

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 on the table 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.



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Key Developments 1H 2023

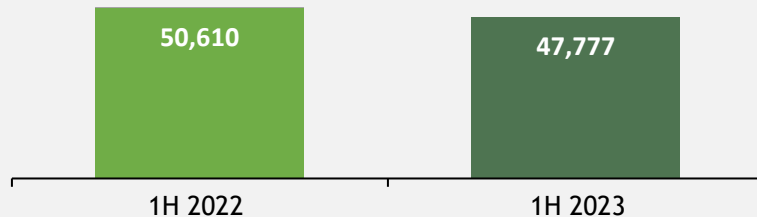
Operational overview

Summary

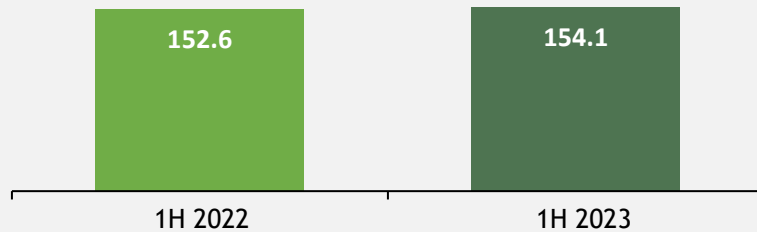
Annex

1H 2022 vs 1H 2023

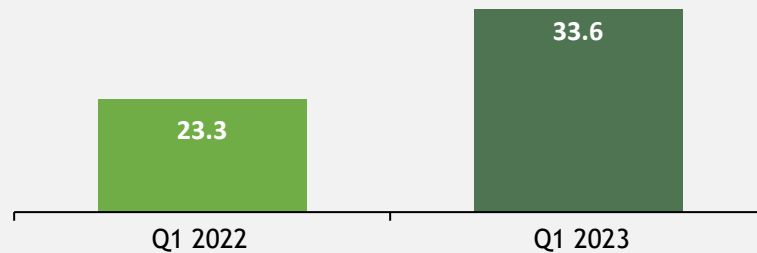
Volume Sold (MT)



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.

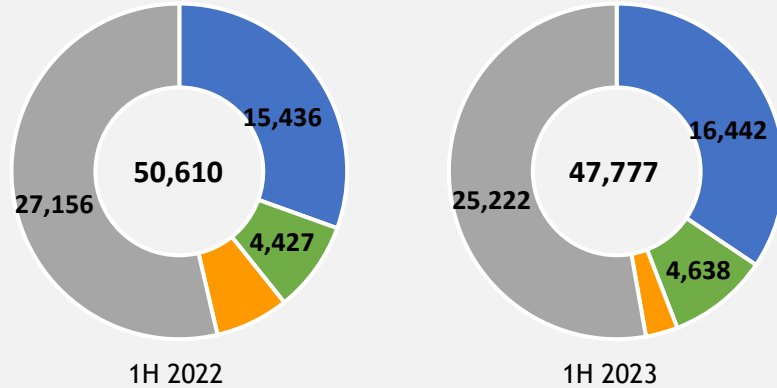
Operational overview 1H 2023



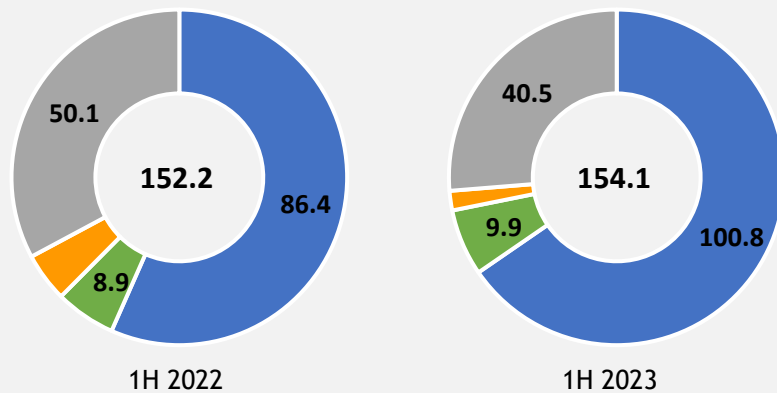
- Blueberry
- Avocado
- Tangerine
- Other

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



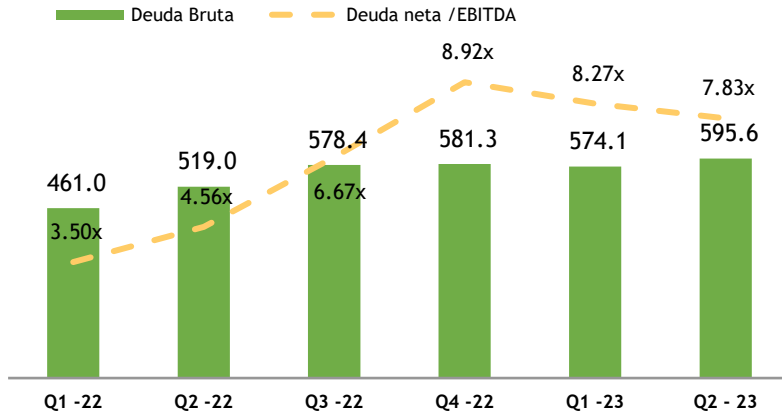
| | <u>30.06.23</u> | <u>31.12.22</u> | <u>30.06.22</u> |
|--|------------------------|------------------------|------------------------|
| Cash flow from operating activities | | | |
| Collections | 217,293 | 431,239 | 171,880 |
| Payment to suppliers and employees | (182,260) | (416,903) | (170,386) |
| 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

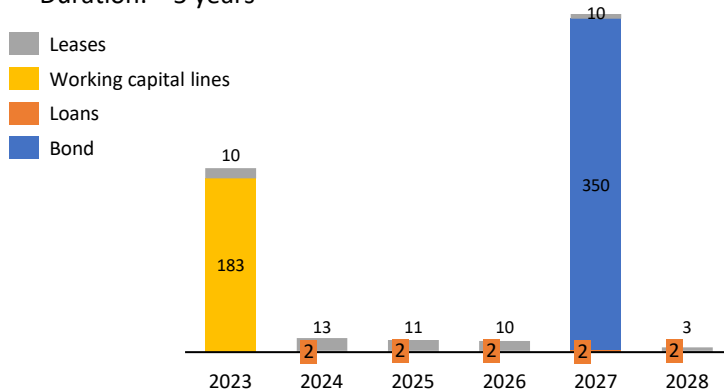


Comments


- 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

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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.

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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 |

** Audited

Financial statements - Balance sheet



For the period 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 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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TO FAMILY

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