

Camposol

1Q2021 Earnings Report

May 2021



**CAMPOSOL
CARES**
FROM FARM
TO FAMILY

Disclaimer



This presentation has been prepared by Camposol Holding PLC (the “Company”). The presentation and its contents may not be reproduced, redistributed or passed on, directly or indirectly to any other person or published or reproduced directly or indirectly, in whole or in part, by any medium or in any form for any purpose.

The presentation is the sole responsibility of the Company. The information may be subject to updating, completion, revision and amendment and such information may change materially. No representation or warranty, express or implied, is or will be made by the Company, its advisors, parent or subsidiary undertakings of any of the foregoing or any such person’s affiliates, directors, officers or employees, or any other person as to the accuracy, completeness or fairness of the information or opinions contained in this presentation and any reliance you place on them will be at your sole risk. Without prejudice to the foregoing, the Company, its advisors, parent or subsidiary undertakings of any of the foregoing and any such persons’ affiliates, directors, officers or employees do not and will not accept any liability whatsoever for any loss howsoever arising, directly or indirectly, from use of this presentation or its contents or otherwise arising in connection therewith. The Company is under no obligation to update or keep current the information contained in this presentation and any opinions expressed in it are subject to change without notice.

This presentation includes preliminary financial information as of and for the year ended March 31, 2021 and for the three months ended March 31, 2021 and 2020. Such preliminary financial information has not been audited, reviewed or subject to any procedures by our external auditors and material differences may be identified as a result of such an audit, review or procedures. If material differences are identified, this may result in material changes to Camposol’s financial condition and results of operations as of and for the year ended March 31, 2021 and for the three months ended March 31, 2021 and 2020 presented herein.

This presentation includes unaudited non-IFRS financial measures, including Adjusted EBITDA and Adjusted EBITDA Margin. We present non-IFRS measures when we believe that the additional information is useful and meaningful to investors. Non-IFRS financial measures do not have any standardized meaning and are therefore unlikely to be comparable to similar measures presented by other companies. The presentation of non-IFRS financial measures is not intended to be a substitute for, and should not be considered in isolation from, the financial measures reported in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board. See the Appendix for a reconciliation of these measures to the most directly comparable financial measure calculated and presented in accordance with IFRS.

This presentation contains forward looking statements and estimates. Any forward-looking statements concern future circumstances and results and other statements that are not historical facts, sometimes identified by the words “believes”, “expects”, “predicts”, “intends”, “projects”, “plans”, “estimates”, “aims”, “foresees”, “anticipates”, “targets”, and similar expressions. The forward-looking statements contained in this presentation, including assumptions, opinions and views of the Company or cited from third party sources are solely opinions and forecasts which are uncertain and subject to risks. A multitude of factors can cause actual events to differ significantly from any anticipated development. Neither the Company or its advisors nor any parent or subsidiary undertakings of any of the foregoing or any such person’s affiliates, directors, officers or employees make any guarantees that the assumptions underlying such forward-looking statements are free from errors nor does any of the foregoing accept any responsibility for the future accuracy of the opinions expressed in this presentation or the actual occurrence of the forecasted developments.

Summary of key financials



Highlights

Blueberries

- Increase in the production and sales volumes as a result of a normalized pruning season vs. early pruning in 1Q20 due to lockdown restrictions
- Increase in prices was mainly due to more favorable market conditions generated by a lower supply of Chilean blueberries in the retail channel

Avocados

- Increase in revenues was primarily a result of an increase in sales of frozen avocados due to the extension of the 2020 campaign, increase in production volumes of fresh avocado and higher prices due to lower volumes available in the market

Others

- Increase in revenues was primarily a result of an increase in the production volume and prices of grapes
- Production of grapes increased due to more hectares entering in medium or high yield phases compared to the same period in 2020
- Increase in prices of grapes is mainly due to better market conditions for the new varieties of grapes that have been planted

Gross Profit before adj. for biological assets

- Higher cost of sales due to a reduction in the production volume of mangos and an increase in labor and healthcare costs mainly due to changes in Peruvian labor regulations

Adjusted EBITDA

- Increase in selling expenses was primarily a result of an increase in custom duties due to higher export volumes
- Decrease in administrative expenses mainly due to a reduction in the number of employees and a reduction of travel expenses due to COVID-19 mobility restrictions

Summary financials

US\$mm, unless otherwise stated	1Q21A	1Q20A	%Δ vs. 1Q21A
			1Q20A
Blueberries			
Volume Sold ('000 MT)	6.2	5.5	12.6%
Revenue	\$38.7	\$29.0	33.7%
Gross Profit before adj. for biological assets	\$6.8	\$0.5	n.m.
Avocados			
Volume Sold ('000 MT)	0.8	0.3	222.2%
Revenue	\$2.7	\$0.8	229.0%
Gross Profit before adj. for biological assets	(\$1.1)	(\$1.4)	(23.1%)
Others			
Volume Sold ('000 MT)	20.3	20.5	(1.3%)
Revenue	\$42.4	\$33.5	26.6%
Gross Profit before adj. for biological assets	\$14.4	\$10.3	39.2%
Total Revenue⁽¹⁾	\$84.1	\$63.6	32.3%
Gross Profit before adj. for biological assets	\$20.1	\$9.4	113.5%
Gross Margin before adj. for biological assets %	23.9%	14.8%	
Operating loss	(\$6.8)	(\$13.6)	50.0%
Operating Margin %	(8.1%)	(21.3%)	
Adjusted EBITDA⁽²⁾	\$16.8	\$3.7	353.8%
Adjusted EBITDA Margin % ⁽²⁾	20.0%	5.8%	
Loss for the period	(\$12.5)	(\$26.2)	52.2%
Loss for the Period Margin %	(14.9%)	(41.1%)	

Source: Company information.

(1) Includes unallocated revenue. Unallocated items correspond to minor activities not reported to the chief operating decision maker, such as packaging and other minor services provided by the Company.

(2) Adjusted EBITDA and Adjusted EBITDA Margin are non-IFRS measures. A reconciliation of Adjusted EBITDA to loss for the period, the most directly comparable measure calculated in accordance with IFRS, is set forth in the following slides under the heading "Adjusted EBITDA reconciliation."

Consolidated statement of comprehensive income



US\$mm, unless otherwise stated	1Q21	1Q20
Revenue	84.1	63.6
Cost of sales	(56.9)	(48.9)
Depreciation of bearer plants	(7.1)	(5.3)
Gross profit before adj for biological assets	20.1	9.4
<i>Gross margin before adj. for biological assets %</i>	<i>23.9%</i>	<i>14.8%</i>
Net loss arising from changes in fair value of biological assets	(9.1)	(6.4)
Gross profit after adj for biological assets	11.1	3.0
<i>Gross margin after adj. for biological assets %</i>	<i>13.1%</i>	<i>4.7%</i>
Selling expenses	(10.5)	(9.5)
Administrative expenses	(4.7)	(5.6)
Other income	0.3	0.8
Other Expenses	(0.9)	(0.4)
Net foreign exchange transactions losses	(2.0)	(1.8)
Operating loss	(6.8)	(13.6)
<i>Operating margin %</i>	<i>(8.1%)</i>	<i>(21.3%)</i>
Share of profit of investments accounted for using the equity method	0.7	0.2
Financial income	0.0	0.1
Financial cost	(7.0)	(13.7)
Loss before income tax	(13.1)	(26.9)
<i>Margin %</i>	<i>(15.5%)</i>	<i>(42.3%)</i>
Income tax	0.6	0.8
Loss for the period	(12.5)	(26.2)
Adjusted EBITDA⁽¹⁾	16.8	3.7
<i>Adjusted EBITDA Margin %⁽¹⁾</i>	<i>20.0%</i>	<i>5.8%</i>

Source: Company information.
 (1) Adjusted EBITDA and Adjusted EBITDA Margin are non-IFRS measures. A reconciliation of Adjusted EBITDA to loss for the period, the most directly comparable measure calculated in accordance with IFRS, is set forth in the following slides under the heading "Adjusted EBITDA reconciliation."

Consolidated statement of financial position



US\$mm, unless otherwise stated	1Q21	FY20
Assets		
Property, plant, equipment and bearer plants	709.3	725.6
Right of use assets	58.7	61.2
Investments accounted for using the equity method	5.7	5.1
Intangible assets	12.0	12.3
Deferred tax assets	4.9	4.3
Total non-current assets	790.5	808.5
Prepaid expenses	4.9	5.0
Biological assets	171.8	163.5
Inventories	26.2	49.8
Other accounts receivable	16.5	13.2
Trade accounts receivable	29.2	54.0
Cash and cash equivalents	31.0	34.0
Total current assets	279.5	319.4
Total assets	1,070.1	1,127.8
Equity and liabilities		
Share capital	10.0	10.0
Revaluation surplus	172.6	258.4
Retained earnings	211.4	148.8
Equity / Parent net investment	394.0	417.2
Non-controlling interest	0.4	0.2
Total equity	394.3	417.4
Long-term debt	354.9	354.6
Lease liability	37.7	39.9
Other liabilities	0.0	0.7
Deferred tax liabilities	138.1	142.7
Total non-current liabilities	530.8	537.9
Accounts payable to related companies	4.8	0.1
Current portion of long-term debt	2.1	7.4
Current portion of lease liability	13.9	14.5
Trade accounts payable	47.9	74.8
Other accounts payable	10.8	11.1
Provisions	5.5	6.8
Bank loans	60.1	57.9
Total current liabilities	144.9	172.6
Total liabilities	675.7	710.5
Total equity and liabilities	1,070.1	1,127.8

Consolidated statement of cash flows



US\$mm, unless otherwise stated	1Q21	1Q20
Cash flows from operating activities		
Cash receipts from customers	108.9	83.8
Cash paid to suppliers and employees	(92.5)	(73.5)
Interest paid	(9.3)	(6.4)
Income tax paid	(1.1)	(1.3)
Custom duties refund collections	1.0	0.9
Other payments	(0.1)	(0.0)
Net cash generated from operating activities	6.9	3.5
Cash flows from investing activities		
Purchases of property, plant and equipment	(1.2)	(3.7)
Investment in bearer plants	(6.7)	(5.6)
Loans granted to related parties	(0.7)	0.0
Purchase of intangibles, excluding goodwill	(0.0)	(0.9)
Net cash used in investing activities	(8.6)	(10.3)
Cash flows from financing activities		
Bank loans proceeds	30.0	57.0
Bank loans payments	(27.9)	(76.0)
Principal elements of lease liabilities payments	(3.5)	(2.4)
Transaction costs	0.0	(4.8)
Long-term debt proceeds	0.0	346.1
Payments of long-term debt	0.0	(311.8)
Net cash (used in) generated from financing activities	(1.4)	8.1
Net (decrease) increase in cash and cash equivalents	(3.0)	1.4
Cash and cash equivalents at beginning of period	34.0	27.8
Cash and cash equivalents at end of period	31.0	29.1

Source: Company information.

Appendix: Adjusted EBITDA reconciliation



US\$mm, unless otherwise stated	1Q21	1Q20
Loss for the period	(12.5)	(26.2)
Interest net ⁽¹⁾	6.9	13.6
Income tax expense	(0.6)	(0.8)
Depreciation and amortization	4.8	4.1
Depreciation of bearer plants	7.1	5.3
Share of profit of investments accounted for using the equity method	(0.7)	(0.2)
Net foreign exchange transactions gains ⁽²⁾	2.0	1.8
Other income	(0.3)	(0.8)
Other expenses	0.9	0.4
Net gain arising from changes in fair value of biological assets	9.1	6.4
Adjusted EBITDA	16.8	3.7
Adjusted EBITDA Margin % ⁽³⁾	20.0%	5.8%

Source: Company information.

(1) Calculated by adding financial income and financial cost.

(2) Gains due to the translation of currencies into our functional currency, the U.S. dollar.

(3) Calculated as Adjusted EBITDA divided by Revenue.



CAMPOSOL
CARES
FROM FARM
TO FAMILY

Búscanos como CamposolCares en:



Búscanos como Camposol en:



Para más información por favor conectarse a:
www.camposol.com.pe

For more information please log into:
www.camposol.com.pe