Garofalo and Bertagni and the price hikes required to cover cost inflation.
- Advertising fell 25% to EUR24.9 million.
- The Division's Ebitda-A fell by 15% to EUR58.5 million, with the margin also down by 2.6 p.p. This was primarily due to severe inflation affecting raw materials on the fresh pasta side, as well as the challenge of raising prices in a shrinking market. The exchange rate had a negative impact of EURO.1 million.
- Operating profit fell by almost 90% to EUR3.2 million, due to the loss on the sale of Roland Monterrat.

EUR Thous.	2020	2021	2022	22/21	CAGR 22/20
Sales	581,460	590,781	651,545	10.3%	5.9%
Advertising	25,648	33,181	24,904	-24.9%	-1.5%
EBITDA-A	66,811	68,825	58,478	-15.0%	-6.4%
EBITDA-A Margin	11.5%	11.6%	9.0%	-23.0%	-11.6%
EBIT-A	32,312	34,447	26,330	-23.6%	-9.7%
Operating Profit	28,424	30,374	3,184	-89.5%	-66.5%

* In the last three periods, the Panzani rice business was reclassified from the Pasta Division to the Rice Division.



3.1 P&L 2022

- The consolidated sales figure grew by 22.3% to EUR2,967.7 million.
- Ebitda-A grew by 10.9% to EUR334.6 million. The Ebitda-A margin decreased by 1.1 p.p. to 11.3%, due to increases in the cost of raw materials and other costs. Ebitda-A grew by 11.2% in Q4. Currency contributed EUR14.6 million to this result. In geographic terms, Ebitda-A breaks down as follows: Spain 6.3%, UK 10.0%, Rest of Europe 40.9%, America 35.1%, Asia 6.3% and Other 1.4%.
- On a like-for-like basis (i.e. excluding the contribution of the divested dry pasta businesses*) net profit decreased by 6.6% to EUR135.6 million, impacted by currency translation differences of EUR9.4 million and the loss on the divestment of Roland Monterrat, which amounted to EUR20 million. Excluding these two extraordinary events, net profit from continuing operations would have grown by 13.6%. The net profit** figures for 2020 and 2021 included capital gains from the divestment of the American and French dry pasta businesses, and as a result they are not comparable.

EUR Thous.	2020	2021	2022	22/21	CAGR 22/20
Sales	2,430,310	2,427,068	2,967,672	22.3%	10.5%
Advertising	67,408	75,474	77,161	2.2%	7.0%
EBITDA-A	305,132	301,860	334,622	10.9%	4.7%
EBITDA-A Margin	12.6%	12.4%	11.3%		
EBIT-A	211,711	207,295	233,599	12.7%	5.0%
Operating Profit	205,533	203,058	202,571	-0.2%	-0.7%
Pre-tax Profit	159,869	198,731	185,807	-6.5%	7.8%
Net Profit from Continuing Operations	117,227	145,219	135,565	-6.6%	7.5%
Net Profit from Discontinued Operations	89,424	105,027	-917		
Net Profit**	192,415	238,629	122,059	-48.8%	-20.4%
ROCE-A	9.7	10.1	10.5		

*These businesses contributed EUR105 million to the result for the previous year

**Net profit attributed to the parent company



3.2 Debt Performance

- We ended the year with net debt amounting to EUR762.6 million, EUR257.9 million more than at year-end 2021.
- Working capital rose by EUR229.3 million compared to YE 2021, reflecting our strong positions taken in the face of continued raw material inflation.
- Our investment in the InHarvest business amounted to EUR50.2 million and our divestment of Roland Monterrat amounted to EUR22 million. Tax payments amounted to EUR90.8 million (EUR57 million in recurrent corporate income tax or tax not linked to divestments).
- We are committed to driving organic growth in areas where we have extensive experience. For instance, we increased our Capex investment in Q4, bringing the total for 2022 to EUR118.8 million. The largest investments were the expansion of our RTS plant in Memphis, the new gnocchi line in Canada, the expansion of our Avio (Bertagni) plant and fresh pasta plant in France, and the installation of machinery and phased start-up process at La Rinconada.

EUR Thous.	31 Dec 20	31 Dec 21	31 Dec 22	22/21	CAGR 22/20
Net debt	950,870	504,723	762,635	51.1%	-10.4%
Average net debt	917,574	865,418	645,809	-25.4%	-16.1%
Equity	1,927,351	2,101,627	2,164,438	3.0%	6.0%
ND Leverage	49.3%	24.0%	35.2%		
AND Leverage	47.6%	41.2%	29.8%		
x EBITDA-A (ND)	2.2	1.4	2.3		
x EBITDA-A (AND)	2.1	2.4	1.9		



4. Conclusion

- 2022 was a very challenging year due to poor harvests and rampant inflation, exacerbated by the outbreak of war in Ukraine, which led to extraordinary costs. Our global market position, the efficient management of our raw material positions, the tireless work of our sales team in successive negotiations to pass on our costs, and our portfolio of solid brands, have all enabled us to manage and partially offset these increased costs, producing some very satisfactory results, almost back to the levels seen prior to the sale of Panzani.
- We have now sold Roland Monterrat and are awaiting the outcome of the claim against the sellers.
- We have also acquired InHarvest and are working hard to create purchasing and organisational synergies, with very positive results.
- A series of factors will make 2023 another challenging year: (i) rising inflation; (ii) droughts across southern Europe; (iii) the sharp increase in the price of Basmati; (iv) the need to negotiate further price increases (we are estimating an additional EUR225 million in costs for the year); and (v) reduced availability of stock at reasonable prices.
- We have clearly demonstrated our expertise and the resilience of our model. Our confidence in the strength of our brands, new products and investments, as well as the organisation's ability to adapt and improve plant productivity, will continue to help us overcome these challenges and reasonably weather 2023.

5. Corporate Calendar

As part of Ebro's commitment to complete transparency, below we provide our Corporate Calendar for 2023:

➤ 27 February	Presentation of YE2022 Results ✓
➤ 3 April	Four-month payment of ordinary dividend (EUR0.19/share)
➤ 26 April	Presentation of Q1 2023 results
➤ 30 June	Four-month payment of ordinary dividend (EUR0.19/share)
➤ 26 July	Presentation of H1 2023 results
➤ 2 October	Four-month payment of ordinary dividend (EUR0.19/share)
➤ 31 October	Presentation of 9M22 results



6. Calculation of Alternative Performance Measures

According to the guidelines set by the European Securities and Markets Authority (ESMA), the following is a list of the indicators used in this report. These indicators are currently and consistently used by the Group to describe its business performance and their definitions have not been altered:

- EBITDA-A. Earnings before interest, taxes, depreciation and amortization, excluding results considered as extraordinary or non-recurring (essentially profit earned from transactions relating to the Group's fixed assets, industrial restructuring costs, results from or provisions for lawsuits, etc.). EBITDA-A is calculated consistently with prior-year EBITDA.
- EBIT-A. EBIT-A is calculated by subtracting the year's amortisations and depreciations from EBITDA-A. EBIT-A is calculated consistently with prior-year EBIT.

	<u>30/12/2020</u>	<u>31/12/2021</u>	<u>31/12/2022</u>	<u>2021 - 2020</u>
EBITDA(A)	305,132	301,860	334,622	32,762
Provisions for depreciation/amortisation	(93,421)	(94,565)	(101,023)	(6,458)
EBIT(A)	211,711	207,295	233,599	26,304
Non-recurring income	4,746	9,454	1,807	(7,647)
Non-recurring costs	(10,924)	(13,691)	(32,835)	(19,144)
OPERATING PROFIT	205,533	203,058	202,571	(487)

- CAPEX. Capital expenditure - payments for investment in production related fixed assets.
- Net Debt:

	<u>30/12/2020</u>	<u>31/12/2021</u>	<u>31/12/2022</u>
(+) Non-current financial liabilities	570,267	598,509	553,164
(+) Other current financial liabilities	591,759	445,916	394,833
(+) Financial liabilities available for sale	113	0	0
(-) Loans to associates	(1,122)	(1,122)	(1,122)
(-) Sum of security deposits payable	(782)	(84)	(676)
(-) Cash and cash equivalents	(210,486)	(539,239)	(184,950)
(-) Derivatives – assets	(1,611)	(527)	(1,457)
(+) Derivatives – liabilities	2,732	1,270	2,843
TOTAL NET DEBT	950,870	504,723	762,635

- (Average) Net Debt: Average net debt refers to the 13-month moving average based on previous net debt.
- (Average) Working Capital: 13-month moving average of the sum of inventories, trade receivables and provision of services, other receivables less trade payables and other current payables.
- Capital Employed (average). 13-month moving average of the sum of intangible assets, property, plant and equipment and working capital.
- ROCE-A: Ratio of the average profit/loss after depreciation/amortisation and before tax for the last 12-month period (excluding extraordinary and non-recurring items) divided by the average capital employed, as previously defined. ROCE-A is calculated consistently with prior-year ROCE.

7. Legal Disclaimer

- o This presentation contains our true understanding to date of estimates on the future growth in the different business lines and the global business, market share, financial results and other aspects of business activity and the positioning of the Company. All the data included in this report have been put together according to International Accounting Standards (IAS). The information included herein does not represent a guarantee of any future actions that maybe taken and it entails risks and uncertainty. The actual results may be materially different from the ones stated in our estimates as a result of various factors.
- o Analysts and investors should not rely on these estimates, which only cover up to the date of this presentation. Ebro Foods does not assume any obligation to publicly report the results of any review of these estimates that may be carried out to reflect events and circumstances occurring after the date of this presentation – including but not limited to – changes in Ebro Foods business or its acquisitions strategy, or to reflect unforeseen events. We encourage analysts and investors to consult the Company's Annual Report, as well as the documents filed with the Authorities and more specifically with the Spanish National Securities Markets Commission (CNMV).
- o The main risks and uncertainties affecting the Group's business are the same as those included in the Consolidated Annual Accounts and the Management Report for the year ending 31 December 2021, which is available at www.ebrofoods.es. We believe that there have been no significant changes during this financial year. The Group still has some exposure to the raw materials markets and to passing on changes in prices to its customers. Likewise, there is certain exposure to fluctuations in the exchange rate, especially the dollar, and changes in interest rates.