

Camposol

2Q 2022 Earnings Report

August 2022



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A photograph of a woven basket filled with fresh blueberries, resting on a wooden surface. Several blueberries are scattered around the basket, some with their stems and leaves. The image is in grayscale, with a semi-transparent green overlay containing text.

Camposol at a Glance

Financial Performance

Camposol is a global branded fresh healthy food company with an on-trend product offering, unique competitive advantages ...



Overview

- Global provider of fresh and healthy foods
- Serving retail and wholesale consumers in over 40 countries across the globe
- Unique value proposition recognized globally: high consistency, superior quality and full traceability
- Diverse and strategic sourcing supports year-round production capabilities and superior profitability

Selected financial overview

2022Q2 LTM Sales (US\$):
\$415.4 mm

12-21 Sales CAGR (%):
7.7%

2022Q2 LTM Adj. EBITDA³ (US\$):
\$106.5 mm

2022Q2 LTM Adj. EBITDA mg.³
(%): **26%**

Superior growth and profitability driven by...

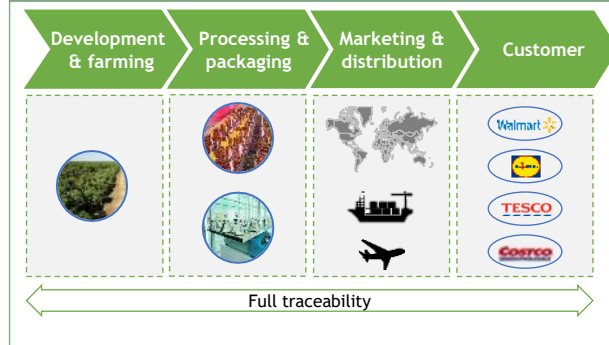
...diverse portfolio of high-growth, on-trend fresh products...



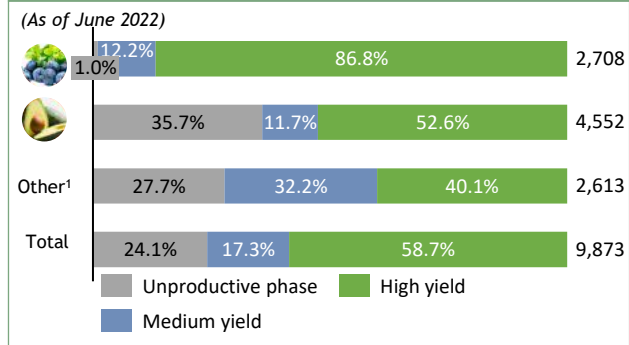
...strong relationship with top retailers and wholesalers worldwide...



...field-to-table supply chain control and sustainable farming methods that ensure food safety and highest quality of products...



...with visibility on short term growth driven by maturity of existing plantations (mainly maintenance capex required)

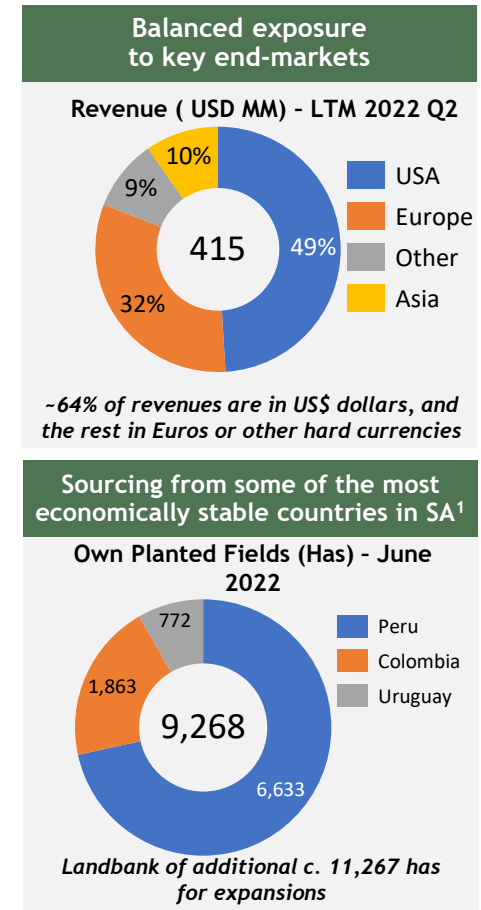
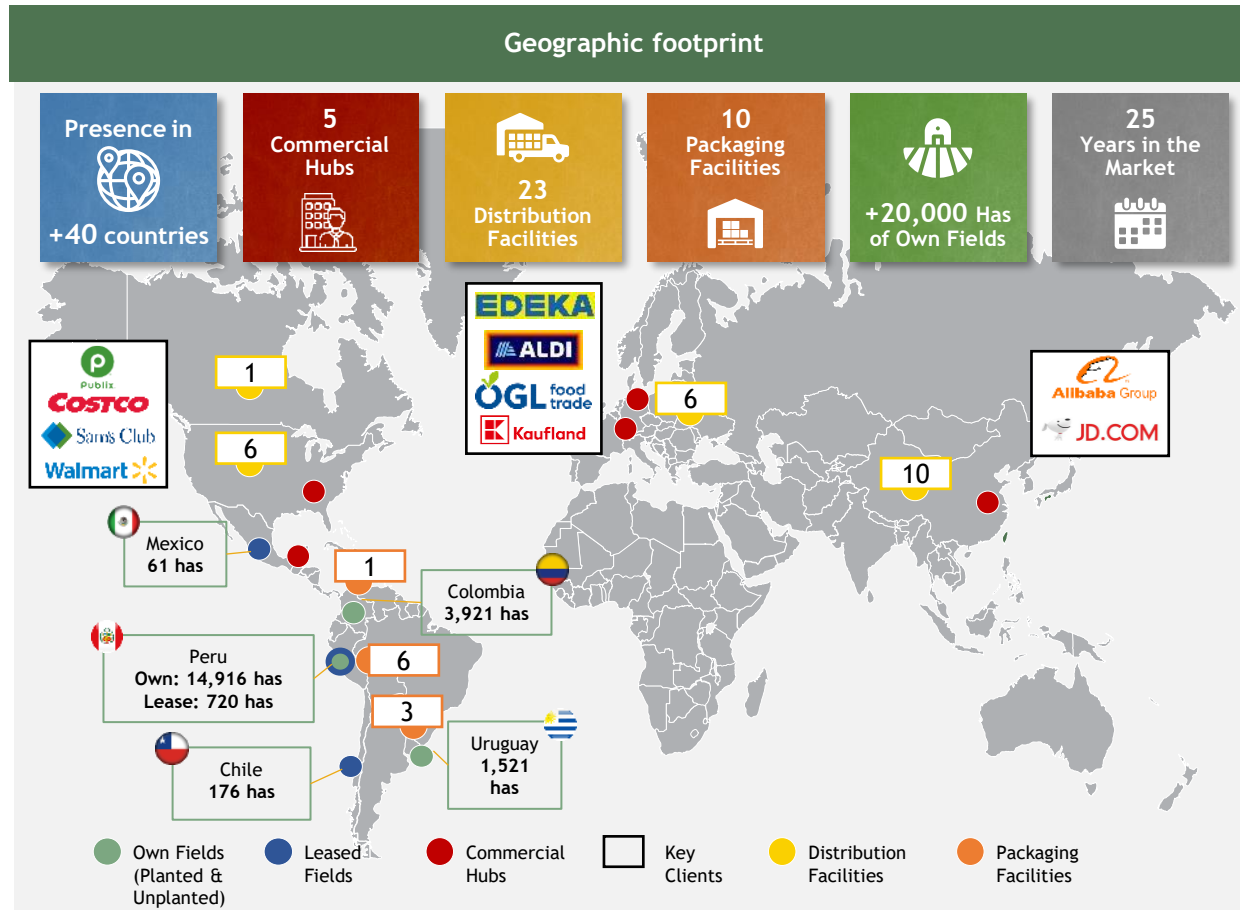


Source: Company information as of March 2022

Notes:

- Others include tangerines, mangoes, grapes and other products. In the revenue breakdown, Others also unallocated revenue which corresponds to minor activities not reported to the chief operating decision maker, such as packaging and other minor services provided by the Company.
- In 2019, we were recognized with the 2018 Risk Taker Award by Walmart for "going above and beyond to meet customer needs", and in 2017 we were recognized with the 2016 Supplier of the Year Award in the Produce Category by Walmart.
- Non-IFRS measure. See the Appendix for a reconciliation of this measure to the most directly comparable financial measure calculated and presented in accordance with IFRS.


...and a truly global platform that allows us to reach top retailers and wholesalers all around the world



Camposol's products are sold in major retail locations worldwide



Source: Company information.
1 Denotes South America.

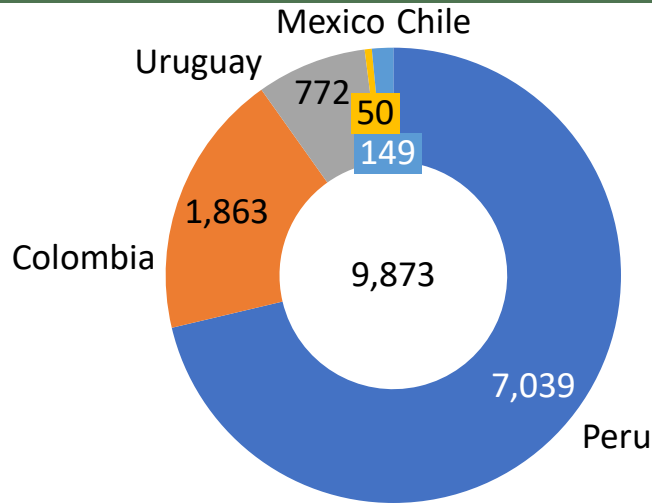
A photograph of a wooden crate filled with fresh citrus fruits, including several oranges and lemons, some with green leaves still attached. The scene is set on a wooden surface. In the foreground, a single orange with a stem and leaves sits on the surface. The entire image has a light, semi-transparent overlay.

Camposol at a Glance

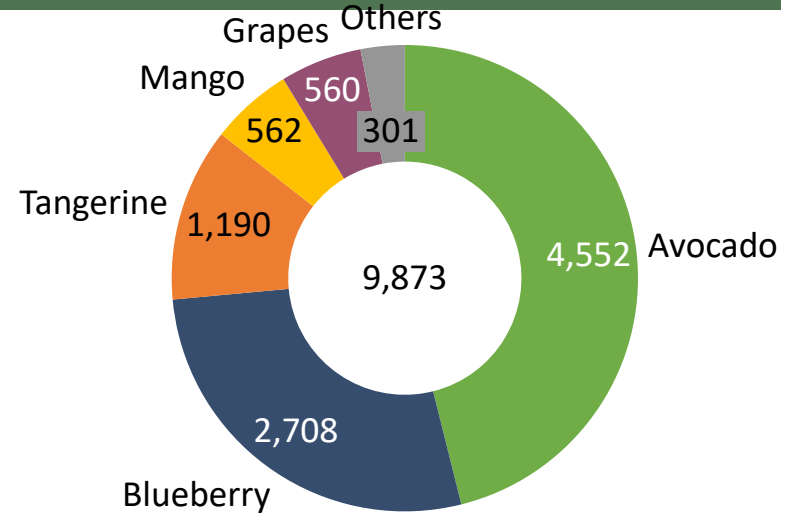
Financial Performance

Planted fields distribution by crop and country

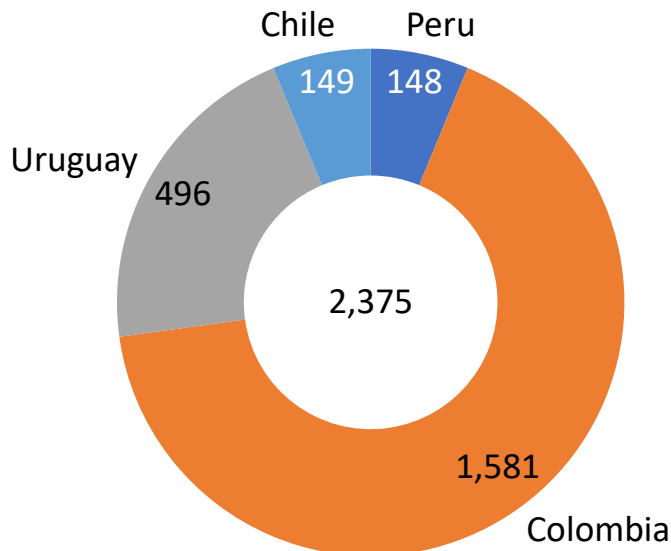
Country breakdown



Crop breakdown



Planted hectares currently waiting to enter productive stage

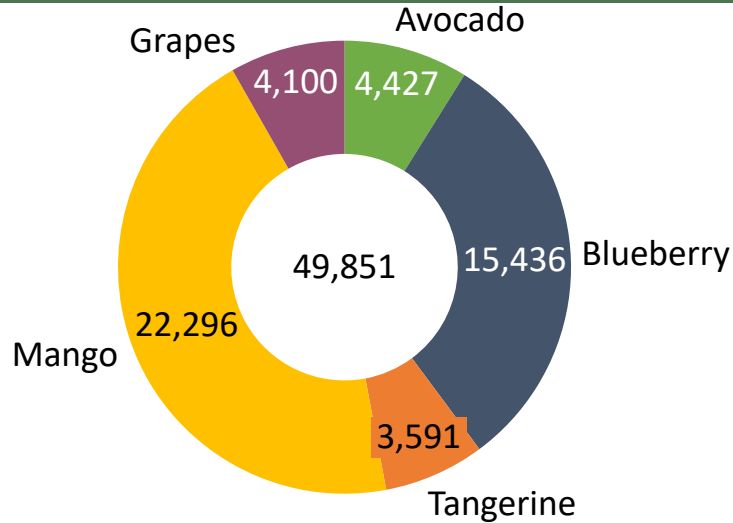


24% of our planted fields are yet to enter productive stage, this gives us a very optimistic view of our future growth

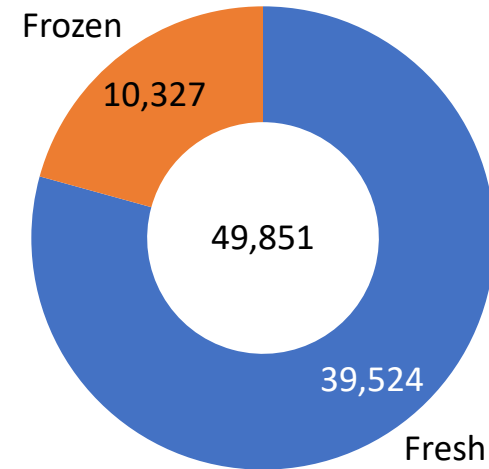
Sales volumes, revenues and gross profit



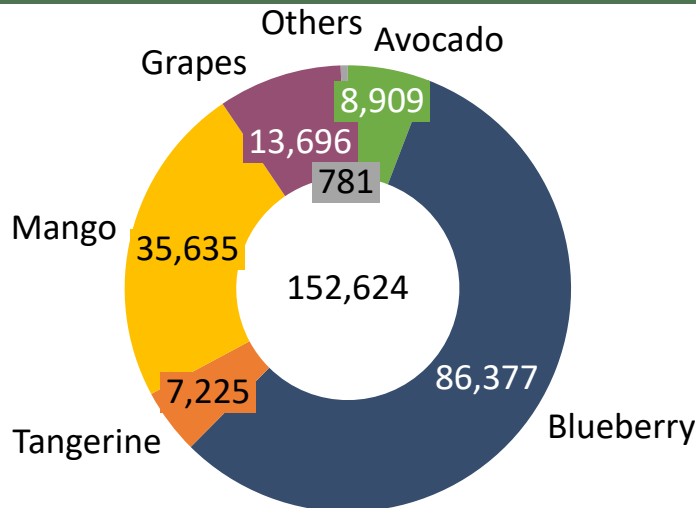
Sales tons by crop (MT) - YTD June 2022



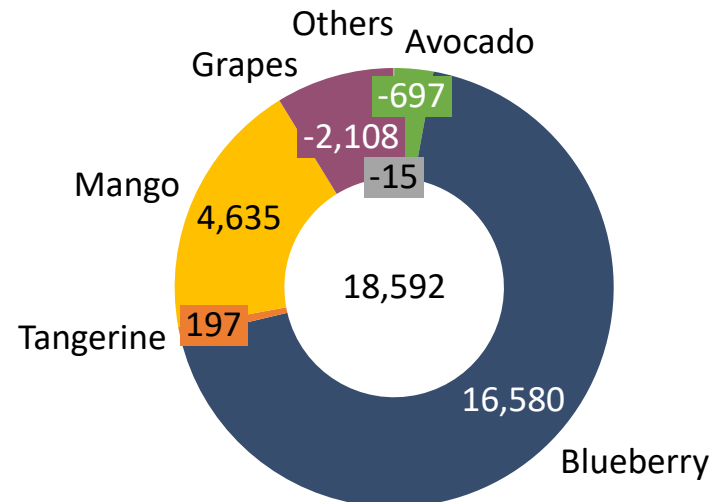
Sales tons by presentation (MT) - YTD June 2022



Sales revenues by crop (USD 000) - YTD June 2022



Gross profit by crop (USD 000) - YTD June 2022

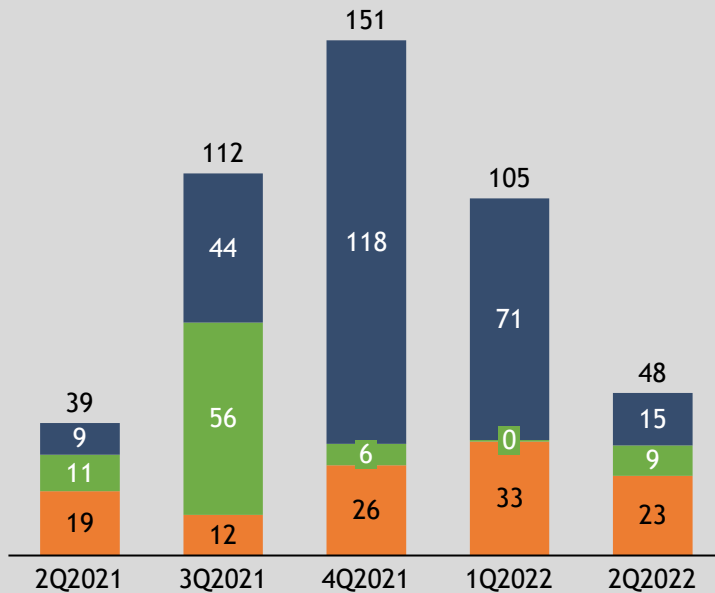


Revenues (USD MM and MT) by quarter and crop



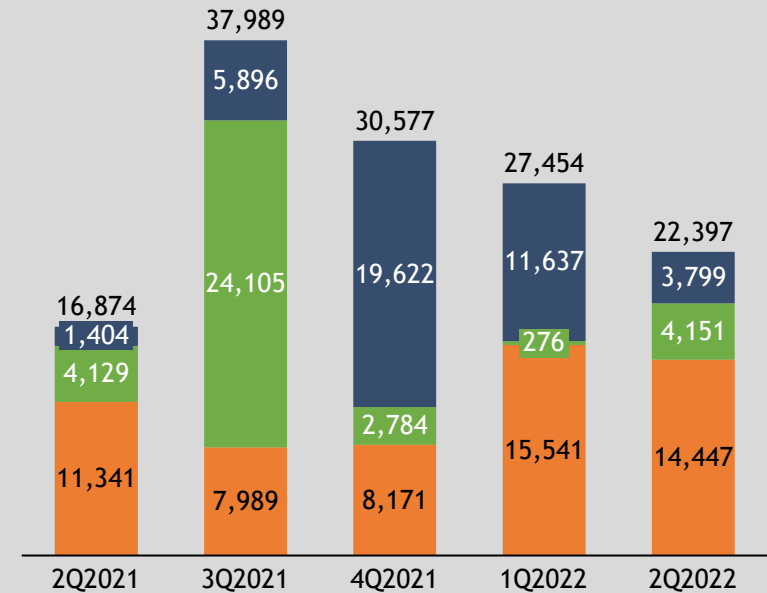
- Blueberry
- Avocado
- Others

Revenues (USD MM)



Total sales of 2Q2022 amounted to USD 48 million, up 26% compared to 2Q2021 mainly due to increases in blueberries volumes due to better agronomic management and pruning works done by the end of 2021.

Sold volumes (MT)



Higher volumes of blueberries, tangerine and mango were sold during 2Q2022 compared to 2Q2021; higher volumes were possible due to better yields in blueberries and mango, whereas in tangerine more hectares entered productive stages.

EBITDA Buildup (USD 000)

	2022Q2 LTM	2021Q2 LTM
Profit before income tax	608	68,809
Finance costs	28,903	28,277
Finance income	- 105	- 709
Gain (loss) of associated companies	- 2,826	- 2,180
Operating profit	26,580	94,197
Currency translation differences	5,726	1,067
Change in fair value of biological assets	14,668	- 13,104
Low of historical cost of bearer plants	12	-
Other income/expenses	10,369	7,051
Amortization of bearer plant	29,211	26,032
Depreciation and amortization	19,978	19,753
EBITDA	106,545	134,997

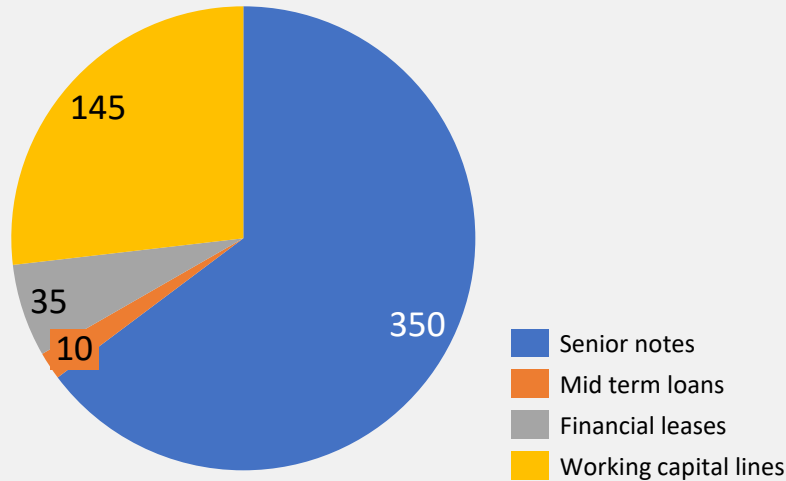
LTM EBITDA decreased by 21%, mainly due to higher ocean freight costs and a heavily saturated avocado market with a downward-trending price.

Current Funding Mix



Total gross debt¹ (US\$mm)

- Total: 540

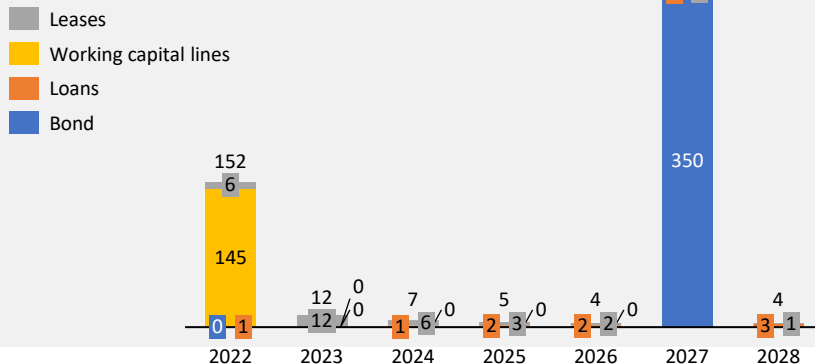


Highlights

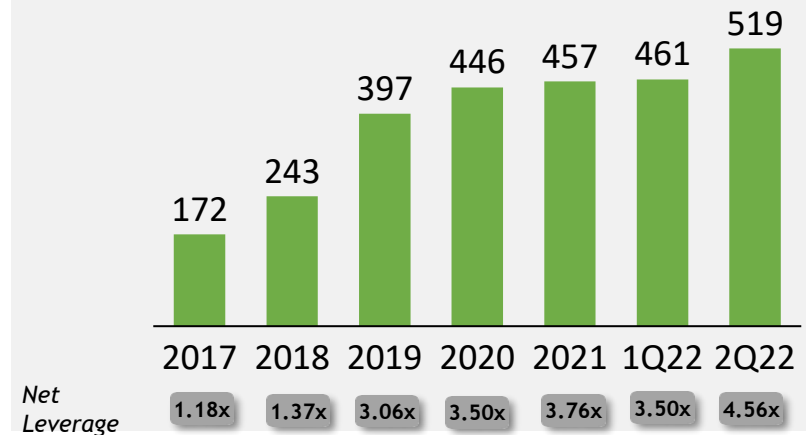
- Total gross debt as of June 30th, 2022 amounted to USD 523 million and was mainly composed of senior unsecured notes amounting to USD 350 MM with 6% coupon due in 2027, which represents 65% of the total gross debt.
- Long-term debt at end of period had a duration of ~5 years.
- The net leverage ratio as of June 31st, 2022 closes at 4.56x. We expect gradual deleveraging throughout the remaining of the year, due to a reduction in working capital needs derived from higher collections and entering the higher EBITDA-generating quarters.

Structural Debt (US\$mm)

- Long-term debt: USD 395 mm
- Duration: ~ 5 years



Total debt² (US\$mm) and net leverage (x)



Source: Company
 1. Includes short & long term debt without capitalized fees and interest
 2. Includes new operating leases in the 2020

Financial statements - Balance sheet



	30.06.2022	31.12.2021	30.06.2021
	US\$000	US\$000	US\$000
Assets			
Non-current assets			
Property, plant, equipment and bearer plant	715,454	706,966	706,544
Right of use asset	48,398	52,354	56,463
Investments accounted for using the equity method	4,413	5,562	3,500
Intangible assets	12,416	12,438	11,716
Deferred tax assets	9,061	5,873	5,742
Other accounts receivable Non-current	408		
Total non-current assets	790,150	783,193	783,965
Current assets			
Prepaid expenses	1,527	1,317	4,346
Biological assets	181,887	184,064	173,405
Inventories	49,211	48,551	33,738
Accounts receivable to related companies	2,880	1,957	858
Other accounts receivable	21,155	15,520	18,948
Trade accounts receivable	23,154	42,399	17,426
Cash and cash equivalents	32,581	30,475	27,632
Total current assets	312,395	324,283	276,353
Total assets	1,102,545	1,107,476	1,060,318

	30.06.2022	31.12.2021	30.06.2021
	US\$000	US\$000	US\$000
Equity attributable to shareholders of the parent			
Share capital	10,000	10,000	10,000
Revaluation of assets	172,464	172,418	172,614
Retained earnings	165,209	226,427	202,593
	347,673	408,845	385,207
Non-controlling interest	(985)	(984)	(983)
Total equity	346,688	407,861	384,224
Non-current liabilities			
Long - term debt	355,972	355,874	355,240
Lease liability	23,045	29,505	34,273
Deferred tax liabilities	133,434	133,434	138,331
Total non-current liabilities	512,451	518,813	527,844
Current liabilities			
Accounts payable to related companies	30	57	58
Current portion of long-term debt	7,328	7,368	7,336
Current portion of lease liability	12,832	12,818	15,031
Trade accounts payable	61,234	64,758	38,112
Other accounts payable	16,662	16,655	13,556
Bank loans	145,320	79,146	74,157
Total current liabilities	243,406	180,802	148,250
Total liabilities	755,857	699,615	676,094
Total equity and liabilities	1,102,545	1,107,476	1,060,318

Financial statements - Income statement



	30.06.2022	31.12.21	30.06.21
	US\$000	US\$000	US\$000
Continuing operations			
Revenue	152,624	385,798	122,985
Cost of sales	(134,032)	(280,424)	(98,845)
Gross profit	18,592	105,374	24,140
Depreciation of bearer plants	(4,690)	(9,417)	(4,727)
Low of bearer plants	(12)	-	-
Net gain arising from changes in fair value of biological assets	(28,085)	40	(13,376)
Profit after adjustment for biological assets	(14,195)	95,998	6,037
Administrative expenses	(11,290)	(22,219)	(9,705)
Selling expenses	(4,143)	(8,718)	(3,574)
Other income	332	916	377
Other expenses	(2,596)	(10,257)	(1,612)
Operating profit (loss)	(31,892)	55,720	(8,479)
Share of (loss) profit of investments accounted for using the equity method	770	2,599	543
Financial income	41	175	111
Financial expenses	(14,306)	(28,105)	(13,509)
Change in fair value of derivative financial instrument			
Net foreign exchange transactions	(3,580)	(4,642)	(2,496)
Profit (loss) before income tax	(48,967)	25,747	(23,829)
Income tax expense current	(26)	(5,272)	(84)
Income tax expense deferred	3,207	6,360	1,391
Profit (loss) for the year	(45,786)	26,835	(22,522)

Financial statements - Cashflow (USD 000)



	For the month ended 30 June	
	2022	2021
Cash flow from operating activities		
Cash receipts from customers	171,880	160,240
Cash paid to suppliers and employees	(170,386)	(149,700)
Interest paid	(11,275)	(13,126)
Income tax paid	(2,597)	(1,922)
Custom duties refund collections	643	2,024
Other payments	(588)	(96)
Net cash generated from operating activities	(12,323)	(2,580)
Cash flow from investing activities		
Purchases of property, plant and equipment	(11,384)	(3,418)
Investment in bearer plants	(18,097)	(11,339)
Loans granted to related parties	(934)	(1,106)
Purchase of intangibles, excluding goodwill	(709)	(96)
Proceeds from sale of property, plant and equipment	24	-
Net cash used in investing activities	(31,100)	(15,959)
Cash flow from financing activities		
Bank loans proceeds	132,000	55,500
Bank loans payments	(66,050)	(39,350)
Distribution of shareholders	(15,000)	-
Principal elements of lease liabilities payments	(4,908)	(6,083)
Collection of dividends	-	2,710
Purchase of shares	-	(597)
Payments of long-term debt	(513)	-
Net cash generated from (used in) financing activities	45,529	12,180
Net increase (decrease) in cash and cash equivalents	2,106	(6,359)
Cash and cash equivalents at beginning of year	30,475	33,991
Cash and cash equivalents at end of year	32,581	27,632



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