

Camposol

1H 2023 Earnings Report

August 2023



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Jose Antonio Gomez – Bazan
CEO



Jossue Yesquen Lihim
IRO

A photograph of a woven basket filled with fresh blueberries, resting on a wooden surface. Some blueberries are scattered around the basket. The image is in grayscale and serves as a background for the text.

Key Developments 1H 2023

Operational Overview

Summary

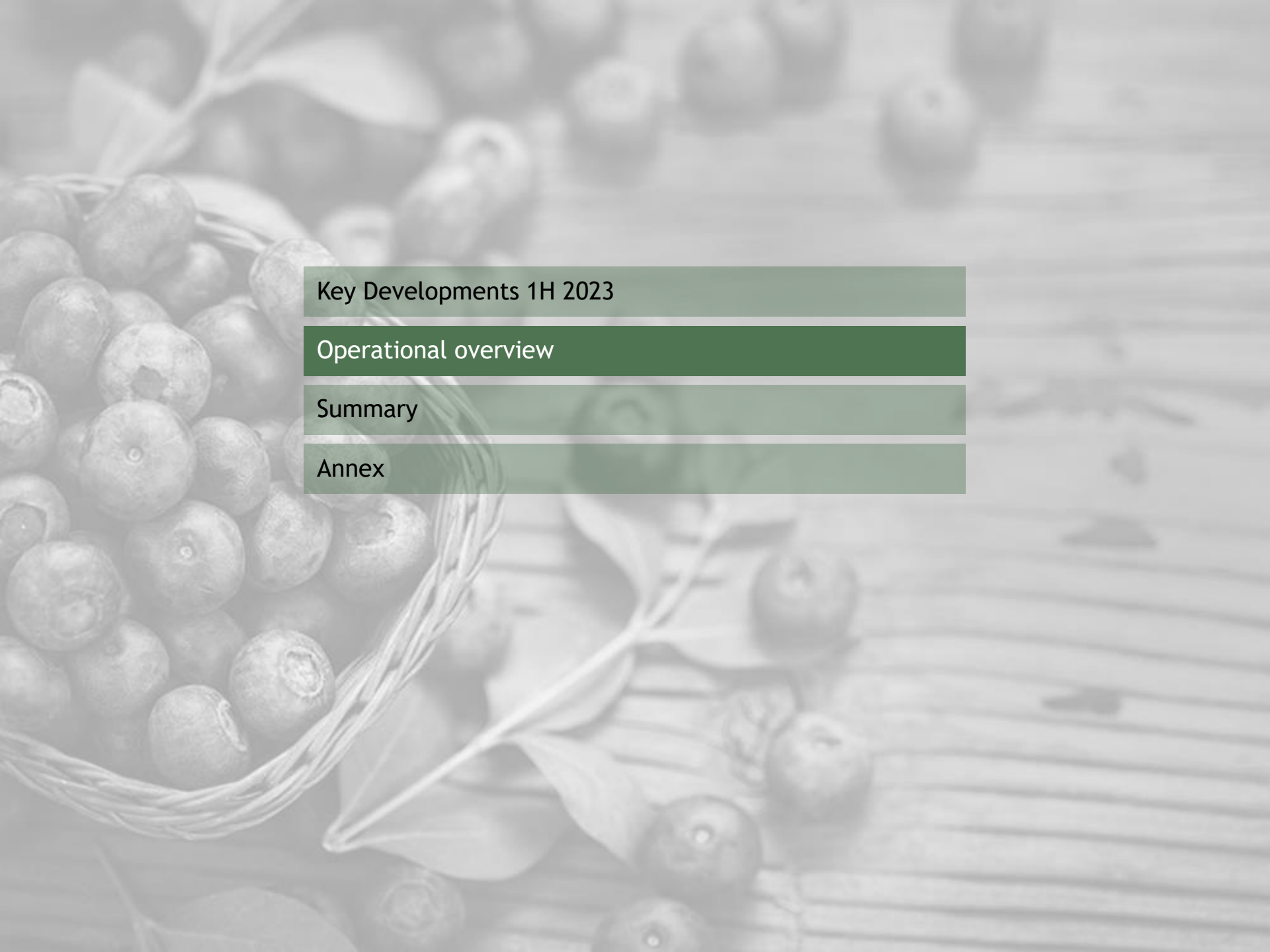
Annex

Key Developments 1H 2023



- Total volume sold in 1H 2023 decreased by 5.6% compared to the same period last year, mainly driven by lower tangerines and mangoes volume.
- Total sales amounted to USD 154.1 million, up 1.0% compared to 1H 2022. While total sales only increased by 1%, the share of blueberry sales saw a 16.7% increase. Mango, grape and tangerine were the crops that experienced reduced sales.
- EBITDA from continuing operations amounted to USD 33.6 million in 1H 2023, up 44.4% compared to the same period 2022. EBITDA margin from continued operations increased to 21.8% from 15.2% in 1H 2022.
- LTM EBITDA as of June 30th, 2023, amounted to USD 72.5 million.
- We have followed the directive to carry out prioritized capital investments, including maintenance capex for crops and short-term growth capex, to alleviate cash pressure. This aligns with the strategic objective defined at the beginning of the year.





Key Developments 1H 2023

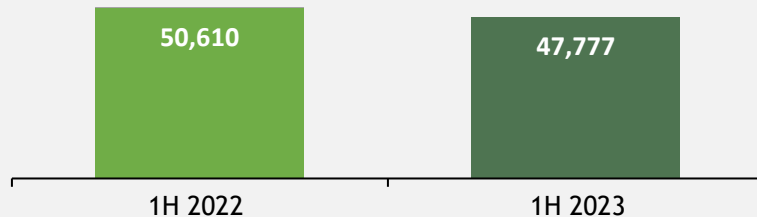
Operational overview

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1H 2022 vs 1H 2023

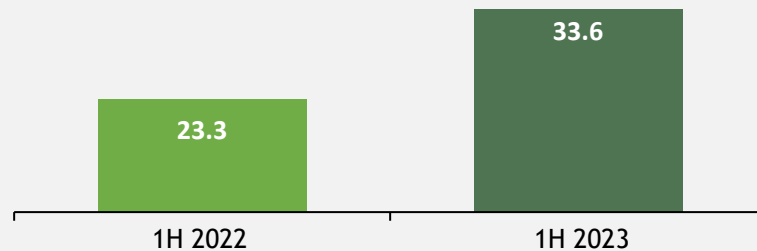
Volume Sold (MT)



Revenue USD (MM)



EBITDA USD (MM)



Highlights

- We had an improved first half.
- 5.6% reduction in volume sold in 1H 2023 driven by tangerines and mangoes.
- Revenue increased up to USD 154.1 million, driven by higher blueberry revenue.
- EBITDA for 1H 2023 was USD 33.6 million, which is 44.4% higher than 1H 2022.
- This improvement has been facilitated not only by enhanced crop performance, but also by the decreased freight expenses and a reduction in expenditures related to third-party services.

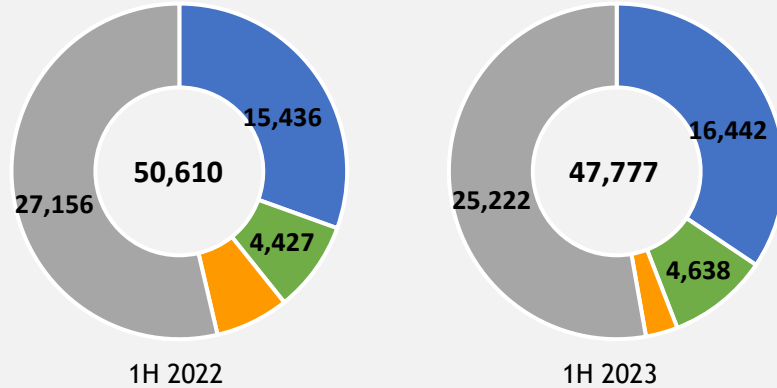
Operational overview 1H 2023



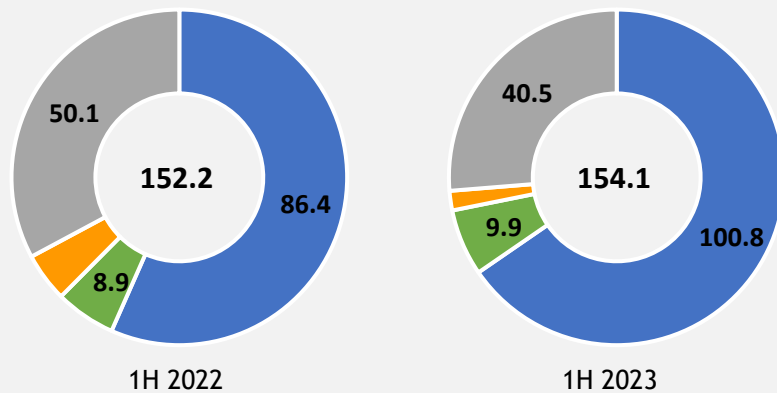
- Blueberry
- Avocado
- Tangerine
- Other

1H 2022 vs 1H 2023


Volume Sold (MT)





Revenue USD (MM)



Highlights

 In the first half of this year, we maintained our volume growth trend with a 6.5% higher volume compared to 1H 2022. The favorable pricing environment further supported this growth with a 9.6% increase in the average price. As a result, we achieved a remarkable 17% growth in sales compared to the first half of 2022.

 The avocado campaign just begun, and we registered an increase in volume of 4.8% compared to 1H 2022 with a 5.5% increase in the average price.

 Reduction in tangerine segment directly related to volume. This diminished volume has also been deferred to the upcoming months.

Liquidity & capital structure - cash flow



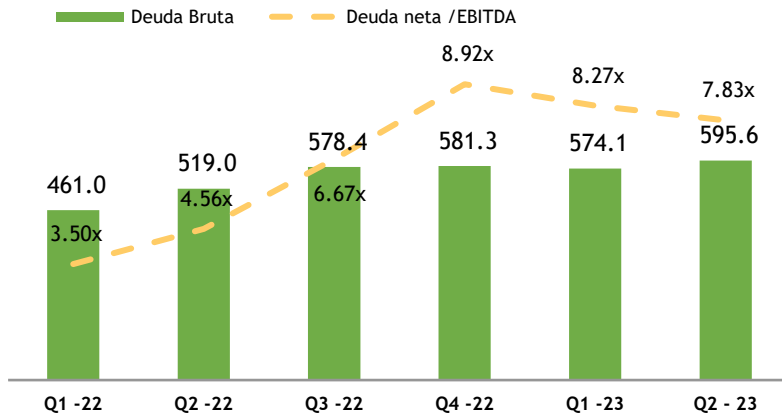
	<u>30.06.23</u>	<u>31.12.22</u>	<u>30.06.22</u>
Cash flow from operating activities			
Collections	217,293	431,239	171,880
Payment to suppliers and employees	(182,260)	(416,903)	(170,386)
Interest paid	(15,404)	(24,232)	(11,275)
Income tax paid	(6,749)	(6,743)	(2,597)
Custom duties refund collections	1,238	3,193	643
Other payments	(151)	(706)	(588)
Net cash (used in) provided by operating activities	<u>13,967</u>	<u>(14,152)</u>	<u>(12,323)</u>
Cash flow from investing activities			
Purchases of property, plant and equipment	(7,403)	(24,690)	(11,384)
Investment in biological assets	(19,786)	(47,756)	(18,097)
Purchases of intangibles, excluding goodwill	(363)	(2,499)	(709)
Dividends from associates	597	1,864	-
Loans granted to related parties	660	(1,000)	(934)
Proceeds from sale of property, plant and equipment	1	100	24
Net cash used in investing activities	<u>(26,294)</u>	<u>(73,981)</u>	<u>(31,100)</u>
Cash flow from financial activities			
Bank loans proceeds	295,701	439,100	132,000
Bank loans payments	(325,611)	(307,050)	(66,050)
Dividends distribution	-	(35,000)	(15,000)
Principal elements of lease liabilities payments	(4,600)	(11,657)	(4,908)
Long-term debt proceeds	47,710	-	-
Payments of long-term debt	(1)	(513)	(513)
Net cash provided by financial activities	<u>13,199</u>	<u>84,880</u>	<u>45,529</u>
Net (decrease) increase in cash during the period	872	(3,253)	2,106
Cash and cash equivalents at beginning of period	27,222	30,475	30,475
Cash and cash equivalents at end of period	28,094	27,222	32,581

- A comparison with 1H 2022 reveals an enhancement in our operating cash flow. This progress can be attributed to more efficient collections during the blueberry campaign in those months
- Our capital expenditure strategy remains focused on executing short-term maintenance and growth capex.
- We have disbursed nearly \$50 million in medium-term financing to replace short term debt.
- We've taken a short-term position due to the delayed start of the avocado campaign. as avocado and blueberry collections progress, we will work to reduce our debt levels in the second half of the year.

Liquidity & capital structure - leverage & debt profile



Net Debt / EBITDA

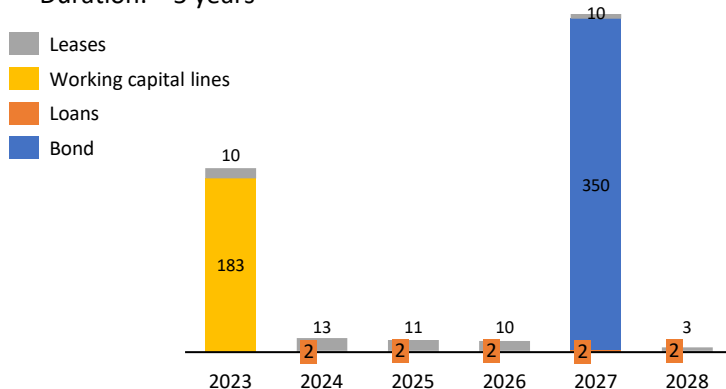


Comments


- During the first quarter of 2023, we were able to restructure USD 80 million in debt towards the medium-term, out of which nearly USD 50 million were already disbursed, the remaining was disbursed during August. This helped alleviate the short-term pressure on our cashflow.
- Additionally, we still have credit lines available for up to USD 115 million. This credit line serves as a buffer and ensures that we have the necessary resources to manage any potential short-term cash flow fluctuations.
- Net debt to EBITDA ratio still higher but lower than previous quarter.

Debt profile

- Long-term debt: USD 403 mm
- Duration: ~ 5 years



Source: Company
1. Includes short & long term debt without capitalized fees and interest

A photograph of a woven basket filled with fresh blueberries, resting on a wooden surface. The background is softly blurred, showing more blueberries and leaves. The overall tone is natural and fresh.

Key Developments 1H 2023

Operational overview

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Summary

- We will continue monitoring market-available volumes and their consequent impact on price dynamics.
- We will persist in seeking comprehensive operational efficiencies across the organization to further enhance the company's performance.
- We will maintain our focus on liquidity and financial flexibility, aligning with our strategic approach of executing only short-term maintenance and growth capex, while concurrently reducing the company's debt levels in the upcoming months



Increase yield per hectare

Keep developing new agronomic technics.

New varieties.



Focus on controlling and reducing logistic costs

Ocean freight.



Strengthen commercial leverage

Expand penetration in retail channel.

Continue developing the Asian market



Closely monitor long-term investments in Colombia, Uruguay, Chile and Mexico.




Prioritize liquidity

Only maintenance and short-term growth capex.

Maximize liquidity sources.

Reduce debt level.

No dividend distribution.

A photograph of a woven basket filled with fresh blueberries, resting on a wooden surface. Some blueberries are scattered on the table around the basket. The image is in grayscale and serves as a background for the text.

Key Developments 1H 2023

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Financial statements - Income statement



	For the period ended	
	30.06.2023*	30.06.22*
Revenue	154,054	152,624
Cost of sales	(108,577)	(114,484)
Cost of sales	(93,258)	(99,816)
Depreciation of bearer plants	(15,319)	(14,668)
Gross profit before adjustment for biological assets	45,477	38,140
Net adjustment from change in f.a. of bio. assets	(4,274)	(28,085)
Profit after adjustment from biological assets	41,203	10,055
Selling expenses	(27,152)	(28,393)
Administrative expenses	(10,438)	(11,290)
Other expenses	(3,270)	(2,596)
Other income	417	332
Net foreign exchange transactions gains (losses)	(2,496)	(3,580)
Operating profit	(1,736)	(35,472)
Share of gain (loss) of associated companies	167	770
Finance income	231	41
Finance costs	(22,300)	(14,306)
Profit (loss) before income tax	(23,638)	(48,967)
Income tax	(1,348)	(26)
Deferred income tax	3,033	3,207
Profit (loss) for the period	(21,953)	(45,786)
EBITDA before fair value adjustment	33,567	23,250

Financial statements - Balance sheet



	For the period	
	30.06.2023*	31.03.2023*
Assets		
Non-current assets		
Property, plant and equipment, net	737,782	731,283
Right of use asset	40,773	42,375
Investments in associated companies	5,271	5,701
Intangibles	12,885	13,162
Deferred income tax	14,628	12,800
Other accounts receivable	408	408
	<u>811,747</u>	<u>805,729</u>
Current assets		
Assets held for sale	-	-
Prepaid expenses	2,101	1,899
Current portion of biological assets	172,404	162,684
Inventories	52,966	33,878
Other accounts receivable	23,786	21,939
Trade accounts receivable	12,054	38,628
Cash subject to restriction	-	-
Cash and cash equivalents	28,094	39,195
	<u>291,405</u>	<u>298,223</u>
Total assets	1,103,152	1,103,952

	For the period	
	30.06.2023*	31.03.2023*
Equity and liabilities		
Capital and reserve attributable to shareholders of the Company		
Share capital	10,000	10,000
Share premium	-	-
Revaluation of assets	170,092	170,092
Retained earnings	80,994	94,566
Former parent net investment	-	-
	<u>261,086</u>	<u>274,658</u>
Minority interests	- 989	- 989
Total equity	260,097	273,669
Non-current liabilities		
Long-term debt	356,735	356,913
Lease liability	57,924	37,902
Deferred income tax	123,189	122,539
Other payables	-	-
	<u>537,848</u>	<u>517,354</u>
Current liabilities		
Accounts payable to related companies	32	31
Current portion of long-term debt	7,815	2,044
Current portion of lease liability	15,739	10,014
Current tax liabilities	-	4,647
Trade payables	77,723	84,442
Other payables	20,577	23,563
Bank loans	183,321	188,188
	<u>305,207</u>	<u>312,929</u>
Total liabilities	843,055	830,283
Total equity and liabilities	1,103,152	1,103,952

* Non audited



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