Sligro Food Group N.V.

Press release
Profit growth in 2025

Modest recovery in our sales markets and cost control are leading to improvement in our profitability. The operating result (EBIT) increased by €11 million to €54 million and net profit rose by €6 million to €30 million. A strong balance sheet and good cash flow provide scope for dividend and share buyback.

Koen Slippens, CEO

"Our sales markets showed a modest recovery this year. In the Netherlands, there was not only inflation but also some volume growth. The Belgian market also saw growth, but this remained purely inflation-driven. Cost inflation subsided, although we still faced some considerable price rises in logistics in particular. The cost-cutting measures we have taken in recent times enabled us to absorb these impacts comfortably and there was some scope to pass on these higher costs along the value chain.

Our customers are dependent on consumer spending and consumers are still holding back. However, wage increases have closed the gap on high inflation in recent years, and this is now slowly translating into a pattern of higher consumer spending. We saw a number of developments in the wholesale sector. With some smaller players resolving to sell up while others, including us, saw opportunities for further consolidation. With the acquisition of GEPU, which has now been successfully integrated into the group, we strengthened our position in the Utrecht region.

In order to serve our customers well, we paid a lot of attention last year to operational stability and the quality of our core operations. In the Netherlands, this paid off and our growth outstripped that of the market as a whole. In Belgium, these efforts enabled us to reverse the downward trend in revenue, and we were able to see some growth again in the second half. Moreover, by keeping a grip on costs and through targeted efficiency improvement initiatives we again achieved a pleasing rise in our profitability over the year. Together with our partner SAP, we made good progress on our ERP transition programme, which we will continue to develop and roll out across numerous central processes and the operations in our cash-and-carry outlets.

Contrary to our expectations at the start of the year, we were unable to achieve growth in Belgium over the year as a whole. As a result, our EBITDA target has also not been met. With the gradual uptick in revenues, we are confident that we are on the way to positive profitability, although it will take longer than initially thought. For this reason, this year's figures include an impairment charge on the goodwill in Belgium.

The combination of profitability and improved working capital led to a strong cash flow. We were therefore able to make the planned capital investments in our digital ambitions and physical network, acquire GEPU, pay a dividend and further reduce our debt. Based on that result and our dividend policy, we propose a dividend for 2025 of €0.50 per share. As an interim dividend of €0.40 per share was already paid in 2025, a final dividend of €0.10 per share remains.

Key figures

x € million	2025	2024
Revenue without tobacco*	2,668	2,623
Revenue growth without tobacco (%)*	1.7%	-1.0%
Revenue total	2,668	2,890
EBITDA*	152	138
EBIT*	54	43
Net profit (loss)	30	24
Free cash flow*	80	29
Profit per share (x €)	0.68	0.54
Dividend per share (x €1)	0.50	0.40

* This is an alternative performance measure; see the appendix for further details.

The year 2026 is the first in our new multi-year plan for 2026-2030. More details of this plan will be provided at our Capital Markets Day on 5 March 2026. The main priorities are (1) improve profitability through growth in the right customer mix in the Netherlands; (2) growing our revenues in Belgium to a level that puts our operating result into positive territory; and (3) making structural reductions to our cost base. At the CMD, we will also present the financial targets and our capital allocation strategy. In anticipation of this, and in view of the fact that our net interest-bearing debt (excluding IFRS 16 and securitisation finance) divided by EBITDA (excluding IFRS 16) has fallen to 0.2, we are also introducing a share

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buyback programme, through which we intend to repurchase up to 5% of the outstanding shares.

In 2026, we are launching a robust set of plans that will lay the basis for achieving our profitability goals. This is further underlined by our theme for the year: **From Effort to Impact!**"

Belgium

Platform optimisation in Belgium was completed, and as a result, the business has been steadily performing well for some time now. After a lengthy period of falling revenues, that led to stabilisation in the course of 2025 and a first, encouraging fourth quarter of growth. The expected ramp-up of revenue growth remains unseen for now, partly due to the delayed (but imminent) start of business with customers who are already under contract. Revenue is the key to success and earnings in what remains a highly fragmented Belgian market. Although earnings are currently unsatisfactory, we have faith in the course we have set and in our opportunities in this market. The measures we have taken, combined with the initiatives in our multi-year plan, are leading step by step to growth and positive earnings.

ERP, digital development and AI

The past year was devoted to developing the components of our ERP landscape that support our central functions at the service office and the cash-and-carry business. Based on end-to-end processes and the best practices shown to us by SAP, an integrated design of future processes is taking shape along with the systems required to run them. We have control over the progress and a good grip on the costs. Our daily operations run well on our existing ERP landscape, so we can complete this part of the process with care. Building, testing and roll-out will move forward over the next few years. The associated investments and costs will be covered within our usual pattern of operating expenses and capital spending.

Outside this programme, we have taken steps to further upgrade and integrate our digital landscape. Our platforms have been further consolidated, laying the basis for greater consistency in our service and better data access for customers. The shift towards the cloud and data-driven working has accelerated, and in cybersecurity and compliance, significant investments have been made in awareness-raising, security and governance. Since 2025, an AI assistant has been active for all staff in our central functions and we are teaching them to work with it in a protected environment. We have assembled a group of 'pioneers' in our organisation to think about potential application areas in our business processes, several of which we have already started pilots for.

ESG

In 2025, we published our first annual report (for 2024) under the new CSRD legislation. It demanded a huge effort from a lot of our people, but we are proud of the result and of the appreciation we received from the various stakeholder groups. Several acknowledgements came our way, which we are naturally very proud of. Aside from the reporting obligations, we also made progress on the targets and actions we have set for the period up to 2030. Concentrating on the areas where we ourselves have the most leverage means we are able to report good progress for 2025. We beat our CO_2 reduction target for 2025 by a substantial margin.

Results

We were still selling tobacco products for much of 2024. As of 2025, we had stopped these sales completely, which led to a €267 million fall in revenue. Tobacco sales made only a limited contribution to our profit in 2024. The analysis of the figures and the text below are based on a comparison with prior-year figures and percentages that exclude tobacco sales.

Revenue increased, driven in particular by inflation. In the Netherlands, our growth outstripped that of the market (based on the 'FoodService Instituut Nederland' definitions of revenue and market) while in Belgium we lagged behind, especially in the first half-year. The trend in both countries improved over the year. Although we see that as a positive sign, we are reluctant to draw any conclusions about recovery just yet.

Gross profit as a percentage of revenue increased, primarily as a result of improved conditions, improvements in the product mix and promotional activities. There was also enough scope in the market to pass on the rises in our procurement and service costs along the value chain.

Operating costs as a percentage of revenue fell. The measures taken in the previous year, complemented by new initiatives during the course of 2025, enabled us to absorb 2025's price rises. Unlike in previous years, some of the efficiency improvements helped to improve our profitability.

Depreciation and amortisation charges increased somewhat as a result of the investments we made in our digital and physical infrastructure. We invested €61 million in our infrastructure, transport and maintenance and €17 million in our ERP landscape and digital environment.

The impairment charge on goodwill in Belgium is €2 million.

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Other operating income was slightly higher than last year. In 2025, it includes a one-off gain of €4 million from the sale of part of a product range to Heineken in the context of our partnership arrangement.

Results from participations proved to be lower this year, partly due to lower profits in 2025 relative to the year before, but also because of a downward adjustment of €1 million from one of our participations in relation to prior years. Lower interest, lower debts and the optimisation of our financing structure led to a lower interest expense relative to the previous year.

Our working capital position improved strongly, partly as a result of further lengthening our payment terms with suppliers. We benefited from a Superunie working capital optimisation programme that enabled them to free up more cash for their members, which is visible in our trade payables. In addition, timing differences and the payment calendar always play a role at year-end. This gave an extra one-off timing boost of €10 million to our cash flow this year, which will, however, reverse during the first half of 2026.

The combination of our result and the improvement of our working capital led to a free cash flow of €80 million. We invested €5 million in the acquisition of GEPU, paid out €22 million in dividends and further reduced our debt. During the year, we paid off the last remaining €40 million tranche of the USPP loan and renewed our bank financing, concentrating it with two banks. Our debtor securitisation programme was expanded by around €20 million to include debtors in Belgium. There were no changes in our bank covenants relative to the previous financing and our leverage ratio remains at 3.5x EBITDA (excluding IFRS 16). Net interest-bearing debt (excluding IFRS 16 and securitisation finance) divided by EBITDA (excluding IFRS 16) has fallen to 0.2.

Announcement of share buyback programme

We announce the introduction of a share buyback programme of up to €26 million, which will operate between 6 February 2026 and 14 November 2026 in addition to payment of the regular dividend. Shares repurchased under the programme will be cancelled.

We have appointed an independent financial intermediary to carry out the programme, with the authority to purchase up to 2,212,750 shares, equal to 5% of the Group's issued share capital.

The exact timing of the purchases will be determined independently by the financial intermediary, without any input from Sligro Food Group. The programme will be run in accordance with the requirements of Article 5 of the Market Abuse Regulation (EU) No. 596/2014 and our articles of association. Operation of the programme is dependent on market conditions and may be suspended, changed or terminated at any time.
We will publish the progress of the programme weekly through press releases and on our website www.sligrofoodgroup.nl.

Outlook for 2026 and multi-year plan for 2026-2030

Our expectation is that ongoing geopolitical tensions will continue to leave their mark on sentiment, economic development and consumer confidence in the near future. Inflation has substantially declined recently and is forecast to remain stable at the current level for the near future. In 2025, we saw a slight recovery in volume and our assumption is that this trend will continue, albeit very gradually, in 2026 and subsequent years.

We have drawn up our annual plan for 2026 on the basis of this outlook. Our multi-year plan for 2026-2030 is also based on the assumption that the recovery in our markets will be cautious and volume growth will therefore be modest. Growth must therefore come primarily from securing a bigger share of procurement at our existing customers and from acquiring new customers in a competitive market. In the past few years, we have seen a change in our revenue mix, which was good for revenue growth but weighed on our profit margins. Growth in low-margin business with large national chains was much greater than growth with regional clusters and independents, where our added value is higher. Our plans and focus are aimed at adjusting our proposition in order to restore that balance.

In Belgium, we are focusing primarily on growth, naturally also with a view to a healthy revenue mix. On the back of a smoothly running operation, we can continue optimising our offering to the Belgian market in terms of product range and promotion, and we will work on our visibility with ad campaigns and an expansion of our sales force.

The past few years have again confirmed that cost management is an important part of managing our business. In times of high inflation, it is especially important to keep costs under control and work continuously on ways to reduce the cost base. In our plan, we therefore focus on more fundamental cost reductions, which can only be achieved through organising work differently, using digitalisation and AI, and mechanisation in the operational environment. This not only delivers cost savings but also makes our employees' work easier, while also improving the customer experience across many processes.

We set out our sustainability agenda in detail in the 2024 report and we reaffirm it for 2025. The ambitions for 2030 have been formulated and the agenda for achieving them is an integral part of our multi-year plans. Meanwhile, the world around us is changing and we are obliged to respond to the many new rules and legislative initiatives issuing from the Netherlands, Belgium and Europe. Happily, we are now seeing a little more nuance and concern for administrative burdens and feasibility.

In our multi-year plan for 2026-2030, we have bundled and coordinated our ambitions and initiatives. We have also split them across the next five years and mapped out our investments, costs and income. In the coming years, the investments needed for this plan will continue to be made at an average capital expenditure level of 2.5% of revenue. Under this plan our profit margin will gradually rise. A healthy revenue mix in the Netherlands, growth and profitability in Belgium and a cost-effective base are the pillars that will lead to margin improvement.

In the coming years, we will continue to make the margin improvements we have achieved in the last few years. We are therefore working gradually towards our target level, with the first step to be taken in 2026.

The annual figures in this press release are unaudited. The audited annual report for 2025 will be published on 26 March 2026.

Comments on the annual figures will follow today at a press conference and an analyst meeting. The presentation that will be given is available at www.sligrofoodgroup.nl.

Other important dates

Capital Markets Day:	5 March 2026
Trading update for Q1 2026:	16 April 2026
2026 half-year figures:	23 July 2026

Veghel, 5 February 2026

On behalf of the Executive Board of Sligro Food Group N.V.

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Consolidated statement of profit or loss

x € million	2025	2024
Revenue total	2,668	2,890
Cost of sales	(1,881)	(2,125)
Gross profit	**787**	**765**
Other operating income	**6**	**4**
Employee expenses	(397)	(387)
Premises expenses	(47)	(48)
Selling expenses	(23)	(20)
Distribution expenses	(124)	(122)
General and administrative expenses	(50)	(54)
Depreciation of property, plant and equipment and right-of-use assets	(70)	(69)
Amortisation of intangible assets	(26)	(26)
Impairment of property, plant and equipment and right-of-use assets	(0)	(0)
Impairment of goodwill and other intangible assets	(2)	(0)
Total operating costs	**(739)**	**(726)**
Operating result	**54**	**43**
Finance income	0	0
Finance costs	(16)	(18)
Share in the result of associates	2	4
Profit (loss) before tax	**40**	**29**
Income taxes	(10)	(5)
Net profit (loss)	**30**	**24**
Profit (loss) attributable to shareholders of the company	**30**	**24**

Details per share (x €1)	2025	2024
Basic earnings (loss) per share	0.68	0.54
Diluted earnings (loss) per share	0.68	0.54
Dividend per share proposed	0.50	0.40
Interim dividend paid per share	0.40	0.30

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Consolidated statement of comprehensive income

x € million	2025	2024
Net profit (loss)	30	24
Items that have been or may be reclassified to profit or loss:		
Other comprehensive income that will be reclassified to profit or loss, after tax	-	-
Comprehensive income	**30**	**24**
Comprehensive income attributable to shareholders of the company	**30**	**24**

Consolidated statement of cash flows (abridged)

x € million	2025	2024
Profit (loss) before tax	**40**	**29**
Total adjustments to profit before tax	114	106
Change in working capital	54	(24)
Income tax paid	(9)	(9)
Net cash flow from operating activities	**198**	**102**
Net cash flow from investing activities	**(79)**	**(36)**
Net cash flow from financing activities	**(104)**	**(20)**
Change in cash and cash equivalents	**15**	**46**
Opening balance	78	32
Closing balance	**94**	**78**

Consolidated statement of financial position

x € million	31 December 2025	31 December 2024
Assets		
Goodwill	131	130
Other intangible assets	119	127
Property, plant and equipment	319	303
Right-of-use assets	271	263
Investments in associates	55	56
Other non-current financial assets	8	13
Deferred tax assets	6	5
Total non-current assets	**909**	**896**
Inventories	273	267
Trade and other receivables	224	231
Other current assets	78	57
Income tax	(0)	0
Cash	94	78
	669	**635**
Assets held for sale	5	-
Total current assets	**674**	**635**
Total assets	**1,582**	**1,531**
Liabilities		
Paid-up and called capital	3	3
Share premium	31	31
Other reserves	(5)	(4)
Retained earnings	449	441
Total equity	**478**	**471**
Deferred tax liabilities	5	7
Employee benefits provision	3	3
Other non-current provisions	0	0
Long term borrowings	110	74
Non-current lease liabilities	277	267
Other non current liabilities	-	3
Total non-current liabilities	**396**	**355**
Provisions	-	-
Current portion of long-term borrowings	3	43
Short-term borrowings	95	124
Current lease liabilities	28	29
Trade and other payables	408	345
Income tax	9	4
Other taxes and social security contributions	34	26
Other liabilities, accruals and deferred income	131	134
Total current liabilities	**708**	**705**
Total liabilities	**1,582**	**1,531**

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Consolidated statement of changes in shareholders' equity

x € million	Paid-up and called-up capital	Share premium	Other reserves	Retained earnings	Total
Balance as at 31 December 2023	**3**	**31**	**(2)**	**430**	**462**
Dividend paid	-	-	-	(13)	(13)
Treasury share transactions	-	-	(2)	1	(1)
Transactions with owners of the company	-	-	(2)	(12)	(14)
Profit (loss) for the financial year	-	-	-	24	24
Total realised and unrealised profit (loss)	-	-	-	24	24
Balance as at 31 December 2024	**3**	**31**	**(4)**	**441**	**471**
Dividend paid	-	-	-	(22)	(22)
Treasury share transactions	-	-	(1)	-	(1)
Transactions with owners of the company	-	-	(1)	(22)	(23)
Profit (loss) for the financial year	-	-	-	30	30
Transactions with owners of the company	-	-	-	30	30
Balance as at 31 December 2025	**3**	**31**	**(5)**	**449**	**478**

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Other disclosures

Presentation of figures

Due to rounding, total amounts may not always be mathematically correct. In the 2024 press release, these rounding differences were corrected; starting from the 2025 press release, they will no longer be adjusted. As a result, (non-material) discrepancies may occur between the comparative figures in the 2025 press release and the figures published in the 2024 press release.

Statement of cash flows

As of year-end 2025, we are presenting the statement of cash flows in accordance with the indirect method. The comparative figures have been adjusted accordingly. The disclosure of finance costs in the statement of cash flows has changed. Interest paid, previously disclosed under operating cash flows, is now included in cash flows from financing. As from year-end 2025, we have also opted to classify interest received as a cash flow from investing activities. Dividends received from participations, which were previously included in operating cash flows, are disclosed in cash flows from financing as from year-end 2025.

Alternative performance measures

This annual report also includes alternative performance measures. The Executive Board assesses and uses these alternative performance measures as important additional metrics to measure the Group's performance. The alternative performance measures used by the Group are explained below.

Revenue excluding tobacco

Revenue excluding tobacco is our total revenue minus the revenue from the tobacco product group. The revenue from the tobacco product group aligns with our earlier press releases. This is considered a useful measure to analyse the effect of discontinuing tobacco sales.

x € million	2025	2024
Revenue total	2,668	2,890
Minus: revenue tobacco	-	267
Revenue without tobacco	**2,668**	**2,623**

Revenue growth excluding tobacco (%)

The year-on-year percentage change in revenue excluding tobacco.

Free cash flow

Net cash flow from operating activities minus lease payments paid minus net investment activities (excluding cash flows arising from: the acquisition and/or sale of subsidiaries and/or the purchase or sale of interests in associates). The free cash flow shows the cash flow available to repay debt or pay dividends.

x € million	2025	2024
Net cash flow from operating activities	198	102
Payment of principal portion of lease liabilities including interest	(37)	(36)
Interest paid	(7)	(10)
Net cash flow from investing activities	(79)	(36)
Minus: acquisition of subsidiaries (net of cash acquired)	5	9
Minus: proceeds from sale of subsidiaries	-	(0)
Free cash flow	**80**	**29**

EBIT

EBIT is the abbreviation of ‘Earnings before interest and taxes’. In the consolidated statement of profit and loss, this corresponds to the operating result.

EBITDA

EBITDA is short for Earnings Before Interest, Taxes, Depreciation and Amortisation and is calculated as follows: operating result (EBIT) plus depreciation, amortisation and impairment. EBITDA is considered a useful measure for analysing profitability by excluding the effects of taxes, financing (finance income and expenses) and fixed asset investments (depreciation, amortisation and impairment).

x € million	2025	2024
EBITDA	**152**	**138**
Depreciation of property, plant and equipment and right-of-use assets	(70)	(69)
Amortisation of intangible assets	(26)	(26)
Impairment of (in)tangible fixed assets	(2)	(0)
EBIT (operating result)	54	43

Profile

Sligro Food Group consists of companies that specifically focus on the foodservice market in the Netherlands and Belgium by offering a comprehensive range of food and food-related non-food products and services in the wholesale market.

Netherlands

In the Netherlands, we are the market leader and operate a nationwide network of Sligro cash-and-carry and delivery service wholesale outlets serving large and small-scale companies in the hospitality industry, leisure facilities, caterers, large-volume users, company restaurants, petrol stations, small and medium-sized enterprises, small retail businesses, and the institutional market. Van Hoeckel focuses specifically on the institutional market, while Sligro serves all the other segments. We operate in the City Region of Amsterdam under the wholesale format ‘De Kweker’. In a long-term strategic partnership with Heineken, Sligro is responsible for the exclusive distribution of Heineken keg beer in the Netherlands. Sligro/De Kweker and Van Hoeckel each have a dedicated commercial organisation focusing on their specific markets, while they make operational use of joint delivery and other shared networks and the back-office organisation.

Belgium

In Belgium, Sligro and Sligro-M focus on food professionals, the gastronomic catering market, bulk consumers and SMEs through a nationwide network of cash-and-carry wholesale outlets and delivery service centres. JAVA Foodservice focuses primarily on the institutional, corporate catering and hotel chain market segments. The brands in Belgium have their own commercial organisations and make increasing use of a common delivery structure and shared services.

Sligro Food Group

Sligro Food Group has its own production facilities for specialist convenience products (Culivers) and fresh fish (SmitVis). The company also sources meat, game and poultry, and bread and pastries through its participations in fresh partners, which serve both the Dutch and Belgian market. In Bouter, Sligro Food Group has a specialist company for consultancy, design, supply, installation and maintenance of professional kitchen equipment, appliances and refrigeration and freezing equipment.

Sligro Food Group is one of the largest players in the end-of-year gift market, with traditional Christmas hampers being offered through Sligro and online gift concepts through Tintelingen.

Our customers have access to more than 75,000 food and food-related non-food products, together with numerous services to support our customers’ businesses and help them to advance. Sligro Food Group primarily procures specific food service products in-house, although a portion is arranged through CIV Superunie BA.

Sligro Food Group companies actively seek to share knowledge and make good use of the extensive scope for synergy and economies of scale. Both countries are centrally managed based on a BeNe organisational model. Activities that are primarily customer-related are carried out in the separate countries and business units. By combining our central procurement with direct, meticulous category and margin management, we aim to continuously improve our gross margins and offer our customers a unique and innovative product range. Operating expenses are kept under control by having an integrated supply chain and through our constant focus on cost control. Centralised management of our IT landscape, centralised design and control of master data management, and centralised talent and management development all work to further enhance group synergy.

Sligro Food Group strives to be a high-quality business for all its stakeholders that constantly grows in a controlled manner. Sligro Food Group shares are listed on Euronext Amsterdam. The head office of Sligro Food Group is located in Veghel, the Netherlands.