Presentation of Results Q1 2019

14 May 2019

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- In addition to the financial information prepared in accordance with the International Financial Reporting Standards (“IFRS”), this presentation includes certain Alternative Performance Measures (“*APMs*”), as defined in the Guidelines on Alternative Performance Measures published by the European Securities and Markets Authority on 5 October 2015 (ESMA/2015/1415en), and certain *Non-IFRS financial measures*. The *APMs* and the *Non-IFRS financial measures* are financial performance measures based on Natra’s financial reporting, but not defined or described within the applicable financial reporting regulations, so they have not been audited and are not entirely subject to audit.
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- The Appendices hereto contain further information and enhance its transparency, including a definition of the terms used and a reconciliation between the corresponding performance indicators and the consolidated financial reporting under the IFRS.

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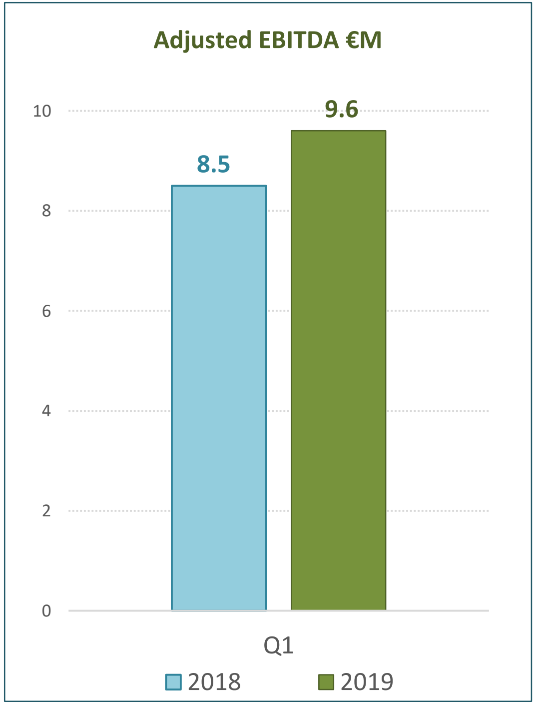
1. Executive Summary Q1 2019

Executive Summary Q1 2019



- Business growth at March 2019 was underpinned by a **6%** year-on-year increase in **sales**.
- The 2019 earnings were fueled by the **growth in sales volumes** in both Divisions, coupled with the overall improvement in margins achieved through raw material hedging and the favourable conditions on the commodity market, which have offset the delay in efficiency improvements expected under the Strategic Plan.
- Positive results in the first quarter of 2019, with an **Adjusted EBITDA** of **€9.6m**, higher than in the same period of last year.
  EBITDA was adjusted in the first quarter of 2019 and 2018 by €0.4m and €0m, respectively. *(*)*
- Natra chalked up an **Adjusted Net Income** of **€3.8m** at March 2019. Adding in the €1.6m income from valuation adjustments to the financial portfolio, we obtain a Net Profit of €5.4m. *(*)*
  This Net Profit is higher than in March 2018 thanks to the EBITDA growth and the provision for impairment of property, plant and equipment recognised last year.

(*) See section 4 of this document for definitions and details of Adjusted EBITDA and Adjusted Net Income

Executive Summary Q1 2019

- **Net Debt was reduced by €12.4m** year on year, thanks to the generation of cash during the year (which was applied to reducing debt and offsetting the effect of recognising debt at amortised cost) and to the conversion of bonds. The 2019 debt has risen by €5.3m as a result of applying the new International Financial Reporting Standard 16 (IFRS 16).
- The **Financial Structure** is sound both in the **Long Term**, as 86% of the syndicated loan of €137.1m is not due until 2022, and structurally in the **Short Term**, since at the end of March 2019, for example, our liquidity exceeded average operating cash flow requirements by €32.6m (see details in section 2).
- Natra has improved all its financial metrics so far in 2019 by exploiting its ability to capture value in all product categories and trends, through a strong focus on customers.
- We expect to **continue throughout 2019 improving on the positive financial results of 2018** (see details in section 3).

CONSOLIDATED NATRA														
	2019					2018					Evolution 19 vs 18				
€M	Q1	Q2	Q3	Q4	TOTAL	Q1	Q2	Q3	Q4	TOTAL	Q1	Q2	Q3	Q4	TOTAL
Turnover	92.3				**92.3**	87.2	86.2	96.6	109.0	**379.0**	6%				
EBITDA	10.0				**10.0**	8.5	8.5	10.0	7.3	**34.3**	18%				
Adjusted EBITDA	9.6				**9.6**	8.5	8.6	10.0	10.8	**37.9**	13%				
NET INCOME	5.4				**5.4**	2.0	8.5	1.8	10.7	**23.0**	169%				
ADJUSTED NET INCOME	3.8				**3.8**	0.2	4.1	3.4	6.7	**14.3**	1788%				
Net Debt	128.9					141.3	135.1	134.6	129.6		9%				

Favourable variations are positive

NB: To enhance comprehension and comparison of the financial information, reclassifications and adjustments have been made wherever this has been deemed convenient. See sections 4.1 and 4.2. The same criteria has been applied for all items in the prior periods to facilitate comparison.

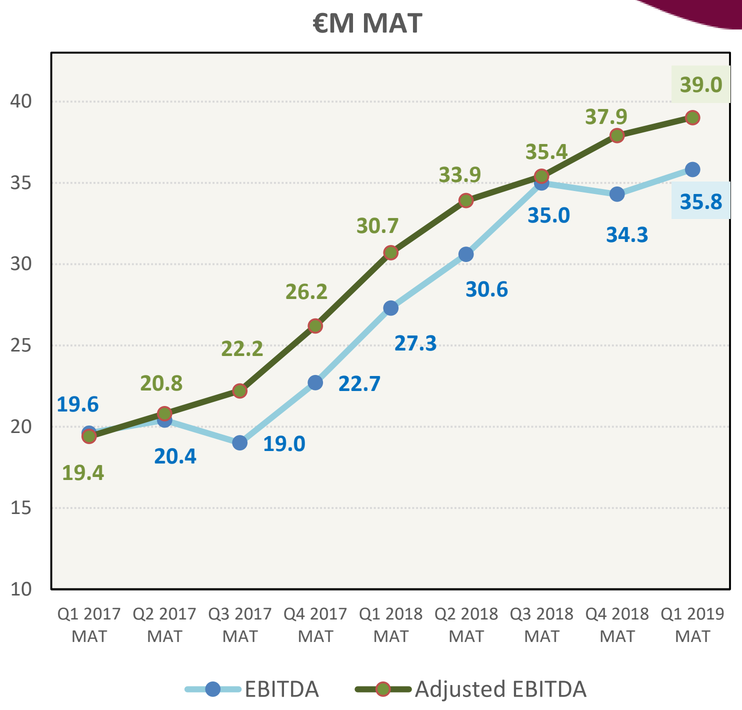
Natra and business performance

- **EBITDA** maintained steady growth throughout the first quarter of 2019. The Moving Annual Total (**MAT**) at March 2019 - *i.e. the EBITDA posted in the twelve months from April 2018 to March 2019, inclusive* - was **€35.8m**, compared to €27.3m at March 2018.
  The **Adjusted EBITDA** over the past 12 months, had a MAT of **€39.0m** at March 2019, compared to €30.7m at March 2018.

- By arranging long-term **raw material** hedging and sourcing contracts with local and global suppliers, Natra was able to improve current margins, reducing volatility and cashing in on the favourable prices. This positive situation in raw materials is changing cycle and Natra is taking measures to minimise its impact next year and avoid deviations from its Strategic Plan.

- The **Transformation Plan**, based on a customer-centric model, continues generating tangible profits in all the financial metrics.

- During 2019, Natra strives to maintain continuous improvement of its processes, while channelling funds to measures aimed at becoming more **competitive** in the future.



2. Financial Results Q1 2019

Consolidated Income Statement

(thousand euros)	March 2019	*Adjust-ments*	March 2019 Adjusted	March 2018	*Adjust-ments*	March 2018 Adjusted
Continuing operations:						
Net turnover	92,309		92,309	87,199		87,199
Procurements and Stock Movement	-55,047		-55,047	-52,226		-52,226
Employee benefits	-13,376		-13,376	-13,275		-13,275
Other operating income and expense	-13,855	*-440*	-14,295	-13,228		-13,228
EBITDA	**10,031**	***-440***	**9,591**	**8,470**		**8,470**
Depreciation/amortisation	-2,748	*403*	-2,345	-2,424		-2,424
Impairment of non-current assets	38		38	-1,740		-1,740
NET OPERATING INCOME/(LOSS)	**7,321**	***-37***	**7,284**	**4,306**		**4,306**
Interest income and expense. Exchange differences	-2,631	*47*	-2,584	-3,108		-3,108
Impairment and Gains/(Losses) on disposals of financial instruments and change in fair value	1,616	*-1,616*	0	1,831	*-1,831*	0
PROFIT/(LOSS) BEFORE TAX	**6,306**	***-1,606***	**4,700**	**3,029**	***-1,831***	**1,198**
Corporate income tax	-925		-925	-993		-993
PROFIT/(LOSS) FROM CONTINUING OPERATIONS	**5,381**	***-1,606***	**3,775**	**2,036**	***-1,831***	**205**
Discontinued operations:						
Income/(loss) for the year on discontinued operations						
NET INCOME/(LOSS)	**5,381**	***-1,606***	**3,775**	**2,036**	***-1,831***	**205**
Attributable to:						
Shareholders of the parent company	5,381	*-1,606*	3,775	2,036	*-1,831*	205

- ✓ **Turnover** is up **6%** on 2018.
- ✓ **Procurements** increased due to the volume effect.
- ✓ The increase in **Other Operating Expenses** corresponds mainly to increased freight costs.
- ✓ The **Impairment of Non-Current Assets** in 2018 corresponded to a building and a production line.
- ✓ The **Impairment and Gains/(Losses) on disposals of Financial Instruments and change in fair value through profit or loss** corresponds to the change in value of the interest held in Laboratorios Reig Jofre. This asset is measured at the market price at the end of the period, in accordance with the applicable accounting standards. It has maintained high volatility and low liquidity on the market so far, as we have found during our attempts to sell in previous years.
- ✓ The **Income Tax** corresponds mainly to the profits obtained by our companies in Belgium.

NB: Details and explanations of Adjustments can be found in sections 4.1 and 4.2 of this document.

Consolidated Balance Sheet
March 2019 vs December 2018

(thousand euros)	March 2019	December 2018
ASSETS		
Property, plant & equipment	57,843	53,372
Intangible assets	58,334	58,462
Financial assets at fair value through profit or loss	19,155	17,540
Deferred tax assets	22,309	22,309
Other non-current financial assets	106	104
TOTAL NON-CURRENT ASSETS	**157,747**	**151,787**
Inventories	65,928	57,134
Trade and other receivables	40,396	41,221
Derivatives	0	2,049
Current tax assets	7,124	6,911
Cocoa bean deposits	2,334	894
Other financial assets	1,038	1,055
Other current assets	710	419
Cash and cash equivalents	8,228	10,209
TOTAL CURRENT ASSETS	**125,758**	**119,892**
TOTAL ASSETS	**283,505**	**271,679**

(thousand euros)	March 2019	December 2018
EQUITY AND LIABILITIES		
Capital	20,320	7,988
Other reserves	37,418	37,863
TOTAL EQUITY	**57,738**	**45,851**
Bonds	528	8,993
Financial debt	119,964	114,014
Derivatives	3,987	4,116
Deferred tax liabilities	12,627	13,064
Other financial liabilities	1,765	1,839
Other liabilities and grants	886	1,148
Provisions for other liabilities & charges	2,700	2,682
TOTAL NON-CURRENT LIABILITIES	**142,457**	**145,856**
Short-term provisions	3,874	3,874
Trade and other payables	46,231	46,451
Current tax liabilities	6,997	5,825
Financial debt	12,322	12,873
Derivatives	247	96
Other financial liabilities	676	805
Other current liabilities	12,963	10,048
TOTAL CURRENT LIABILITIES	**83,310**	**79,972**
TOTAL EQUITY AND LIABILITIES	**283,505**	**271,679**

- Increase in **Non-Current Assets**, due to the evolution of the price of Laboratorios Reig Jofre shares and application of IFRS 16 (€5.3m).
- Within **Current Assets** there is a seasonal increase in stocks.
- The **Capital** has increased in 2019 due to the conversion of **bonds**.
- In **Non-Current Liabilities**, financial debt has increased due to application of IFRS 16 (€5.3m).
- The growth in **Current Liabilities** is due to the increase provisions for bonuses and other expenses.

Evolution of Net Debt

The net debt can be calculated by extracting the information from the consolidated balance sheet included in this document.

(thousand euros)	March 2019	December 2018
Non-current debt		
Bonds	528	8,993
Long-term financial debt	119,964	114,014
Derivatives	3,987	4,116
Other financial liabilities	1,765	1,839
Current debt		
Short-term financial debt	12,322	12,873
Derivatives	247	96
Other financial liabilities	677	804
Financial debt	**139,490**	**142,735**
Cash and cash equivalents	-8,228	-10,209
Cocoa bean deposits	-2,334	-894
Derivatives	0	-2,049
Net Debt	**128,928**	**129,583**

- ✓ At 31 March 2019 and 31 December 2018, Natra recognised a Net Debt of **€128.9m** and **€129.6m**, respectively.
- ✓ The items *Long-Term Financial Debt* and *Bonds* include a €1m increase in debt due to the financial restructuring at amortised cost, in pursuance of the reporting standards and as explained in the Annual Accounts 2018, and €5.3m due to the effect of applying IFRS 16. These two effects do not entail any movement of cash.
- ✓ The **€0.6m reduction** in Net Debt vs December 2018 was due to the generation of cash during the year, which was used to reduce debt, and the conversion of bonds, offsetting the above-mentioned effect of recognising the debt at amortised cost, and application of IFRS 16.

NB: Net Debt is defined in section 4.1

Sound Long-term Financial Structure

Amounts in €m	Debt March 2019
Nominal Value: Syndicated Loan	**137.1**
Syndicated Loan Binding Maturities April 2019 to 2021	18.5
Syndicated Loan Maturity 2022	118.6
Nominal Value: Convertible Bonds (maturity 2023)	**0.8**
Nominal Value: Other Debts	**12.1**
Cash & Banks	**(8.2)**
Total Net Nominal Debt	**141.8**
Deferral of Amortised Cost & Others (Syndicated Loan & Convertible Bonds, etc.) [No cash outflow]	**(12.9)**
Total Net Debt	**128.9**

Syndicated Loan €137.1m

- **86%** of **binding maturities** fall in **2022 [€118.6m]**.
- **No payments were made under the Syndicated Loan in** Q1 2019, following the repayment schedule.
- **Cash Sweeps:** The surplus cash generated each year during the effective period of the Syndicated Loan will be used to prepay amounts due in 2022.
- Average cost of the debt: 3.07%
- Average amount of mandatory repayments 2019 - 2021: €6.1m.

- The third conversion window for **Convertible Bonds** was closed at end-January 2019 with the conversion of bonds having a nominal value of €12.4 million, i.e. **83.5%** of the total bonds issued in 2016. Since a further **11.3%** of the bonds were converted in 2018, **5.2%** are still pending conversion.
- There is a conversion window every 6 months for the remainder, up to maturity in 2023.

- The item *Deferral of Amortised Cost and Others* includes €5.3m related with the application in Q1 2019 of IFRS 16.

Flexible, efficient Short-term Financial Structure

€M	March 2019	
a) Total Liquidity Available	37.6	
=> Available: Cash at March 2019		8.2
=> Available: Undrawn Syndicated Loan		6.4
=> Available: Undrawn Syndicated Revolving Credit Facility		5.0
=> Available: Factoring available for discount		18.0
b) Average Operating Cash Flow Needed	5.0	
a - b) Excess Short-Term Liquidity Available	32.6	

- Natra has **more than enough structural liquidity to meet its short-term obligations** (**€32.6m** at end-March).
- At 31 March 2019, Natra still had €5m available from the syndicated revolving credit facility to meet seasonal cash requirements, plus a further €6.4m on tap as the undrawn part of its syndicated loan and other local credit facilities not fully drawn down, together with €18.0m in commercial paper qualifying for discount.

3. Outlook for 2019

Outlook for 2019

€M	2017	2018	Outlook 2019 vs 2018
Turnover	369.7	379.0	Increase
Adjusted EBITDA	26.2	37.9	Increase
EBITDA	22.7	34.3	Increase
Net Income	-9.9	23.0	Profit
Net Debt	138.8	129.6	Reduction

The prospect of overall improvement of the company's financial metrics is maintained for 2019.

TURNOVER

- Increase over 2018, mainly due to larger volume of sales.

ADJUSTED EBITDA

- Earnings are expected to improve over 2018, mainly due to increased sales and checking overheads.

EBITDA

- EBITDA will improve, mainly due to the increase in Adjusted EBITDA.

NET INCOME

- Natra will continue to post profits.
  Although the growth in EBITDA during 2019 will directly affect Net Income, the effect of utilising tax credits is not expected to be so great as in the previous year (€12.8m in 2018). Natra has tax credits that are not recognised in the accounts as there is no certainty that they can be utilised in the future.
- Key assumptions: No material changes in legislation during 2019 affecting Advance / Deferred Tax; and no significant depreciation in *Available-for-sale non-operating assets* or in *amortised cost*.

NET DEBT

- Net Debt will continue to be lowered, thanks to repayment schedules and the use of surplus cash to repay debt. CapEx is kept within the maximum level permitted by the syndicated loan, as contemplated in the hypotheses of the Strategic Plan.

4.1 Appendix: Glossary

Glossary

- **EBITDA**: Earnings before tax, interest, depreciation and amortisation. The company uses this metric to draw up its budget and monitor the extent to which it is met. It is also used for comparison with the previous year and as a measure of the company's ability to generate cash flows considering only its production and commercial activity.
- **Adjustments to EBITDA**: These are items not directly related with the company's normal production and commercial activities (restructuring and transformation plans; non-trade receipts from clients; costs related with takeover bid; application of IFRS 16 in Q1 2019), which Natra considers hinder the comparison of EBITDA across different periods, affecting consistent generation of EBITDA and decision-making.
- **Adjusted EBITDA**: EBITDA plus/less Adjustments to EBITDA.
- **Adjusted Net Income**: Net Income plus/less Adjustments to Net Income. The Adjustments to Net Income are: (i) the Adjustments to EBITDA, plus (ii) as from the H1 2018 Report and for the historical periods included for comparison, elimination of the impact reflected in *Impairment and Gains/Losses from Disposal of Financial Instruments* of changes in the value of Natra's interest in Laboratorios Reig Jofre to reduce the impact of volatility in that item on the net income, as Natra has no influence in those changes; plus (iii) as from Q4 2018 and for the historical periods included for comparison, elimination of the impact on Income Tax of the recognition of tax credits generated in prior years; plus (iv) the effect of applying IFRS 16 in Q1 2019.
- **Net Debt** is the sum of the short and long-term financial debts of the company less the value of cash, derivative financial assets and cocoa bean deposits.

4.2 Appendix 2: Reconciliation of Alternative Performance Measures

Reconciliation alternative performance measures: Adjustments to EBITDA and Adjusted EBITDA

Appendix 2a

(thousand euros)	March 2019	March 2018
EBITDA	**10,031**	**8,470**
Adjustments to EBITDA	**(440)**	
- Restructuring plan	-	-
- Non-trade receipts from clients		
- Transformation plan		-
- Adjustments IFRS 16 Fixed cost rental	(440)	-
Adjusted EBITDA	**9,591**	**8,470**

*NB: The breakdown of **EBITDA** is shown in the Consolidated Income Statement (see section 2).*

Reconciliation alternative performance measures: Adjustments to Net Income and Adjusted Net Income

Appendix 2b

(thousand euros)	March 2019	March 2018
NET INCOME	**5,381**	**2,036**
Adjustments to Net Income	**(1,606)**	**(1,831)**
- Adjustments to EBITDA	(440)	-
- Changes in fair value of interest in Laboratorios Reig Jofre	(1,616)	(1,831)
- Adjustments IFRS 16 Amortisation & Finance expenses	450	
- Deferred tax		
Adjusted NET INCOME	**3,775**	**205**

*NB: The breakdown of **Net Income** is shown in the Consolidated Income Statement (see section 2).*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