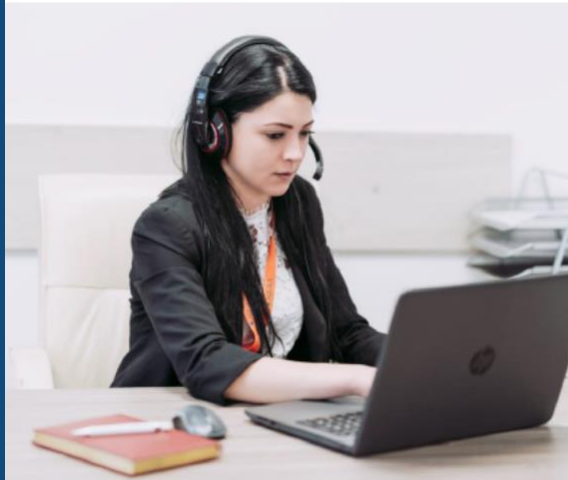


Presentation Financial Results 9 months 2022 November 2022





- 1 | **Macroeconomic context and markets**
- 2 | **Strategy and focus**
- 3 | **Analysis of Results | Margin optimization and Own brands growth**
- 4 | **Appendices - Market and ESG details**

1. Macroeconomic context, markets, and trends

Context

- **Inflation rate 13.1%** (Sep. 2022 vs. Dec. 2021) according to NIS
- **Monetary policy rate 6.75%** versus 5.5% in September
- **FMCG and HORECA distribution market of RON 18 billion** in 2021, top 5 players accounting for 45% of the market
- **FMCG retail market of RON 122 billion in 2021**, estimated to reach RON 126 billion in 2022 (+3.3%)
- **HORECA retail market of RON 15 billion in 2021**, estimated to reach RON 17 billion 2022 (+13%)
- **Modern trade** – over 600 de new stores opened in 2022

Sources: Euromonitor, KeysFin, Emis

Trends

- **Inflation** is the main driver of sales growth
- **The increase in the frequency of purchases**, corroborated with the expansion of modern trade in convenience stores
- **Downtrading**, especially in large format stores and discounters, more in non-food products
- **Shopping cart** - trend of decreasing the value and the number of products
- **Channels: Supermarkets and Convenience** segments increase the most within the modern trade channel, respectively the **HORECA** channel
- Higher growth rate of the **Small Rural and Urban** area

2. Strategy and Focus - AQUILA Strategy for Profitable Growth

M&A approach

Key criteria for mergers and acquisitions:

- Targets: FMCG distributors and brand manufacturers
- Potential synergy through products portfolio and operational model
- Always initial majority stake, with option to buy in 3-5 years for tickets over EUR 50 million

Margin optimization

Key actions:

- Cross-selling of our products across channels and clients
- Focusing on the frozen product segment, both in terms of distribution and logistics
- Increasing presence in the channels with higher margin

Own brands growth

Key steps:

- Sustained volume growth
- Launching new products
- Focus on HORECA
- Increasing retail presence

ESG strategy

2022-2026 strategic directions:

- Environment and climate change
- Human capital and communities
- Ethics and governance

M&A Negotiations Status

Target ²	Activity	Sales ¹	EBITDA ¹	Negotiation stage
Target 1	Production	EUR 119m	EUR 19m	Abandoned
Target 2	Distribution	EUR 61m	EUR 9m	Abandoned
Target 3	Production	EUR 35m	EUR 9m	Price negotiation
Target 4	Production	EUR 50m	EUR 8m	Prospecting
Target 5	Production	EUR 58m	EUR 5m	Price negotiation
Target 6	Distribution	EUR 53m	EUR 5m	Abandoned
Target 7	Production	EUR 45m	EUR 5m	Abandoned
Target 8	Distribution	EUR 27m	EUR 3m	Abandoned
Target 9	Distribution	EUR 34m	EUR 2m	Price negotiation
Target 10	Production	EUR 8m	EUR 2m	Abandoned
Target 11	Production	EUR 10m	EUR 1m	NBO

¹ Source: EMIS; * FY 2021 (individual RAS); ² Target in descending order of EBITDA value

Margin optimization

Product portfolio

- Optimizing the current portfolio, focusing on higher margin products, including own brands
- Increasing the number of SKUs
- Focusing on the frozen product portfolio

Focusing on high margins channels

- Increasing the penetration degree of the Convenience channel
- Growth in the HORECA channel, especially through the portfolio of frozen products and ready meals, and in the future by adding new types of products
- Focusing on the Gastro channel within modern retail, profiting from the capacity of own brands

Digitization

- The implementation of the new ERP is on timr, with a target term of 2 years and will provide stricter internal control, increased reporting capacity, as well as improved integration with external software (WMS, TMS)
- Expansion of automation solutions in distribution and logistics in the next 3 years to increase productivity, with a clear impact on the profit margin
- Continuous development of the B2B platform over the next 3 years to reduce order time and increase agent productivity

ESG Strategy – Priorities, Trends, and Actions

Priorities

Human Resources Priorities

- Employee recruitment and retention, with an emphasis on equal opportunities and increasing diversity
- Digitization

Other ESG Priorities

- The 2022-2026 Decarbonization Plan with the target of -10% greenhouse gas emissions in the strategic period, with 2021 as reference year.
- 100% of the fleet on EURO 6 standard by 2024

Trends and Actions

Trend - labour force deficit in Romania caused by the demographic decline, the negative balance of international migration and by the demographic aging process

Actions and effects

- The increase of the non-EU workforce employed (on 30.09.2022 the share of foreign citizens employed increased by 1.53% from 30.09.2021)
- The increase of the women employed in the total number of employees by 2.3% vs. 30.09.2021
- Implementation of the cloud **Sincron HR digital IT solution** – ongoing, deadline 01.01.2023
- Upgrade of 100 fleet vehicles to EURO 6 standard compliant this year

3. Analysis of Results - Key Performance Indicators (9 months 2022)

Sales	EBITDA	Net Profit
RON 1,543 mil	RON 110 mil	RON 64 mil
Sales increase (yoy) +12%	EBITDA increase (yoy) +19%	Net Profit increase (yoy) +47%
Gross Margin +2.2 pp	EBITDA Margin +0.44 pp	Net Profit Margin +1 pp
Distribution Sales RON 1,435 mil	Logistics Sales RON 57 mil	Transport Sales RON 51 mil

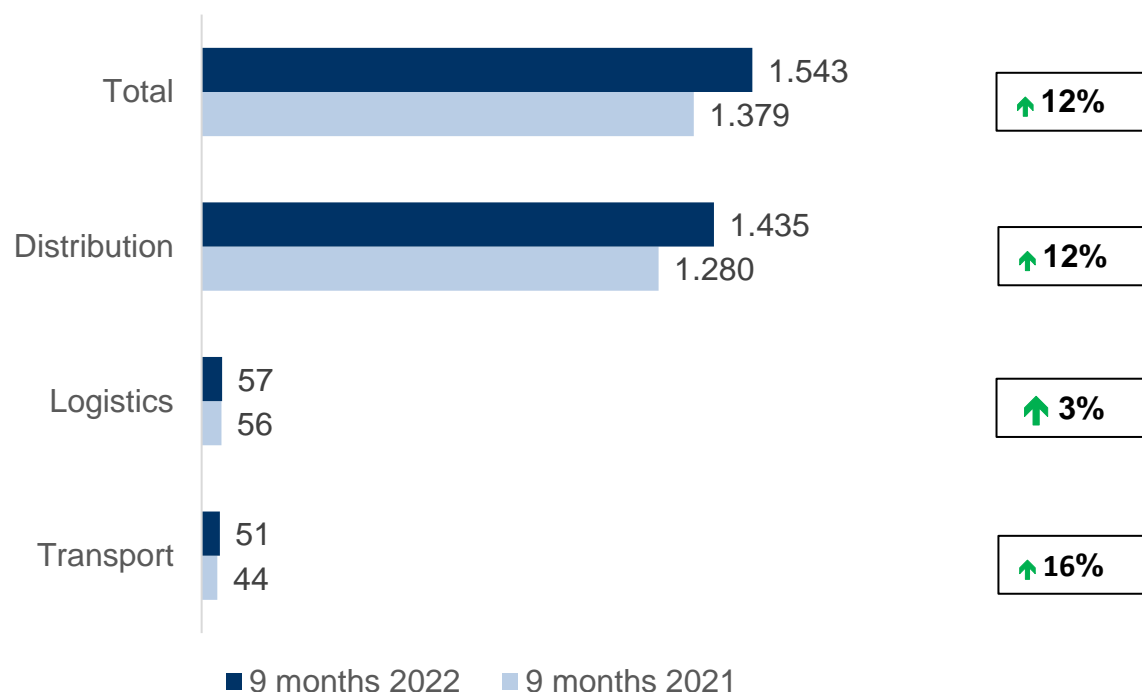
Financial Results Analysis 9 months 2022

9 months 2022 vs. 9 months 2021

- **Revenues increased by 12%** driven mainly by the distribution segment and the acquisition of Trigor AVD.
- **EBITDA increased by 19%** versus 9 months 2021, up to RON 110 mil.
- **The Gross Margin from the sale of goods increased by RON 57 mil., a 2-percentage points margin increase**, influenced by the mix of sold products and the focus on growth channels.
- **The Net Profit increased by 47%** vs 9 months 2021, to RON 64 mil. The Trigor AVD acquisition brought a RON 2.6 mil. in the consolidated results.

mil. RON	9M 2022	9M 2021	Variation
Revenues	1,543	1,379	12%
Cost of goods sold	(1,125)	(1,031)	9%
Gross Profit	310	249	25%
EBITDA	110	93	19%
Net Financial Result	3	(7)	(142)%
Profit before tax	74	50	47%
Income tax expense	(9)	(6)	50%
Profit for the year	64	44	47%

Business Segments Results 9 months 2022



DISTRIBUTION

- 12% Revenues growth versus 9 months 2021, supported by organic growth, a **32% HORECA channel growth** and a **14% Gas station growth**, as well as the Trigor AVD acquisition (+3% from consolidation).

LOGISTICS

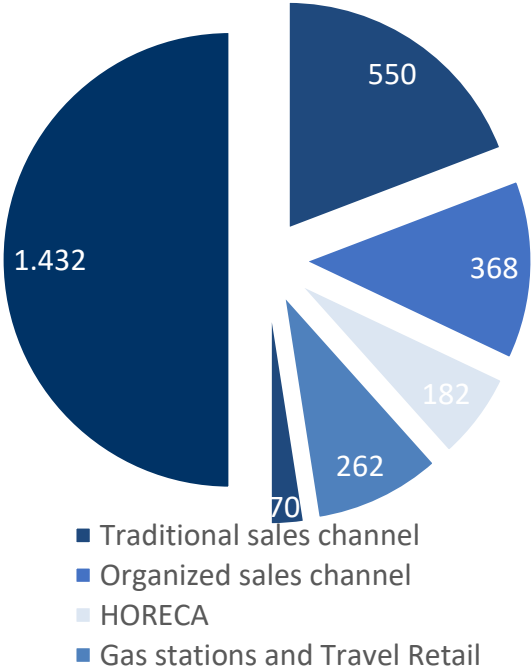
- Revenues from logistics services increased by **3%** versus 9 months 2021 following logistics tariffs indexing.

TRANSPORT

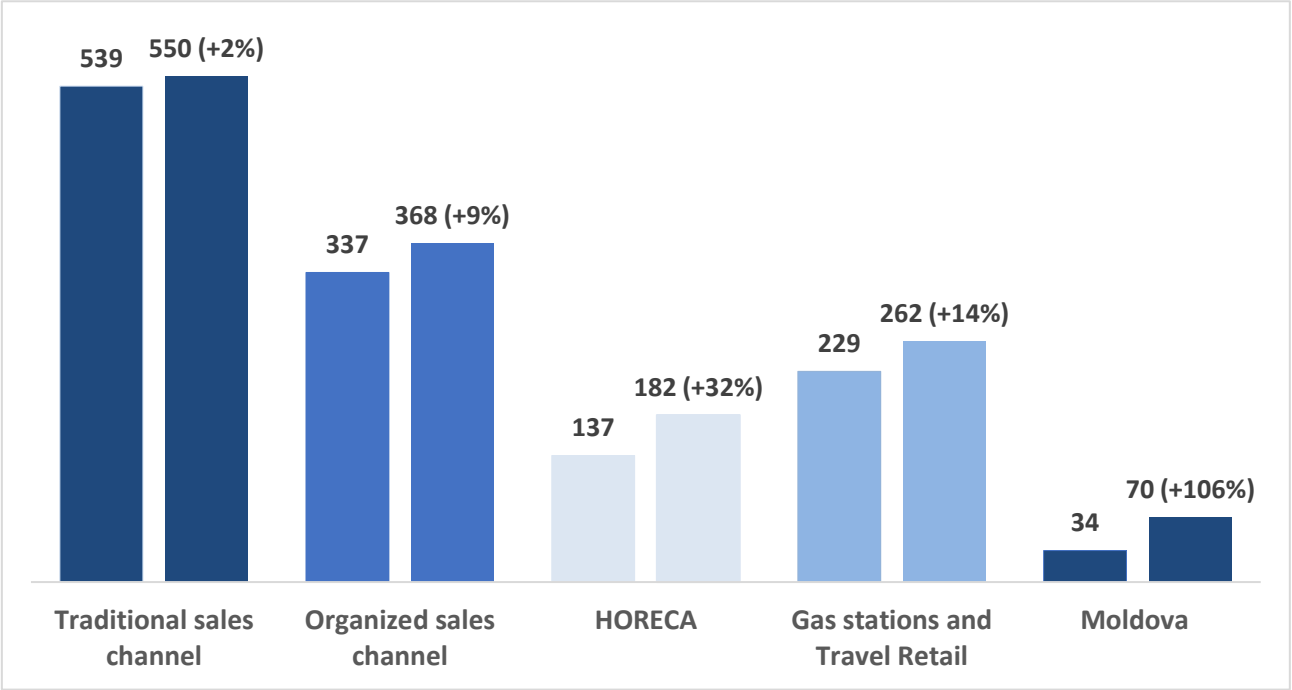
- 16% Revenues growth** versus 9 months 2021 due to tariff increases.

Results by channel

Revenues by channel 9 months 2022, mil. RON

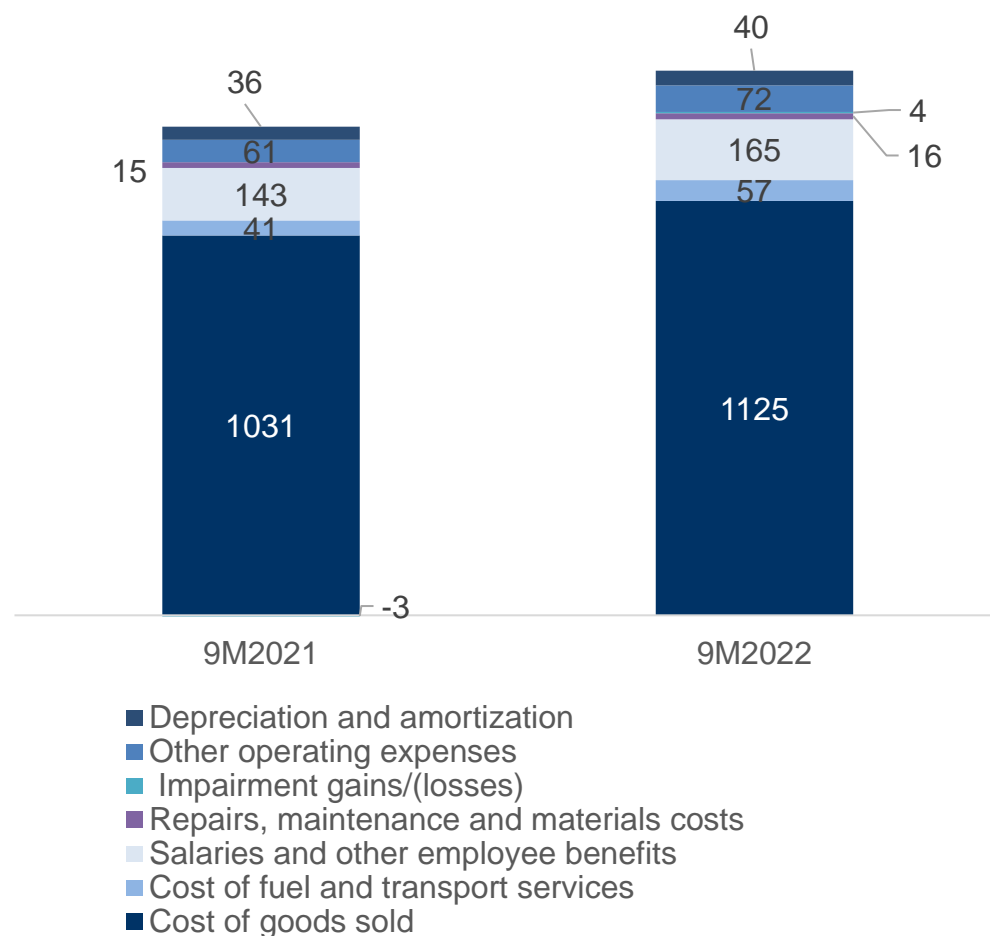


Revenues by channel 9 months 2021 vs. 9 months 2022 (mil. RON, %)



Expenses Status 9 months 2022

Operating and D&A expenses, mil. RON



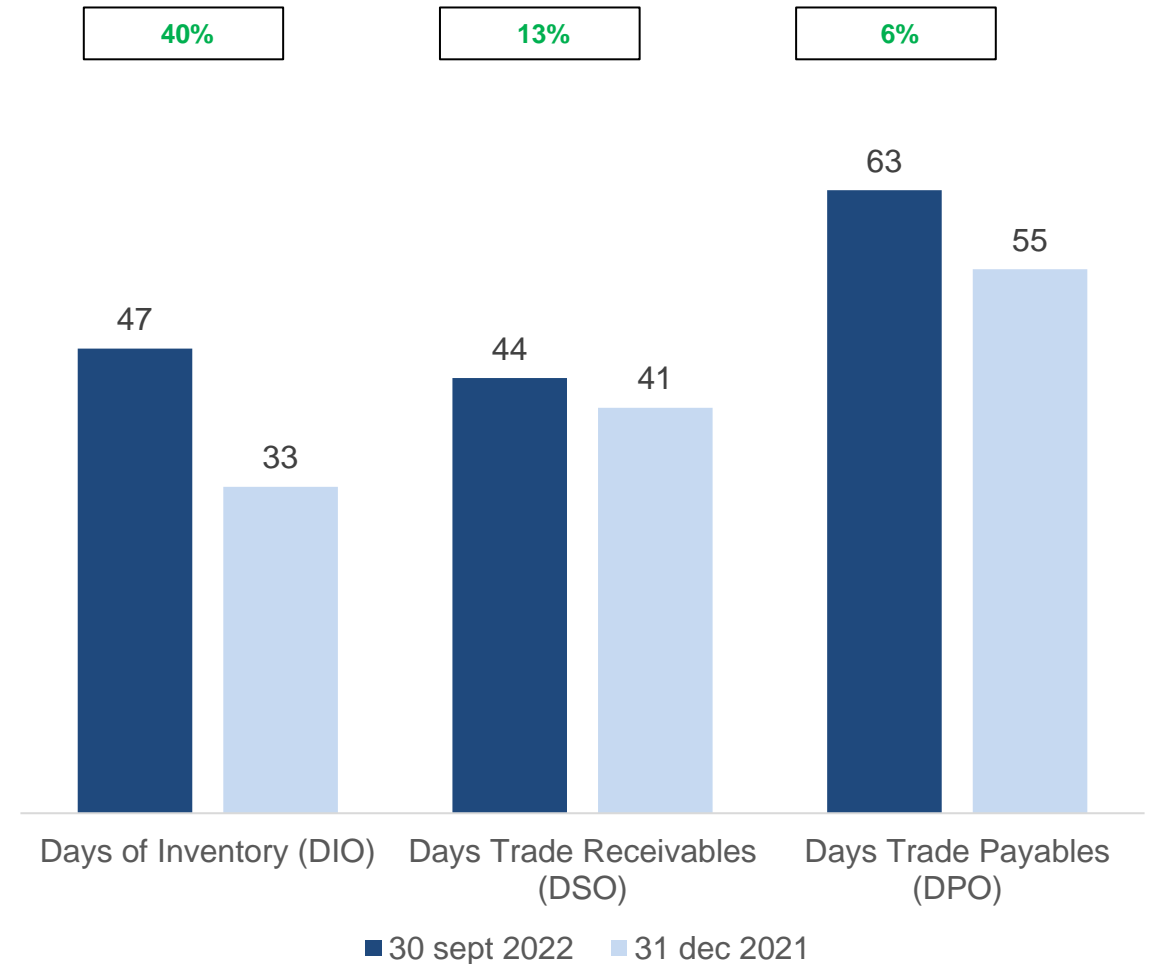
9 months 2022 vs. 9 months 2021

Operating expenses before depreciation increased by RON 57 mil mainly due to:

- The increase of fuel costs and of transport services by RON 16 mil.
- The increase of employee benefits related expenses to RON 21 mil. as a result of the consolidation with Trigor.

Evolution of Liquidity Ratios

- Days Inventory Outstanding (DIO) increased mainly due to inventory increases for the last quarter (highest sales of the year), increased share of purchases with an increased lead time, increased purchase prices, and also in order to cover supply chain delays.
- Days Sales Outstanding (DSO) registered a slight increase due to higher commodity prices and an increase in the share of modern retail.
- Days Payable Outstanding (DPO) registered an 8 days increase, mainly due to purchases with payment on due date in September.



Main elements of the Balance Sheet

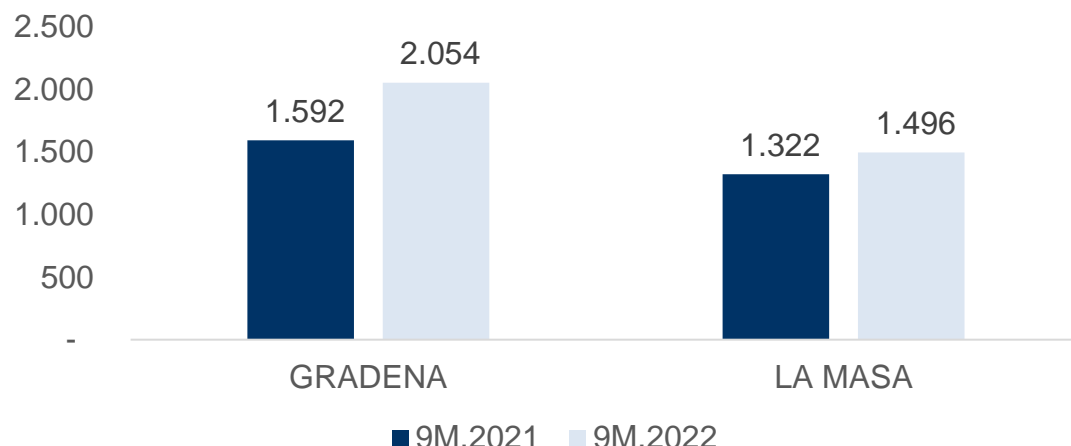
RON	30 Sep. 2022	31 Dec. 2021	Variation
Non-current assets	247,675,170	194,192,599	28%
Tangible and intangible assets	177,663,506	118,377,273	50%
Current assets	686,841,064	637,036,868	8%
Inventories	195,003,731	133,654,414	46%
Trade receivables	250,213,626	220,942,310	13%
Total assets	934,516,234	831,229,467	12%
Total equity	495,402,302	483,388,818	2%
Liabilities	439,113,932	347,840,649	26%
Total equity and liabilities	934,516,234	831,229,467	12%

September 30th, 2022 vs. December 31st, 2021

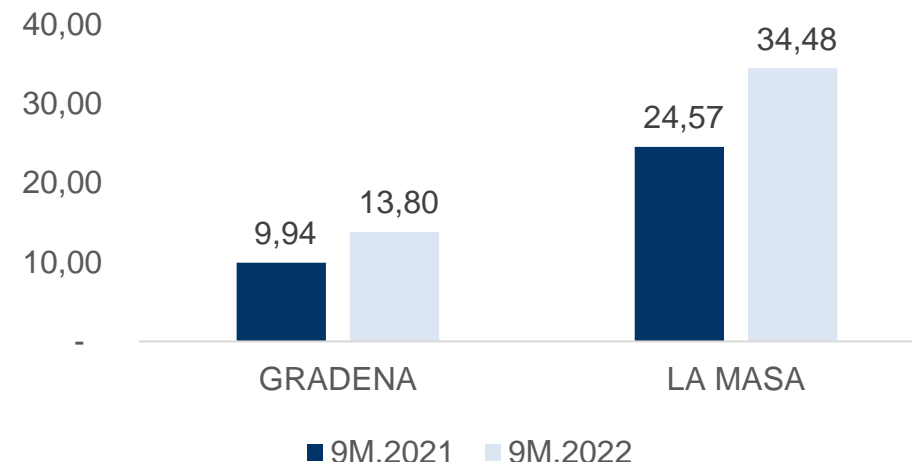
- Non-current assets increased by 28% (by approx. RON 60 mil.) based on the renewal of lease contracts and the extension of storage space rental periods (IFRS 16)
- Current assets increased by 8% (by approx. RON 50 mil.) mainly due to the increase in inventories.
- Long-term liabilities increased by RON 55 mil., from RON 39 mil. to RON 94 mil. mainly due to the extension of lease contracts (IFRS 16).
- Short-term liabilities increased by approximately RON 36 mil., mainly due to the increase of trade liabilities, based on price increases and the preparation of the last quarter of the year.

Evolution of Own Brands – significant growth

Own Brands, by volume 9M 2022 vs. 9M 2021 ('000 KG)



Own Brands, by value 9M 2022 vs. 9M 2021 (mil. RON)



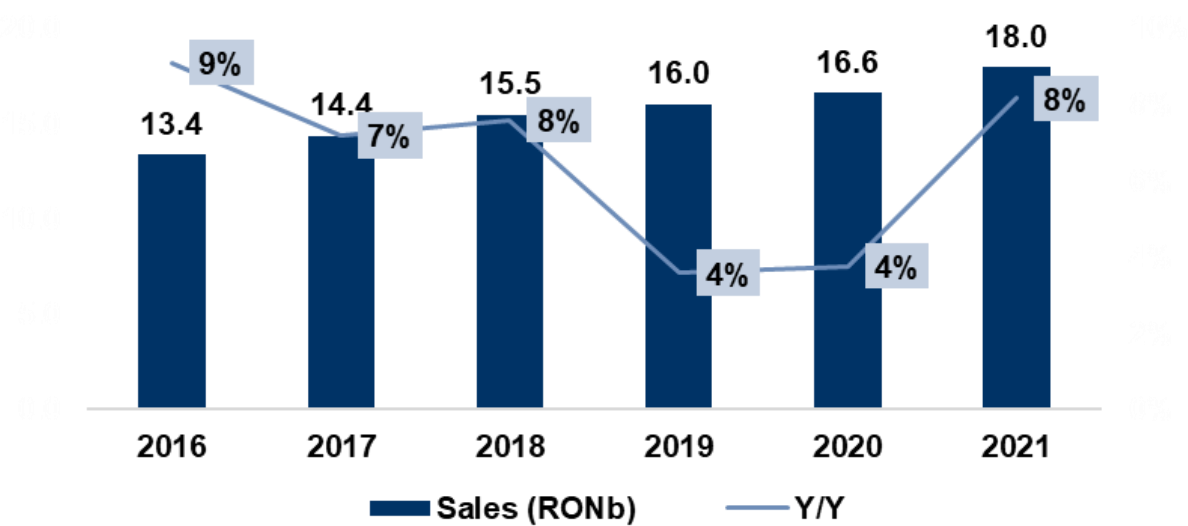
- **39% growth** in Own Brands **turnover** and **21% in volume** in the first 9 months of 2022 vs the same period in 2021.
- The **LaMasa** brand, currently includes **14 types of products**, **is available in new specially designed packaging**, gradually, from July, and the products can also be found in **Retail**, starting with the fourth quarter of this year.
- The expansion of the **Gradena** brand with 12 new products this year, of which 5 new vegetable mixes for HORECA and 3 fruit mixes for Retail.
- Starting with the third quarter, **Gradena** launched innovations (4 items of frozen dips), which meet the needs of consumers, and which cover new consumption opportunities **to strengthen the strategy of brand positioning** in several segments, with better visibility.



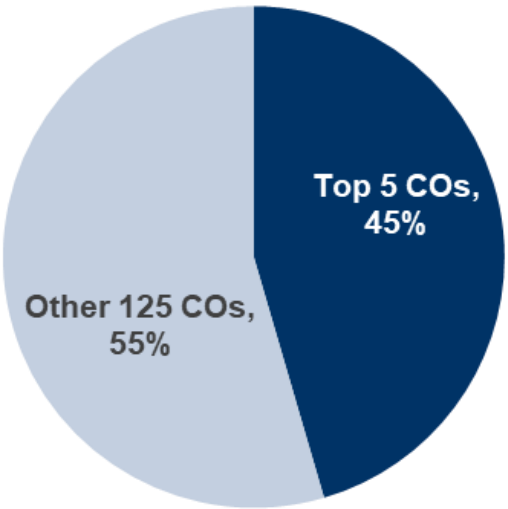
5 | **Market and ESG details Appendixes**

The FMCG and HORECA distribution market grew by 34% in the last 5 years, reaching EUR 3.7b/RON 18b in 2021 (+8% y/y)

Romania: FMCG & HORECA distribution market



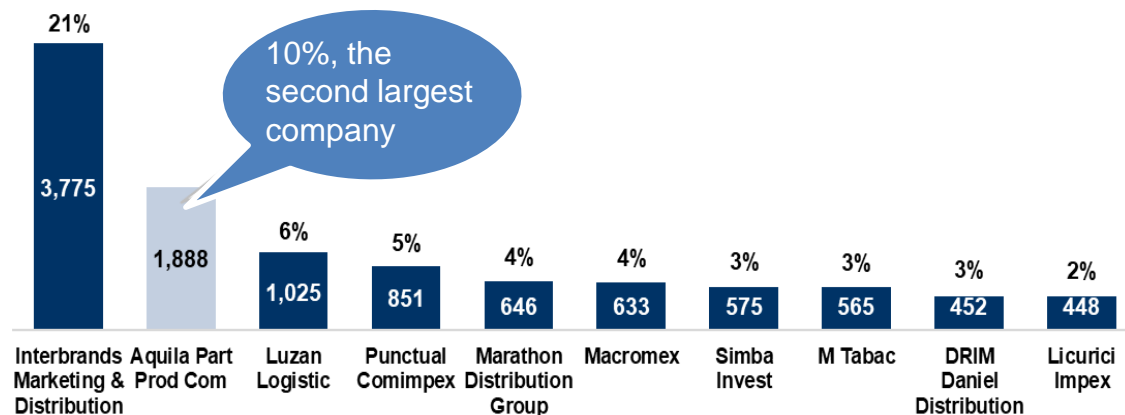
Romania: FMCG & HORECA distribution market concentration



¹ Source: KeysFin; EMIS

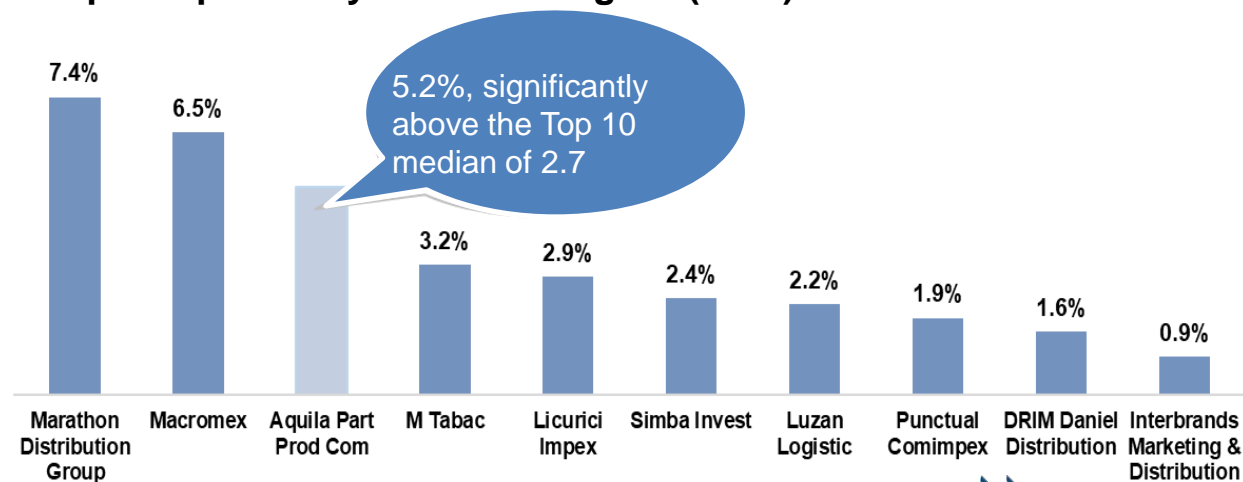
FMCG and HORECA distribution market | Top companies

Top companies by market share^{1*} (2021)



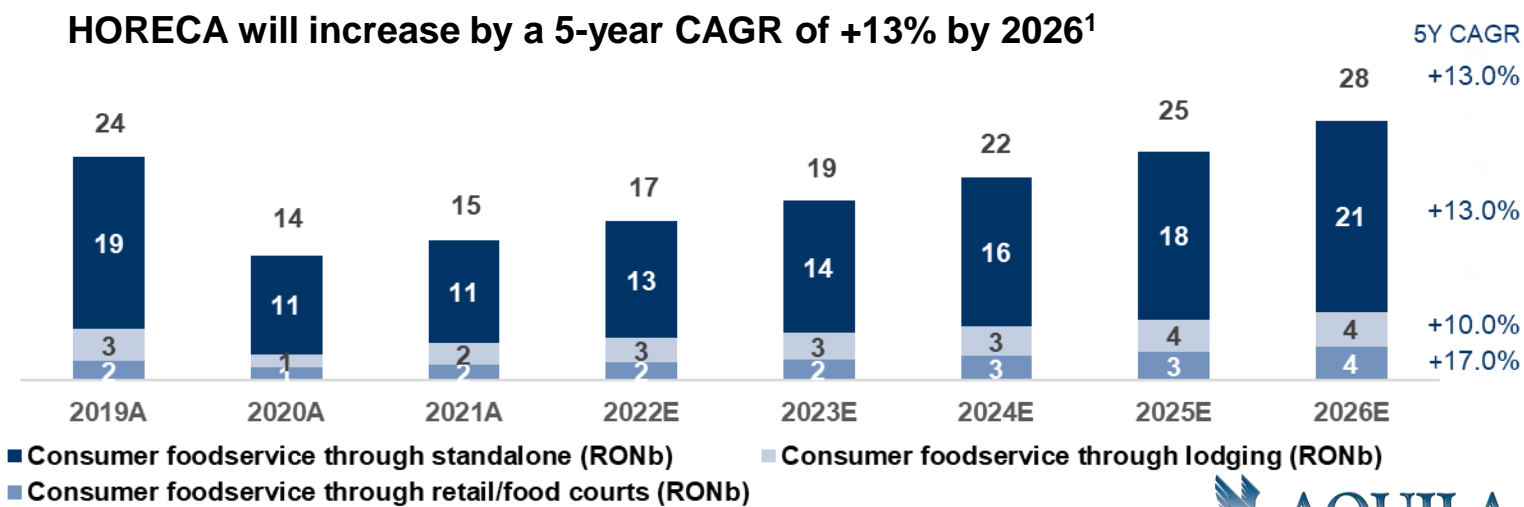
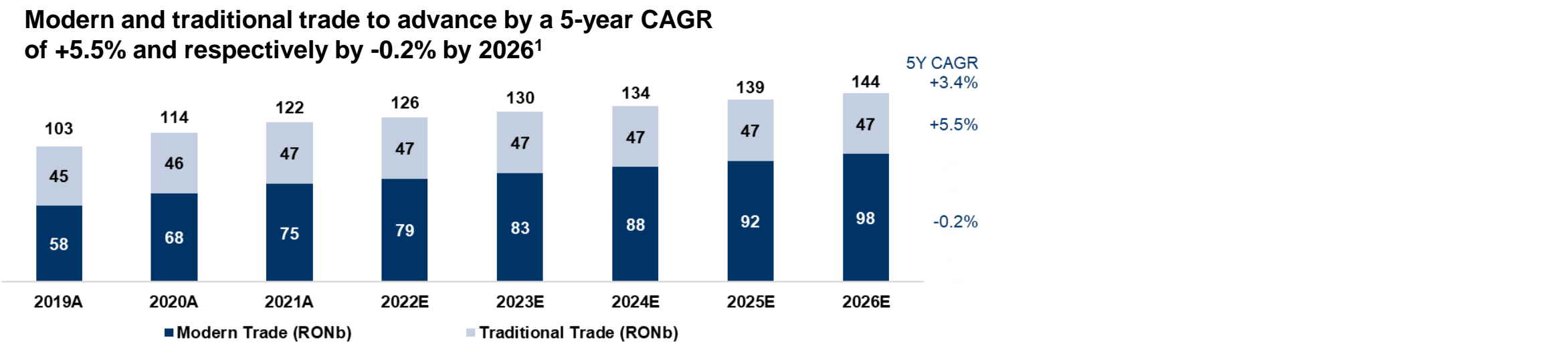
□ Well positioned to benefit from growth opportunities both organically and through acquisitions in a fragmented distribution market where the top 5 players, out of 130 companies in total, have a 45% share of total sales.

Top companies by EBITDA Margin^{1*} (2021)



¹ Sursă: KeysFin; EMIS; * RAS individual

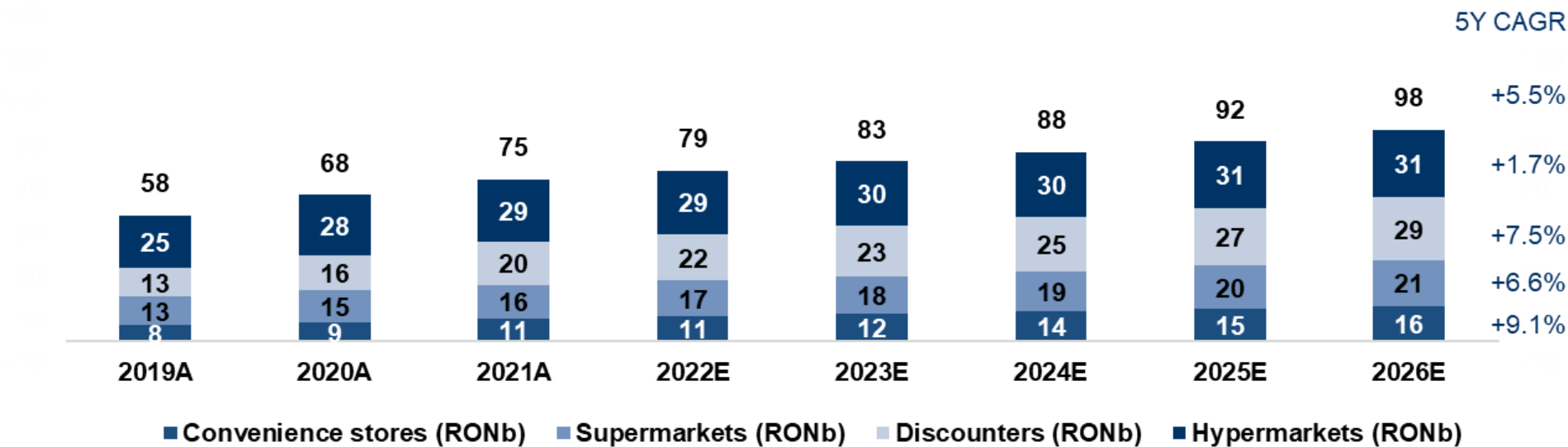
Exposure to a market highly addressable to the FMCG and HORECA ones, that are expected to grow over the next 5 years at a cumulative average rate of 5%



¹ Source: Euromonitor International

Convenience stores, Discounters and Supermarkets expected to outperform within Modern Trade

Modern Trade by segments¹



¹ Source: Euromonitor International

2022 – 2026 Sustainability Strategy



[2021 Sustainability Report]

We believe in the sustainable development of our business, and we want to be an example in terms of social and environmental responsibility.

The 2022-2026 Sustainability Strategy, with 2021 as the reference year, was approved and published at the beginning of 2022. We started implementing the strategy in the following directions:



The 2022-2026 Decarbonization Plan, which includes scenarios and projects to reduce the impact on the environment, the analysis of associated risks and opportunities, will be ready at the end of 2022.



Actions taken:

- Determining the carbon footprint, Scope 1&2. Scope 3 partially (ongoing), in accordance with the requirements of the GHG Protocol Corporate Accounting and Reporting Standard.
- Analysis of water consumption and water stress, using the World Resource Institute Aqueduct methodology.
- CDP reporting: Climate Change and Water Security.



ENVIRONMENT

- **Greenhouse gas emissions GHG 2021:**
 - ✓ Scope 1: 19,471.42 eqtCO₂
 - ✓ Scope 2 market based: 2,390.28 eqtCO₂
 - ✓ Scope 2 location based: 2,279.11 eqtCO₂
 - ✓ Scope 3 waste: 469.83 eqt CO₂
 - ✓ Scope 3 business travel: 20.68 eqt CO₂e
- **53% of the electrical energy consumed comes from renewable sources.**
- In 2022 we invested EUR 220,000 in the first photovoltaic plant, with 560 panels, and a combined capacity of 230 Kw.
- **89.7% of the total water consumption comes from the public network and is potable,** 10.3% comes from drilled wells and complies with the legislation in force.
- We have implemented the **Program to prevent and reduce the amount of waste** generated in accordance with legal requirements, as well as the selective collection in the workplaces.
- **70% of the fleet is Euro 6 standard compliant**

SOCIAL

Occupational health and safety

- We kept approx. 3000 jobs, respecting the specific legislation, paying the related taxes and fees
- Safe and fairly remunerated jobs, specific periodic training, instructions and personal protective equipment (PPE)
- Approx. -50% job related accidents in 2021 compared to 2020

Training, development and business resilience

- Training and development programs > +4000 hours
- Internal management programs prepare 65 leaders for the rapidly changing market
- Partnership with the Ploiesti Oil and Gas University for internships and scholarships
- Increase in the number of women employed (38.02% women in 2021 compared to 36.82% in 2020)
- Extra-salary benefits and private medical clinic subscription
- Direct contribution of over RON 15 million per year to the Health Insurance Fund (CNAS)

Communities

- Donations and sponsorships in partnership with Ploiesti City Hall and Prahova Community Foundation
- Volunteering and donating > Habitat for Humanity > building homes for underprivileged families

GOVERNANCE

Aquila's corporate culture promotes:

- Integrity
- Good corporate governance
- The highest ethical standards based on transparency, fairness and equity

The company's **Code of ethics and business conduct** includes:

- Organizational values and applicable principles for maintaining a fair working environment
- Provisions relating to compliance with the requirements of:
 - Occupational health and safety
 - Diversity and non-discriminatory employment
 - Conflict of interest, bribery, corruption, discrimination
 - Environment protection
 - Communication/Complaints
- **The Board of Directors** consists of 5 members, of which 3 are independent, non-executive.
- **Composition of the management committees:**
 - BoD: 80% men and 20% women
 - Audit Committee: 50% men and 50% women
 - Nomination and Remuneration Committee: 50% men and 50% women.

ESG Targets



ENVIRONMENT

Our main target: -10% greenhouse gas emissions in the strategic period, with 2021 as reference year

Along with the actions included in the Decarbonization Plan, we will also continue the projects started in the last two years:

- **100% Euro 6 standard compliant fleet** by 2024. In 2022, more than 100 vehicles, light vans, old tractor heads will be replaced with new ones, Euro 6 standard compliant, and more than 50 LPG and hybrid vehicles will be purchased
- **Investments in:**
 - Roll containers;
 - Expansions of Pick by automations;
 - Light and Pick by Voice implementation;
 - Mobile shelves in frozen warehouses;
 - ERP, TMS systems;
 - Digitization of operational systems;
 - Semi-automatic wrappers;
 - LED lighting;
 - Li-Ion equipment, including in cold store warehouses.
- **Reducing the amount of paper used through digitization, simultaneously with the expansion of the use of recycled paper**
- **Introducing sustainability principles into the procurement process**



SOCIAL

In the following 5 years we will focus our efforts on:

- **Occupational safety and health**
 - "Safe Working Practices" Internal Guide for employees and subcontractors;
 - Risk assessment for all functions and the development of their control methods;
 - Implementation of an integrated health, safety and social environment management system (HS-ESMS).
- **Training, development and business resilience**
 - Performance management system that also contains elements of sustainability – pending implementation;
 - Increasing the number of participants in internal training courses, diversifying the training offer and learning methods;
 - Continuous training programs for leaders
- **Community**
 - Continuation of donation and sponsorship actions;
 - Volunteering program for Aquila employees in support of the local community - in progress;



GOVERNANCE

Aquila's efforts for the next 5 years will focus on strengthening internal corporate governance policies, with a focus in the coming year on:

- **Development of a Cyber Security and Data Privacy protocol**
- **Drafting a Diversity Policy**
- **Drafting a Modern Slavery Declaration**
- **Remuneration Policy**
- **Road safety code**
- **Code of Conduct for Suppliers**
- **Complaints procedures – in progress**

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