Sligro Food Group N.V.

2019 annual figures

Amsterdam, 23 January 2020

Agenda

Sligro Food Group N.V.

• Welcome	Koen Slippens
• 2019 annual figures	Rob van der Sluijs
• Developments in the Netherlands	Koen Slippens
• Developments in Belgium	Koen Slippens
• Outlook	Rob van der Sluijs

Abridged statement of profit or loss[1,2]

× € million	2019		2018	
Net sales	2,395	100.0%	2,346	100.0%
Cost of net sales	(1,811)	-75.6%	(1,780)	-75.9%
Gross margin	**584**	**24.4%**	**566**	**24.1%**
Other operating income	13	0.5%	12	0.5%
Total operating costs, excluding depreciation, amortisation and impairments	(470)	-19.6%	(464)	-19.7%
Gross operating profit (EBITDA)	**127**	**5.3%**	**114**	**4.9%**
Depreciation and impairments	(61)	-2.5%	(41)	-1.8%
Operating profit before amortisation (EBITA)	**66**	**2.8%**	**73**	**3.1%**
Amortisation of intangible fixed assets	(22)	-1.0%	(20)	-0.9%
Operating profit (EBIT)	**44**	**1.8%**	**53**	**2.2%**
Financing income and expenses	(2)	0.0%	3	0.2%
Pre-tax profit	**42**	**1.8%**	**56**	**2.4%**
Income taxes	(8)	-0.4%	(10)	-0.4%
Profit from continuing operations	**34**	**1.4%**	**46**	**2.0%**

× € million	Netherlands	Belgium	Group
2019 net sales	2,166	229	2,395
2018 net sales	2,126	220	2,346
Total increase	**40**	**9**	**49**
Growth	*+1.9%*	*+3.8%*	*+2.1%*
Organic	(30)	9	(21)
Acquisition of 'De Kweker'	70	-	70
Total increase	**40**	**9**	**49**

Netherlands

- De Kweker contributed €70 million (7 out of 13 periods).
- Loss in net sales wine and beverage.
- Organic growth came in at -1.4%.

Belgium

- Limited net sales transfer from the Netherlands.
- Fully organic net sales growth.

Group

- Cash-and-carry/Delivery service ratio unchanged at 32/68.

[1] *The figures presented are results from continuing operations*
[2] *Not audited*

Gross margin[1,2]

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× € million	Netherlands	Belgium	Group
2019			
Net sales	2,166	229	2,395
Cost of net sales	(1,633)	(178)	(1,811)
Gross margin	**533**	**51**	**584**
Gross margin as % of net sales	*24.6*	*22.2*	*24.4*
2018			
Net sales	2,126	220	2,346
Cost of net sales	(1,612)	(168)	(1,780)
Gross margin	**514**	**52**	**566**
Gross margin as % of net sales	*24.2*	*23.9*	*24.1*

Netherlands

- Effect of De Kweker consolidation and integration accounts for most of the increase in € and %. (Purchasing integration and De Kweker has relatively little tobacco and mostly proprietary fresh produce departments)
- Better promo margin.
- Data valorisation contributes to margin settlement.

Belgium

- Start-up in Antwerp: low margin due to inventory losses.
- Outsourcing to fresh produce partners pushed down the margin, but also led to lower costs in Ghent/Liège.

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[2] *Not audited*

Other operating income[1,2]

× € million	2019	2018
Rental income	2	1
Book result on sale of tangible fixed assets	3	2
Other extraordinary profit	8	9
Total	**13**	**12**

- Temporary letting of Putten & Vleescentrale €1 million non-recurring income.
- Book profit on sale of Maison Niels de Veye.
- Book profit on sale of (soon-to-be) unused property €3 million.
- EMTÉ service fee (TSA) of €5 million (2018: €8 million).
- Deventer site sale and leaseback in 2019 without book profit (2018: Berkel en Rodenrijs €2 million book profit).

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[2] *Not audited*

Operating costs, depreciation and amortisation[1,2]

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× € million	2019	2018
Operating costs		
Employee expenses	275	275
Accommodation costs	30	38
Costs to sell	20	17
Logistics costs	112	108
General costs	33	26
Total	**470**	**464**
Depreciation and impairments		
Land and buildings	16	14
Machinery and equipment	6	6
Right-of-use assets	17	-
Other fixed operating assets	21	19
Impairments	1	2
Total	**61**	**41**
Amortisation of intangible fixed assets		
Places of business, customer relationships, trademarks and other	12	11
Software	10	9
Total	**22**	**20**

- De Kweker consolidation led to increase in costs, one-off acquisition and integration costs €3 million.
- Sligro-Heineken integration phase, still plenty of efficiency gains to be had.
- Impact of overheads on food service (see next slide).
- Temporarily higher IT costs due to transition. Implementation of new IT, while old IT is still operational (see next slide).
- €17 million in restructuring costs recognised under employee expenses in 2018.
- Transport costs up 7%, of which half is offset: net increase of €4 million.
- Depreciation up €17 million due to IFRS 16.
- Depreciation up €3 million as a result of investments over the past years.

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[2] *Not audited*

Central costs[1,2]

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× € million	2017	2018	2019	2020
Central costs				
Costs related to Food retail	19	*19*[3]	*19*[3]	*19*[3]
Saving on organisational change	(0)	(0)	(5)	(11)
Subtotal	**19**	**19**	**14**	**8**
Foodretail / TSA coverage	(19)	(18)	(5)	(0)
'Additional' for Foodservice	**(0)**	**1**	**9**	**8**

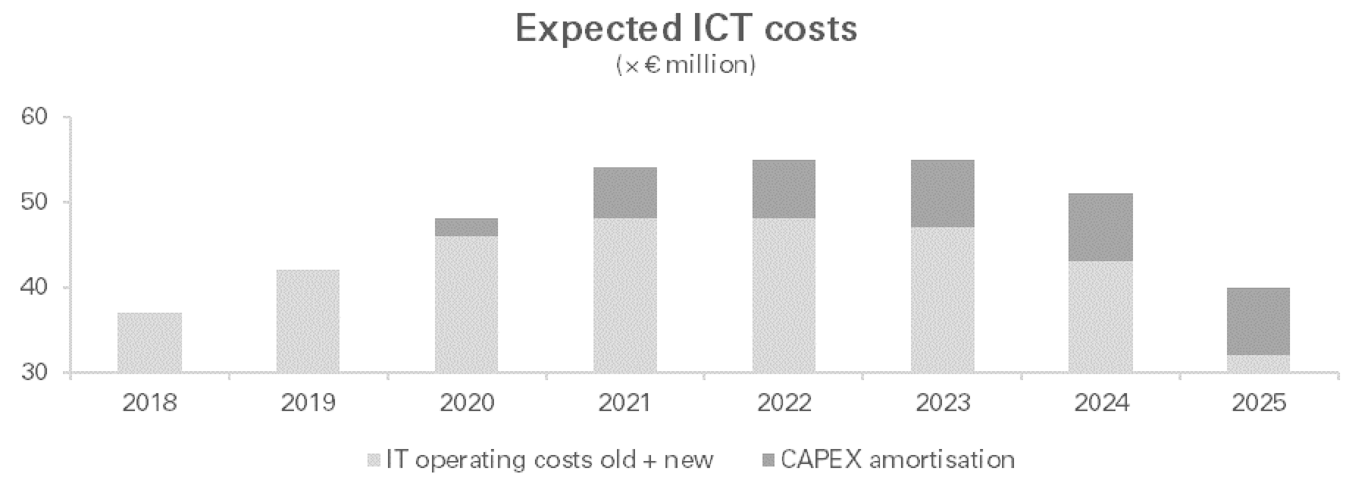
- Foodretail costs approx. €19 million per year.
- Phase-out of central head office approx. 200 FTEs. Ultimate annual saving of approx. €12 million.
- Loss of procurement synergies with Foodretail and loss of income from EMTÉ service fee (TSA).
- ‘Variable’ part of costs removed by year-end 2019.
- Fixed IT and infra costs to be compensated in long term through growth.
- Provisional remaining ‘dissynergy’ of €8 million costs in line with earlier estimates.

[1] The figures presented are results from continuing operations
[2] Not audited
[3] Pro forma

IT costs[1,2]

× € million	2018	2019	2020	2021/2022	Total
One-off implementation					
OPEX	-	2	2	3	7
CAPEX	13	14	11	15	53
Total	**13**	**16**	**13**	**18**	**60**

- Programme on schedule.
- First implementation in 2020 in Belgium.
- Creation of new support organisation.
- Legacy IT phased out where possible, but parts still operational.
- CAPEX to be amortised in 7 years:
  - Entered as assets upon commissioning;
  - Phased commissioning;
  - Depreciation from 2020 to 2029.



[1] The figures presented are results from continuing operations
[2] Not audited

Impact of IFRS 16[1,2]

× € million	Not including IFRS 16 accounting policy change 2019		Amendments	Including IFRS 16 accounting policy change 2019	
Net sales	2,395	100.0%	-	2,395	100.0%
Cost of net sales	(1,811)	-75.6%	-	(1,811)	-75.6%
Gross margin	**584**	**24.4%**	-	**584**	**24.4%**
Other operating income	13	0.5%	-	13	0.5%
Total operating costs, excluding depreciation, amortisation and impairments	(489)	-20.4%	19	(470)	-19.6%
Gross operating profit (EBITDA)	**108**	**4.5%**	**19**	**127**	**5.3%**
Depreciation and impairments	(44)	-1.8%	(17)	(61)	-2.5%
Operating profit before amortisation (EBITA)	**64**	**2.7%**	**2**	**66**	**2.8%**
Amortisation of intangible fixed assets	(22)	-1.0%	-	(22)	-1.0%
Operating profit (EBIT)	**42**	**1.7%**	**2**	**44**	**1.8%**
Financing income and expenses	1	0.1%	(3)	(2)	0.0%
Pre-tax profit	**43**	**1.8%**	**(1)**	**42**	**1.8%**
Income taxes	(8)	-0.4%	-	(8)	-0.4%
Profit from continuing operations	**35**	**1.4%**	**(1)**	**34**	**1.4%**

- Lease expenses recognised as depreciation and interest costs from 2019.
- IFRS 16 led to improvement in EBITDA, EBITA and EBIT.

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[2] Not audited

Financing income and expenses, participations and income tax [1,2]

× € million	2019	2018
Financing income and expenses		
Financing expenses on leases	3	0
Financing expenses on other financial liabilities	4	4
Other financing income and expenses	0	0
Total	**7**	**4**
Participations		
Share in the result of associates	**5**	**7**
Income tax		
Liability for financial year	6	11
Change in and release from deferred tax liabilities	2	(1)
Total	**8**	**10**

Financing income and expenses

- Financing expenses up €3 million due to IFRS 16.

Participations

- Results from participations down due to sale of EMTÉ and start-up in Belgium.

Income taxes

- Income from 2018 in 2019 of €2 million.
- Change in gradual lowering of corporation tax rate resulted in expense of €2 million.
- Drop in effective tax rate due to greater effect of tax breaks in case of lower profits.

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[2] *Not audited*

Operating profit[1,2]

× € million	2019	2018
Gross operating profit (EBITA)	**127**	**114**
Depreciation and impairments of tangible fixed assets (excluding right-of-use assets)	(44)	(41)
Depreciation of right-of-use assets	(17)	-
Amortisation of software	(10)	(9)
Amortisation of other intangible fixed assets (not acquisition-related)	0	0
EBIT before amortisation of 'other intangible fixed assets'	**56**	**64**
Non-recurring demerger expenses and dis-synergy	9	12
Restructuring costs for organisational changes	0	17
'Underlying operational result'	**65**	**93**
Amortisation of other intangible fixed assets related to acquisitions	(12)	(11)
EBIT adjusted for extraordinary income and expense items	**53**	**82**

- Decrease operating profit mainly explained by:
  - Start-up losses Belgium — € 10 million
  - Lower net sales Netherlands — € 2 million
  - Increase logistic costs — € 4 million
  - Increase IT costs — € 7 million
  - Investment network of sites — € 3 million
  - Inefficiency (pre) integration — PM
- Book profits and acquisition-related costs on balance at same level in 2019 and 2018 (net amount of approx. €2 million in both years).

[1] *The figures presented are results from continuing operations*
[2] *Not audited*

Net profits and earnings per share[1,2]

× € million	2019	2018
Net profits		
Profit from continuing operations	34	46
Profit from discontinued operations	(1)	230
Total	**33**	**276**
Earnings per share		
Earnings per share from continuing operations	0.78	1.04
Earnings per share from discontinued operations	(0.03)	5.21
Total	**0.75**	**6.25**

Net profit

- Discontinued operations:
  - 2018: Foodretail;
  - 2019: Vroegop AGF.

Earnings per share

- Dividend of €1.40 per share proposed for 2019.
- Sustainable for the future: dividend based on profit and development cash flow.

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[2] Not audited

Abridged statement of cash flows[1,2]

× € million	2019	2018
Net cash flow from business operations	135	75
Interest received and paid	(7)	(3)
Dividends received from participations	5	7
Income tax paid	(1)	(34)
Net cash flow from operating activities	**132**	**45**
Investments/divestments in business operations	(51)	348
Investments/divestments in fixed assets	(79)	(17)
Repayments by associates	3	-
Net cash flow from investing activities	**(127)**	**331**
Long-term borrowings drawn/repaid	36	(11)
Change in own shares	(1)	5
Lease liabilities paid	(18)	-
Dividend paid	(62)	(397)
Net cash flow from financing activities	**(45)**	**(403)**
Change in cash, cash equivalents and short-term borrowings from credit institutions	**(40)**	**(27)**
Opening balance	33	60
Closing balance	**(7)**	**33**

- Shift of €18 million from operating to financing cash flow (IFRS 16).
- Calendar effect of VAT, excise duties and income tax and social security contributions of approx. €20 million in the plus in 2019 (will reverse in 2020).
- Operating capital reduction continues to be a focus point (accounts payable and inventory).
- Gross investments of approx. €129 million.
- Sale of properties, apart from Deventer site sale and leaseback; also many unused properties.
- Financing: drawdown for acquisition of De Kweker €50 million, repayment of €14 million.
- Net debt/EBITDA excluding IFRS 16, down in second half of 2019 to 2.2 (max 3.0).

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[2] Not audited

Segment figures[1,2]

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× € million	Netherlands 2019	Netherlands 2018	Belgium 2019	Belgium 2018	Group 2019	Group 2018
Net sales[3]	2,166	2,126	229	220	2,395	2,346
Gross margin as % of net sales	24.6	24.2	22.2	23.9	24.4	24.1
Gross operating profit (EBITDA)	130	111	(3)	3	127	114
Operating profit before amortisation (EBITA)	76	73	(10)	0	66	73
Operating profit (EBIT)	57	56	(13)	(3)	44	53
Pre-tax profit	56	60	(14)	(4)	42	56
Net profit	45	49	(11)	(3)	34	46
Average net invested capital	756	n/a [4]	117	n/a [4]	873	727
EBITDA as % of net sales	6.0	5.2	(1.3)	1.2	5.3	4.9
EBITA as % of net sales	3.5	3.4	(4.4)	(0.2)	2.8	3.1
EBIT as % of net sales	2.6	2.6	(5.7)	(1.5)	1.8	2.2
EBITA as % of average net invested capital	10.1	n/a [4]	(8.6)	n/a [4]	7.5	10.0
EBIT as % of average net invested capital	7.6	n/a [4]	(11.1)	n/a [4]	5.0	7.2
Free cash flow[5]	75	103	(39)	(1)	36	102
Net investments	78	52	7	22	85	74

[1] The figures presented are results from continuing operations
[2] Not audited
[3] Net sales for the Netherlands also contain net sales from the Netherlands generated in Belgium
[4] Due to adjustments in segmentation and IFRS16, no figures 2018 available. The calculation of the average net invested capital 2019 was based on the adjusted opening balance including IFRS16.
[5] Free cash flow 2019 is adjusted for the impact of IFRS16 for comparability.

Segment cash flows[1,2]

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× € million	Netherlands 2019	Netherlands 2018	Belgium 2019	Belgium 2018	Group 2019	Group 2018
Net cash flow from business operations	163	52	(28)	23	135	75
Interest received and paid	(7)	(3)	(0)	-	(7)	(3)
Dividends received from participations	5	7	-	-	5	7
Income tax paid	0	(33)	(1)	(1)	(1)	(34)
Net cash flow from operating activities	**161**	**23**	**(29)**	**22**	**132**	**45**
Investments/divestments in business operations	(51)	348	-	-	(51)	348
Investments/divestments in fixed assets	(71)	6	(8)	(23)	(79)	(17)
Repayments by associates	3	-	-	-	3	-
Net cash flow from investing activities	**(119)**	**354**	**(8)**	**(23)**	**(127)**	**331**
Long-term borrowings drawn/repaid	36	(10)	0	(1)	36	(11)
Capital contribution / current account	(40)	-	40	-	0	0
Change in own shares	(1)	5	-	-	(1)	5
Lease liabilities paid	(16)	-	(2)	-	(18)	-
Dividend paid	(62)	(397)	-	-	(62)	(397)
Net cash flow from financing activities	**(83)**	**(402)**	**38**	**(1)**	**(45)**	**(403)**
Change in cash, cash equivalents and short-term borrowings from credit institutions	**(41)**	**(25)**	**1**	**(2)**	**(40)**	**(27)**
Opening balance	24	49	9	11	33	60
Closing balance	**(17)**	**24**	**10**	**9**	**(7)**	**33**

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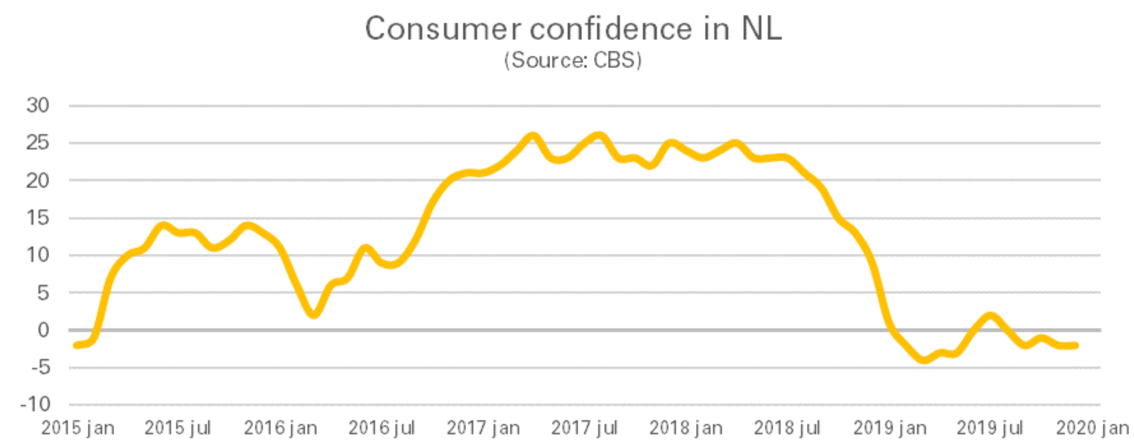
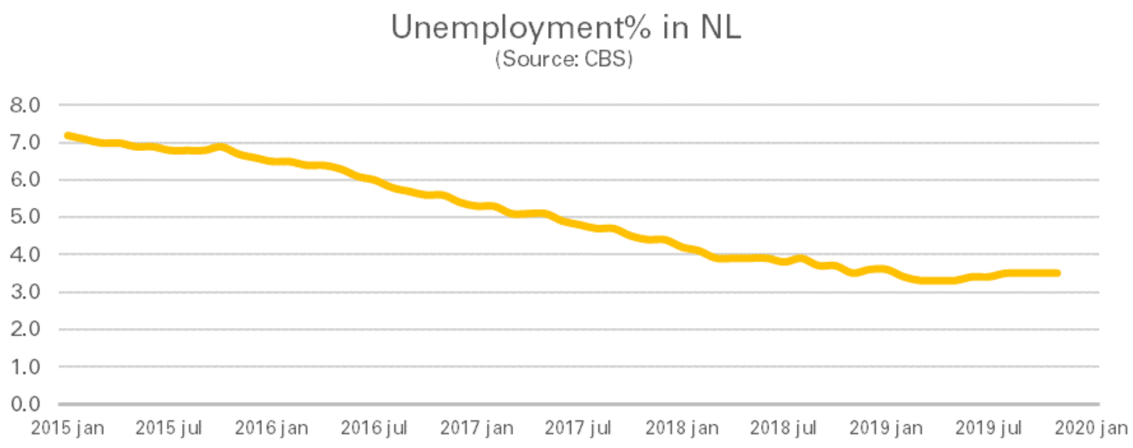
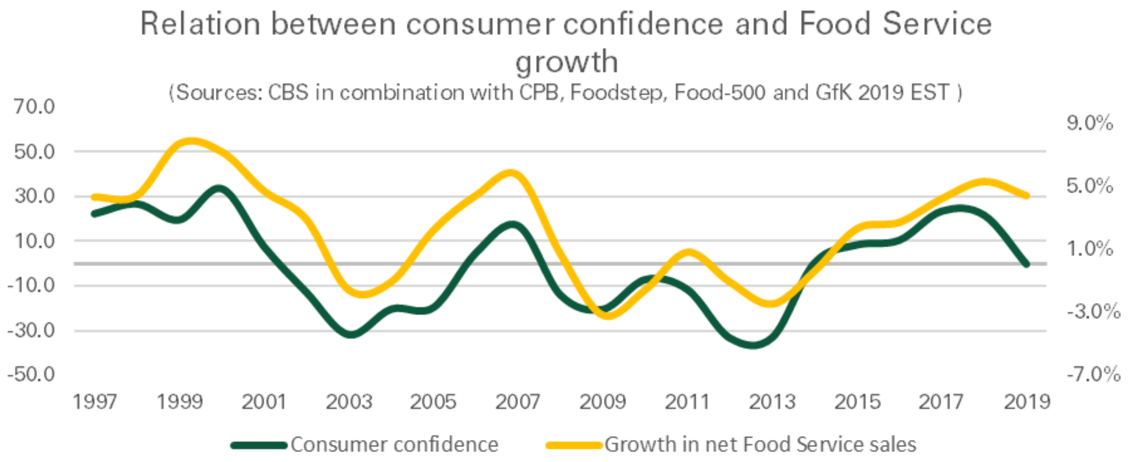
Developments in the Netherlands

General economic development in the Netherlands

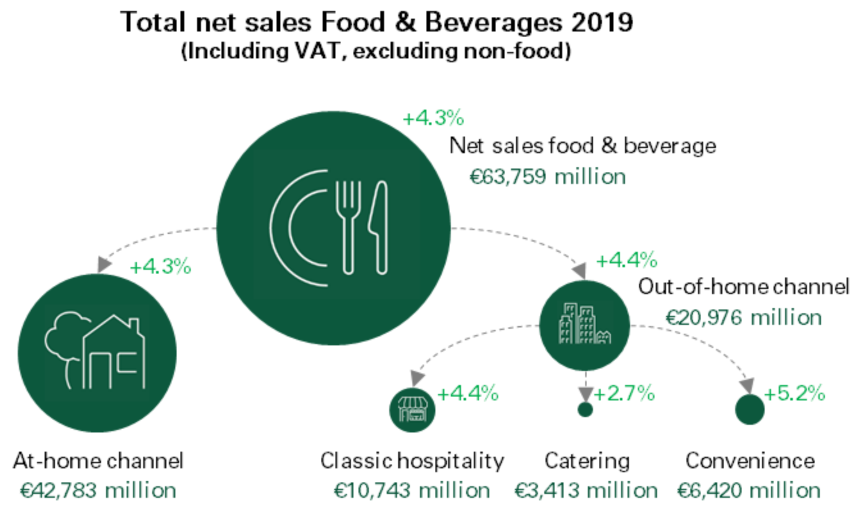






- The drop in both consumer confidence and unemployment are levelling out.
- Current trend indicates stablilisation.

Food Service market development in the Netherlands



Food Service market share[1)] in %	2019	2018	2017
Sligro	24.2	24.3	22.7
Bidfood	11.0	11.3	11.6
Hanos	11.0	10.6	10.2
Lekkerland	3.4	3.5	3.6
Makro	5.3	5.4	5.5
Pascal Groep	8.1	8.0	7.9
Total for various beverage wholesalers	16.1	16.7	19.1
Other wholesalers	7.7	7.8	8.0
Subtotal for wholesalers	**86.8**	**87.6**	**88.6**
Logistic service providers	6.1	6.0	5.7
Market share retailers	7.1	6.4	5.7
	100.0	**100.0**	**100.0**

1) Source: FSIN and SFG intepretations

- Estimation by FSIN: consumer spending in food service market up 4.3% on 2018. Growth comes largely on the back of rising prices, including VAT increase.
- Estimation by FSIN on food service market in wholesale prices:
  - Total market +2.4%;
  - Wholesalers +1.4%.
- Definition of food service market changed in wholesale prices. Of Sligro Food Group's net sales, 24% falls outside scope of new definition:
  - Tobacco and non-food;
  - VAT;
  - Production sites;
  - Outside the Netherlands from the Netherlands;
  - SME/Individual professionals.
- Also under the new definition, purchasing by SME/business customers at traditional brick-and-mortar supermarkets is not part of the market. As a result, it wrongly seems as if the shift from brick-and-mortar supermarket → online supermarket never happened and everything is additional.
- Definition change implemented with retroactive effect: limited drop in Sligro share.

Developments in the Netherlands

Sligro Food Group N.V.

- Increasingly difficult to differentiate between supermarkets and food service wholesalers in the market.
- Declining market growth, with slightly lower volumes and considerable cost inflation.
- Strategic programmes and projects (Heineken, IT, Next-gen cash-and-carry stores, loss of synergies following sale of EMTÉ, organisational structure):
  - Good progress in 2019;
  - Attention required goes at expense of attention for day-to-day operations;
  - Offer strong starting position for the future, but exert downward pressure on profits in the short term.
- Extensive attention devoted to IT implementation:
  - Progress on schedule in terms of timetable, scope and costs;
  - Simultaneous creation of new environment and preservation of old environment weighed down on profits.
- Shift from cash-and-carry to delivery:
  - Customers like to be able to use both channels;
  - Declining market trend in cash-and-carry will continue over coming years;
  - ‘Next-gen cash-and-carry’ programme will keep cash-and-carry stores attractive.

‘Next-gen cash-and-carry store’ with a balance between ‘physical’ and ‘digital’

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‘physical’	‘digital’
Network analysis	Digital in-store
Downsizing to 5,000m²	Long tail
Reduction in investment in 3.0	1:1 customer approach
Product range optimisation	Online customer recognition
Improve promo	Open for log-in
Operational governance	Mobile

Omnichannel: Sligro is there for you…anytime and anywhere…

Touchpoints that allow us to increase traffic, conversion and loyalty

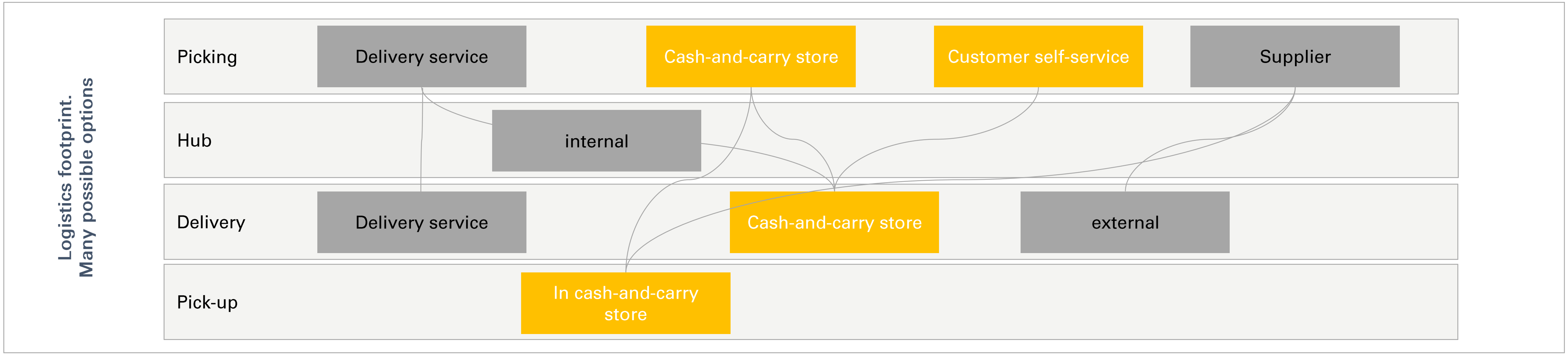
Hybrid ordering, pick-up and delivery options

Sligro Food Group N.V.

My Sligro.nl | My Mobile | My store | My email | My social | www/ Google | My ZiN


Self-ordering kiosk (DoB)

Self-ordering kiosk (long tail)



Heineken partnership

A look back at 2019

- Technical and physical infrastructure delivered which was a requirement for integration.
- First 3 former Heineken wholesale sites closed: Rotterdam, Hulst and Deventer.
- Building integration completed without inconveniencing customers. Phase after building integration is also going smoothly.
- Targeted value not yet created for customers in 2019: 1 order, 1 truck, 1 invoice. From mid-2020, targeted value will be created and scale-up can start.
- March 2019, split with wine supplier that used to be Heineken's wine partner:
  - Following this split, 1/3 of customers stayed with Sligro, meanwhile increased to 2/3;
  - 40% of net wine sales taken over from Heineken were lost, but trend is promising.

A look ahead to 2020

- Completion of integration.
- Return service level of basic delivery process to required level.
- Start making life easier for customers, as per the idea behind this partnership.
- Start of a sales drive focused on "filling" customers (beneficial for customers, Sligro, Heineken and the environment).

Heineken partnership: building integration timetable

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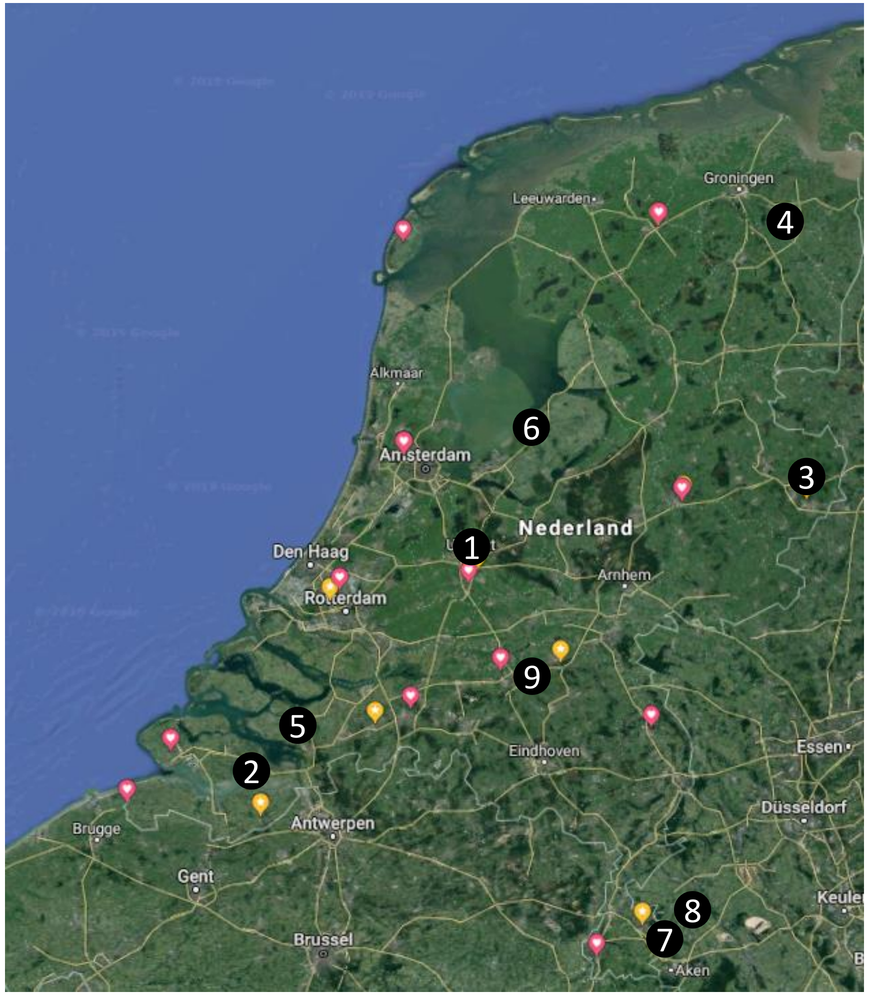

Preliminary work: project plan, blueprint, IT development, testing, data migration, go-live preparation, staffing, etc. ✓

2019	1	Week 40:	Rotterdam to Berkel	✓
	2	Week 44:	Hulst to Sluis	✓
	3	Week 46:	Enschede / Deventer to Deventer	✓
2020	4	Week 2:	Drachten to Drachten	✓
	5	Week 6:	Etten Leur to Vlissingen	
	6	Week 8:	Amsterdam to Amsterdam	
	7	Week 11:	Venray partly to Maastricht	
	8	Week 13:	Heerlen to Maastricht	
	9	Week 25:	Gilze to Breda	
	10	H2 2020:	Oss to Venray	
	11	H2 2020:	Houten / Nieuwegein to Vianen	

De Kweker acquisition

Acquisition

- Acquisition of Wheere (parent company of De Kweker) completed in June.
- Debt-free purchase price amounted to €52 million (property acquired as part of the deal has a value of approx. €19 million).
- De Kweker contributed €70 million to net sales in 2019.

Integration progress

- Vroegop AGF was dismantled and parts were sold in second half of 2019. Most employees found a new job at Sligro Food Group or elsewhere.
- Organisational change at head office designed, planned and partly implemented.
- Start of harmonisation of procurement conditions.
- Property in use (in the short term) sold (Delivery service sites, fruit & vegetable building).
- Technical integration of cash-and-carry store to be completed in 2020, delivery service in late 2020/early 2021.

Network of sites: cash-and-carry stores

Sligro 3.0 stores opened in 2019

- Apeldoorn (type I, April)
- Leiden (type III, July)
- Deventer (type I, September)
- Hilversum (type III, November)

Scheduled for 2020

- Heerlen (type III, 2nd quarter)
- Arnhem (type III, 4th quarter)

Network of sites: delivery service & head office

New sites opened in 2019

- Deventer (October)
- Drachten (December)
- Amsterdam (December)

Refurbishments in 2019

- Head office (October)

Scheduled for 2020

- Maastricht (1st quarter)
- Breda (2nd quarter)
- Vianen (3rd quarter)

Plans for 2020: Give me five!

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1. **To excel in customer satisfaction in the delivery segment**
   - On time, in full, with the correct invoice and with a smile.
   - Heineken integration: 1 order, 1 truck, 1 invoice.
   - Digital transformation: new (SAP-based) online store, Customer Solutions platform.
   - Sustainability, Data, Innovation.

2. **To excel in customer satisfaction in the cash-and-carry segment**
   - Next-gen cash-and-carry stores.
   - Focus on young entrepreneurs.
   - Digitalisation.
   - Sligro Express for small deliveries.

3. **To increase returns in the delivery segment**
   - Heineken building integration.
   - Continuous improvement.

Plans for 2020: Give me five!

4. **Successful launch of SAP in Belgium and the Netherlands**
   - First end-to-end implementation in Belgium, with support from the Netherlands.
   - International role from the Netherlands in transition to SAP.
   - Ordering portals for delivery service in Netherlands and Belgium running on SAP.

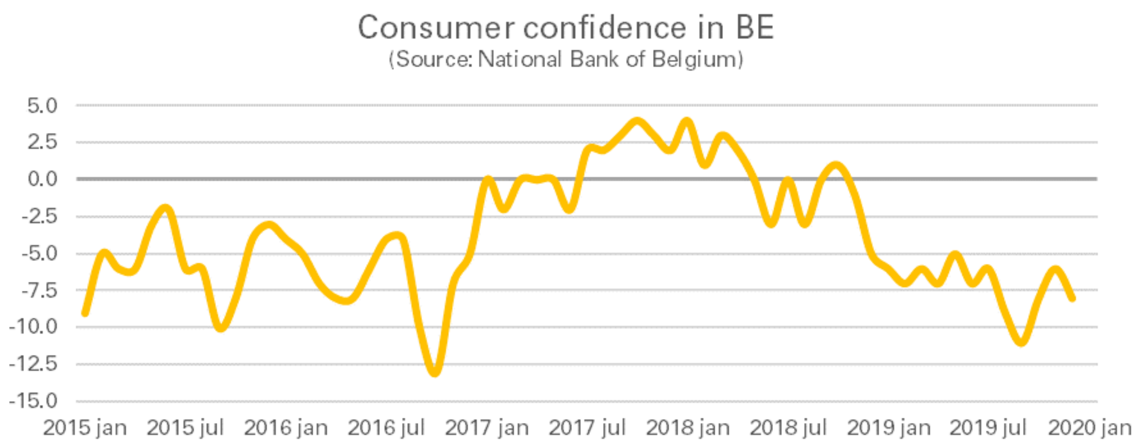
5. **Happy, committed and professional strong team**
   - Renewal of the specifics of the tasks and responsibilities for our people and teams, effective leadership and clear organisational principles with our strong culture as a solid foundation.

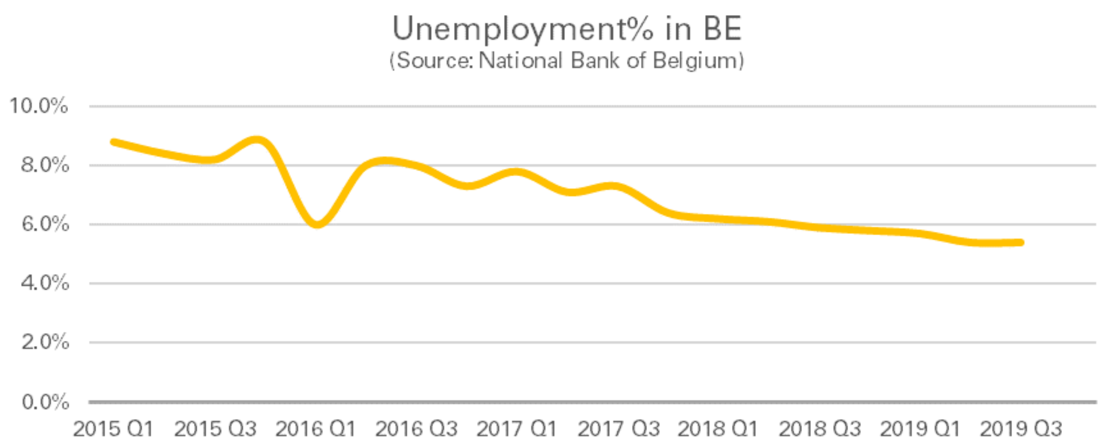
GEEF ME DE

Developments in Belgium

General economic development in Belgium

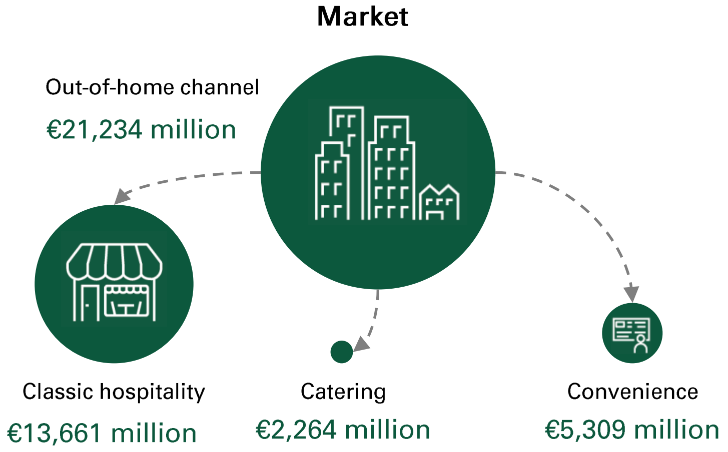
Sligro Food Group N.V.

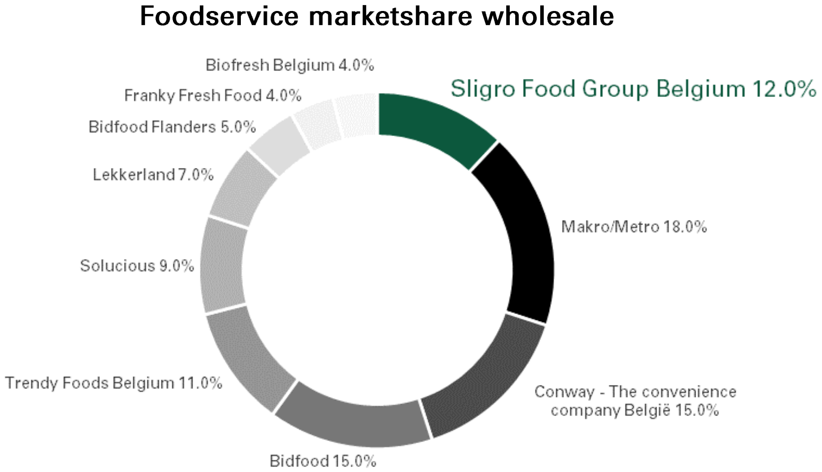




- The drop in both consumer confidence and unemployment are levelling out.
- Current trend indicates stablilisation.

Food Service market development in Belgium





- Growth of Sligro's market share (fully organic).
- Insight of Foodservice Alliance not yet consistent and frequent.
- Market contracted by more than 3% over the Q1-Q3 period, but showed nearly 3% growth over the full year. Different definition of the market, scope adjusted, no connection to historical data.
- Sligro Food Group Belgium is growing faster than the market.
- Foodservice estimate of purchasing by business customers: 65% supermarket and fresh specialists, 35% wholesale.
- In the wholesale segment, our share is approx. 12%.
- We estimate our share to be approx. 3.5% of the total food service market.

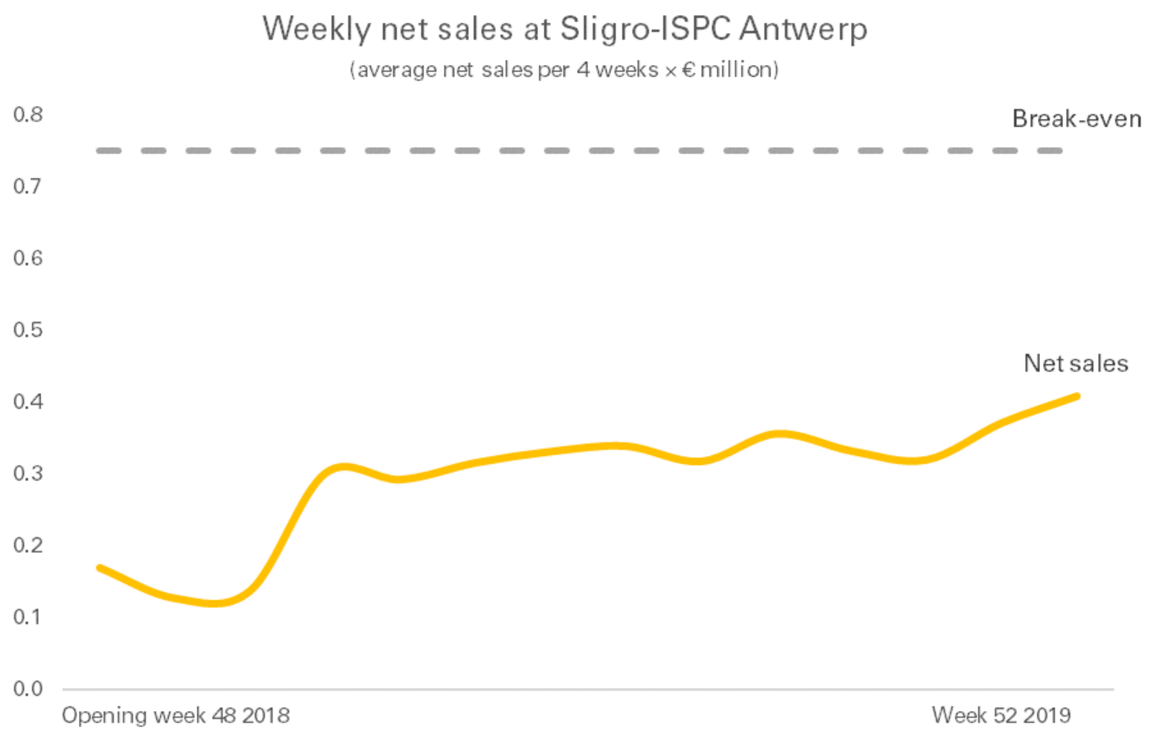
Developments in Belgium

Sligro Food Group N.V.

- Sligro-ISPC in Antwerp:
  - Growing and gaining ground in the local area;
  - Synergies offer opportunities for operational support from Netherlands in 4th quarter.
- Grew faster than the market and strengthened market position.
- Adjustments and extensions to infrastructure in Rotselaar:
  - Changes to cooling and shipping;
  - Expansion of office environment for shared service centre.
- Temporary inefficiencies due to diversity of IT systems, multiple formats, limited possibilities for integration and efficiency in staffing of support departments. This will gradually disappear over the second half of 2020 and first half of 2021.
- Expansion of the network of sites is not going as quickly as expected. In the short term, efficiency support from the Netherlands instead of full Belgian organisation in some areas.
- Organisational structure simplification and process harmonisation.
- Preparing for SAP in 2020.

Antwerp

Sligro Food Group N.V.



- Scheduled transfer from the Netherlands (€150 to €200K a week) moved to 2020. Supply Chain Belgium is being prepared to be able to handle this.
- Growth primarily in delivery segment.
- Still lots of gains to be had on an operational level, started in Q4 with help from the Netherlands.
- Like-for-like since December, but growth continues steadily.
- Still great loss in inventory due to low turnover ratio, but improvement has started.
- Already landed several major customers, who will start in 2020.

Network of sites

Sligro Food Group N.V.

New sites opened in 2019

- Head office in Rotselaar (October).

Scheduled for 2020

- Refurbishment of head office in Rotselaar.
- Optimisation of Sligro-ISPC store in Antwerp.
- Pragmatic format harmonisations at Sligro-ISPC Ghent and Liège.
- Development of additional sites.

Plans for 2020 in Belgium: Give me five!

1. **To excel in customer satisfaction in the delivery and cash-and-carry segments**
   - Further support from the BENE teams in the Netherlands in cash-and-carry and delivery service processes, for better alignment and to boost the quality of services and processes.

2. **To increase returns in the delivery and cash-and-carry segments**
   - Primarily driven by renewed calm at the organisation and net sales growth.

3. **To get operational processes in order**
   - Further harmonisation of business processes, optimisation of the international and national organisational structure and supply chain.

4. **Successful launch of SAP in Belgium and the Netherlands**
   - Start of end-to-end implementation in Antwerp.
   - Pragmatic conversion of Ghent and Liège stores into Sligro-ISPC format in first half of 2020.
   - SAP implementation at other sites after learning from Antwerp.

Plans for 2020 in Belgium: Give me five!

5. **Happy, committed, and professional strong team:**
   - Refining the organisational structure and allocation of roles, including cross-border roles.
   - Further improvement of the quality of the organisation.
   - A sense of calm across the organisation for SAP implementation and focus on customer satisfaction.

Outlook

Outlook

Sligro Food Group N.V.

- Consumer trust and unemployment rate stabilise => our expectation: markets in 2020 comparable to 2019.
- Growth in 2020 again driven by price, as volumes decline.
- Inflation of energy and wage costs still considerable, inflation of logistics costs normalises.

- Full focus on the ‘Give me Five’ priorities.

- Given a stable market, we are confident that our plans will contribute to enhancing next year’s company results.
- No specific forecast for the year.

- For the long term (approx. 5 years), we expect EBITDA to recover to around 7.5% of net sales:
  - Based on current IFRS standards.
  - Based on our plans for the coming years.
  - Based on recovery of growth in markets to historically average levels.


TOT ZIENS
IN HET SEIZOEN
IN HET SEIZOEN
NAAR DE NON-FOOD VERDIEPING
MEER MARGE VOOR SLIMME INKOPERS
PLATTEGROND
AED

Abridged statement of financial position[1,2]

Sligro Food Group N.V.

× € million	2019	2018
Assets		
Intangible fixed assets	331	292
Tangible fixed assets	362	313
Right-of-use assets	176	-
Financial fixed assets	60	65
Total fixed assets	**929**	**670**
Inventories	230	217
Trade and other receivables	228	236
Cash and cash equivalents	46	33
Other current assets	22	58
Total current assets	**526**	**544**
Total assets	**1,455**	**1,214**

× € million	2019	2018
Liabilities		
Paid-up and called-up capital	3	3
Reserves	497	534
Total shareholders' equity	**500**	**537**
Borrowings from credit institutions	160	186
Lease liabilities	174	-
Other non-current liabilities	28	29
Total non-current liabilities	**362**	**215**
Provisions	8	16
Borrowings from credit institutions	103	14
Lease liabilities	15	-
Accounts payable	350	339
Other current liabilities	117	93
Total current liabilities	**593**	**462**
Total liabilities	**1,455**	**1,214**

[1] *The figures presented are results from continuing operations*
[2] *Not audited*