



CABKA N.V. FY2023 Results

Strategy on track,
driving improved profitability

Amsterdam, 20 March 2024

Agenda

01 Introduction & Highlights of 2023 – Tim Litjens

02 Full year 2023 Financials – Frank Roerink

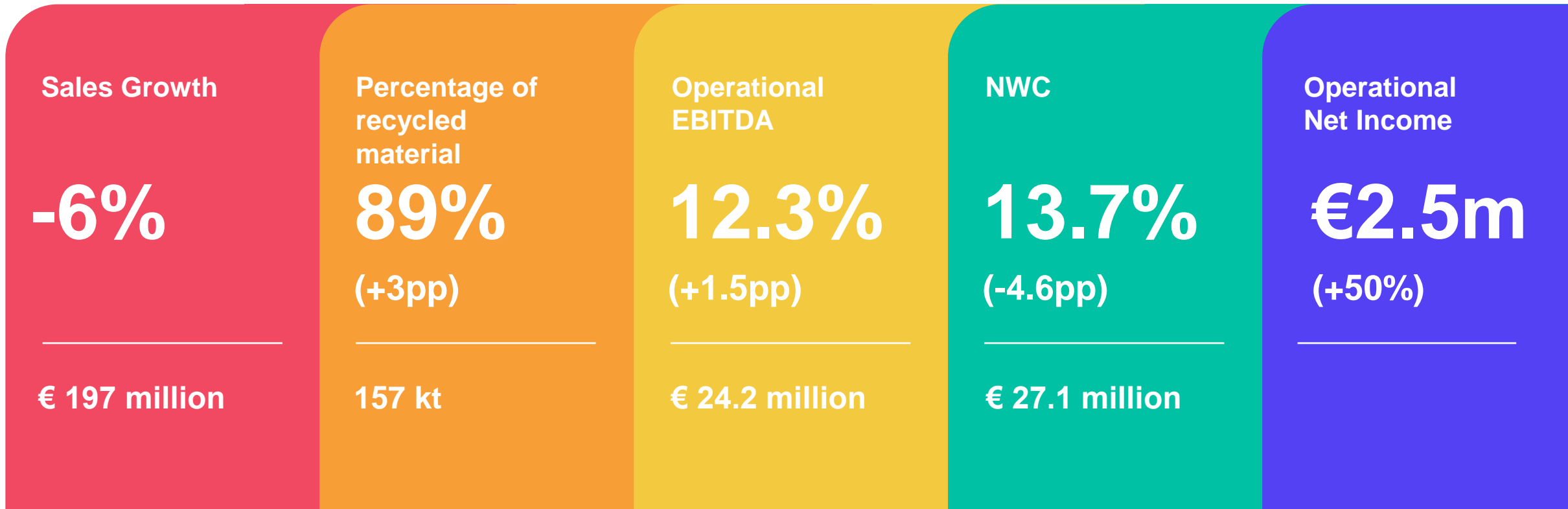
03 Q&A – Tim Litjens & Frank Roerink

01

Introduction & Highlights

Strategy on track, driving improved profitability

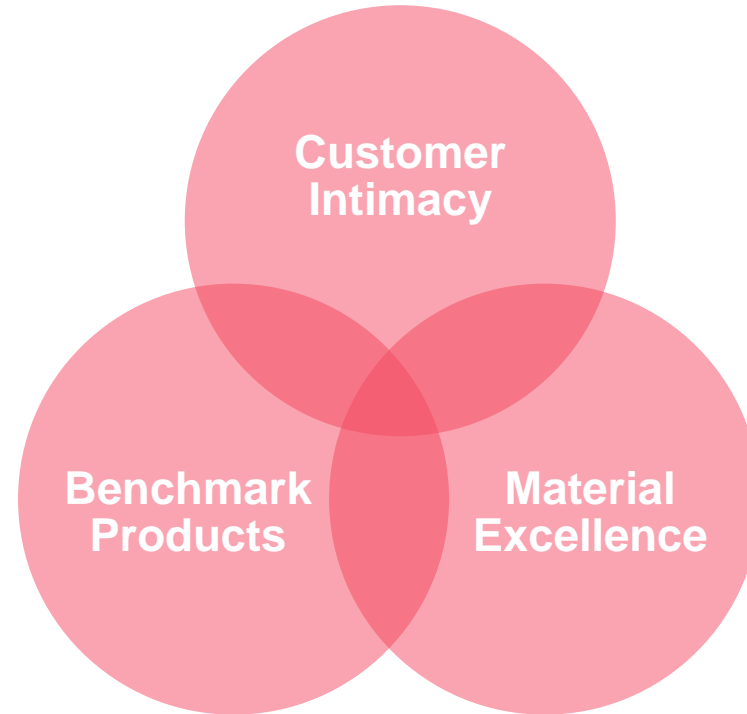
Highlights 2023



Cabka's Mission and Strategy

Innovation driving transformation to sustainable RTP solutions

- In-depth knowledge of customer supply chains
- Collaborative design approach
- Providing detailed insight in TCO and LCA benefits

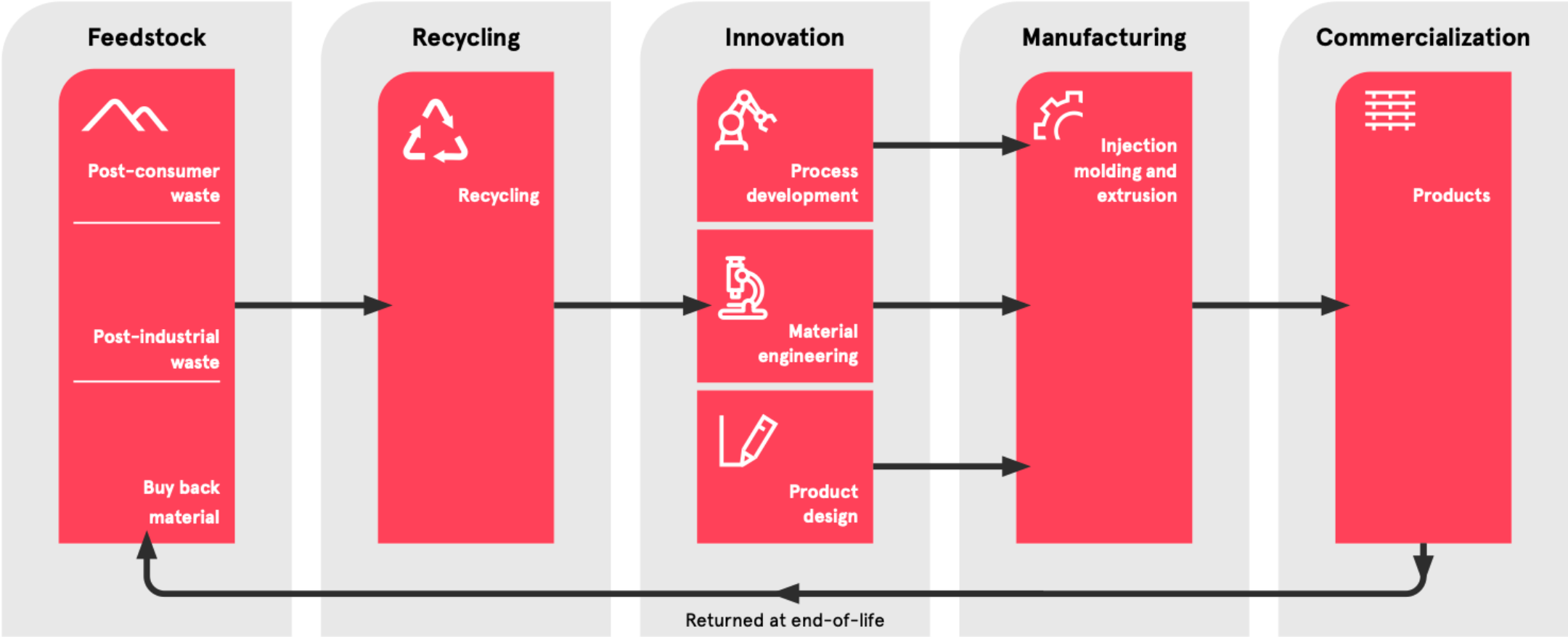


- Superior product design expertise
- Industry leading utilization of recycled content
- Offering full life-cycle services

- In-house recycling of hard to recycle plastic waste streams
- Extensive material formulation databank
- Industry leading know-how on processing of recycled plastics

Cabka's Value chain

Turning hard to recycle plastic waste into innovative RTP



Serving blue-chip customers across all industries

Selected client base

Food & Beverage	Retail	Chemical	Pharma	Automotive	Pooling

Summary of main events 2023

Strategy on track, driving improved profitability

Sales

- Challenging general market circumstances
- Innovation sales are driving continued growth in our strategic segments
- Multiple new customer contracts with leading players across various industries

Operations

- ECO business consolidated and expanded in Germany
- Reopening and expansion of our production site in US
- Launch of new recycling technology in US and EU
- Divestment of the PVC business and the Genthin site completed

ESG

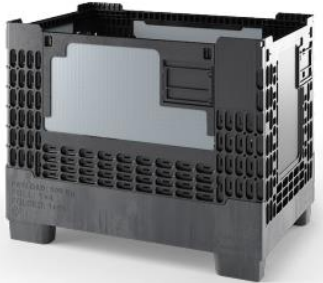
- Recycled content increased further to 89%
- Awarded Ecovadis gold status
- Awarded Climate Disclosure Program B-rating
- Executing roadmap to 100% green energy

Finance

- Cash from operations increased to €27m from improved operational results and lower working capital
- € 80m debt refinancing successfully secured
- Proposed dividend over 2023 of € 0.15 cash

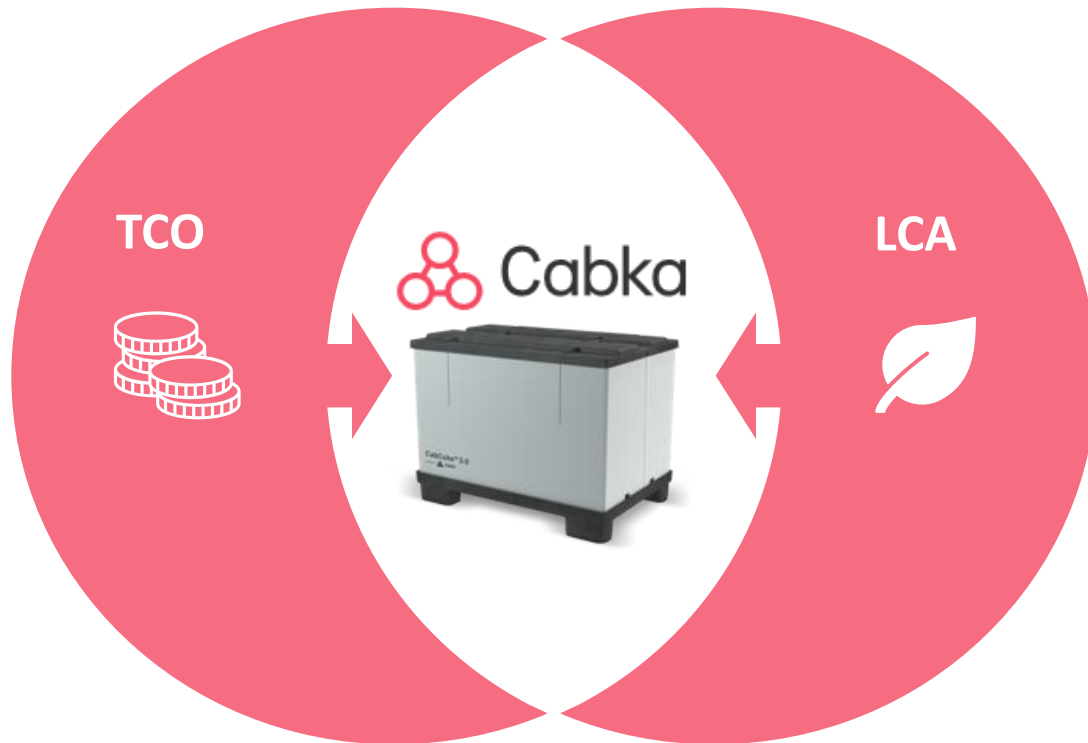
Co-development highlights

Building on our innovation



Quantifying the customer's benefits

Total Cost of Ownership (TCO) and Life Cycle Analysis (LCA) to drive change from wood to plastic



- Allowing detailed insight into the customer's supply chain
- Enabling Cabka to act as an Expert Consultant
- Positioning RTP as an asset, not an expense
- Offering solution on both cost & carbon savings

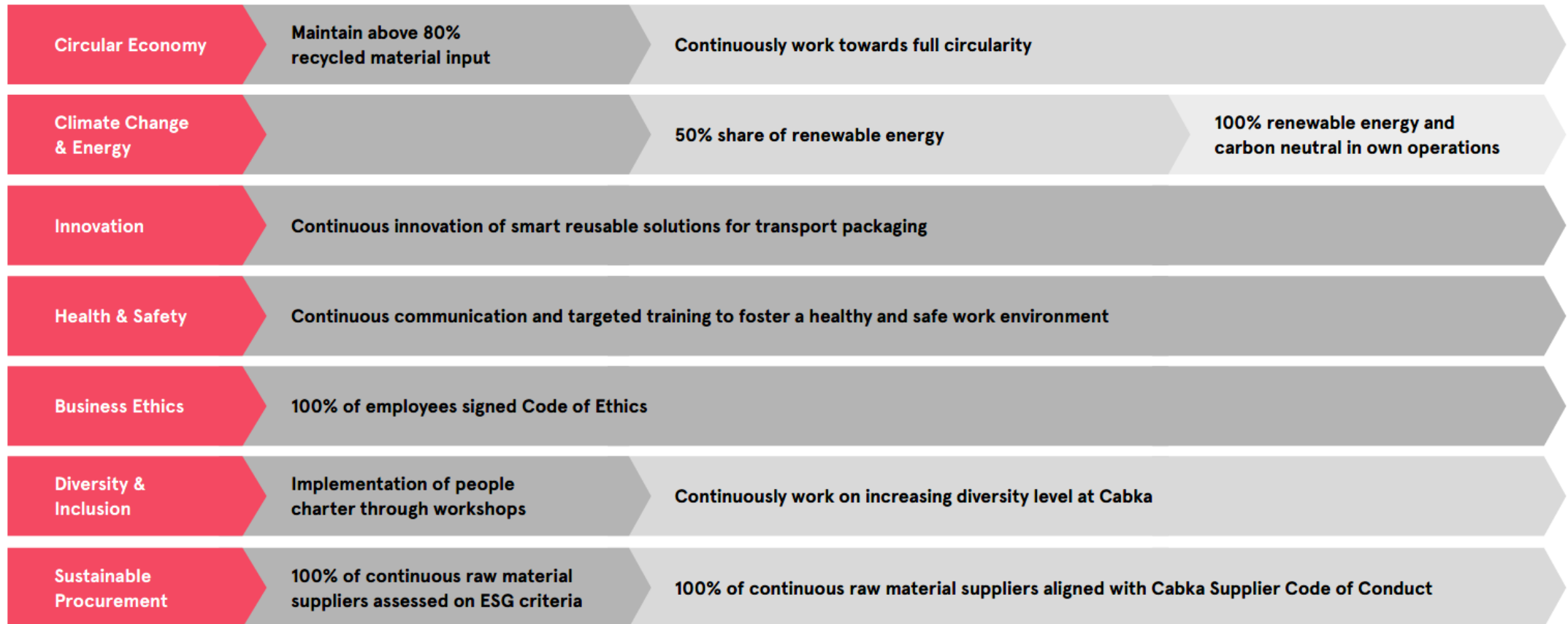
Cabka ESG Roadmap

Making progress on our ESG objectives

2023

2025

2030





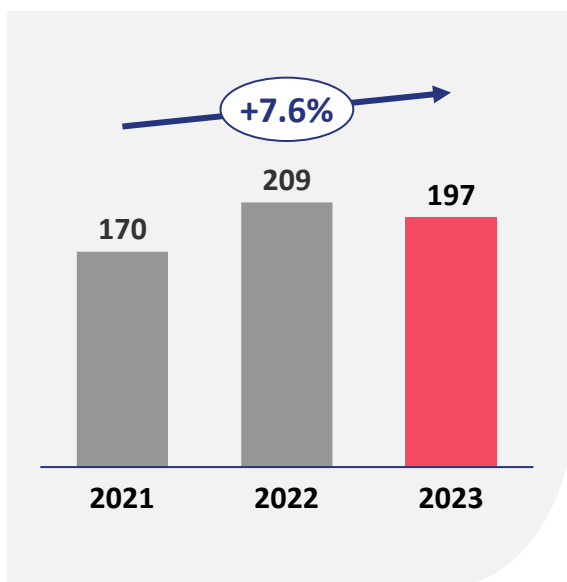
02

**Full year
2023
Financials**

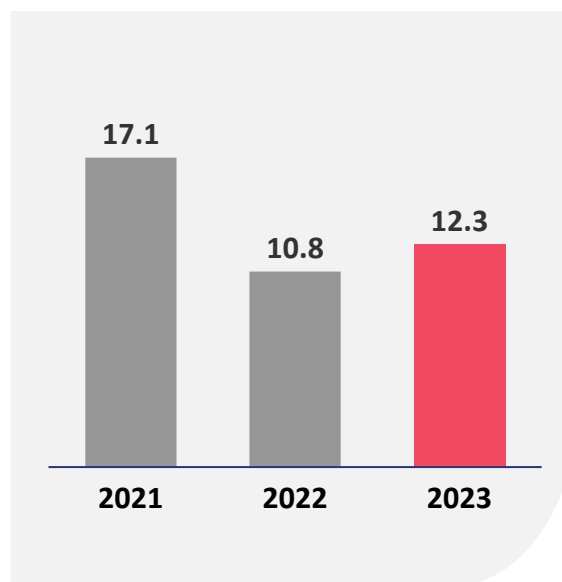
Improving operational profitability

Key financials 2023

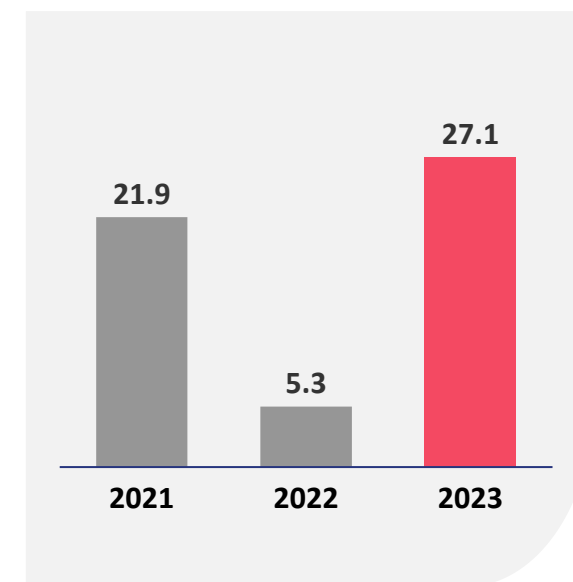
Revenue (in € million)



Operational EBITDA margin (in %)



Cash from operations (in € million)



Operational results improving profitability

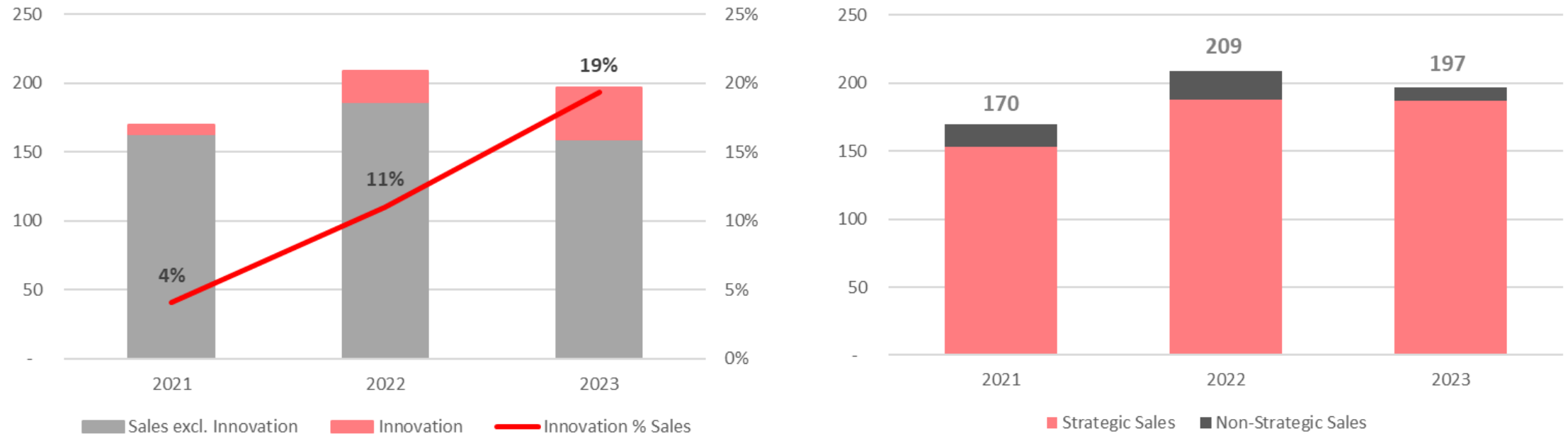
Cabka Income from Operations

<i>in € million</i>	2023	2022	Change
Revenues	196.9	208.9	-6%
Other operating income items	3.4	11.9	-72%
Total Operating Income	200.3	220.8	-9%
Expenses for materials, energy and purchased services	(100.5)	(128.2)	-22%
Gross Profit	99.8	92.6	8%
Operating expenses	(75.6)	(70.0)	8%
Operational EBITDA	24.2	22.5	7%
Depreciation, amortization and impairment of intangible and tangible fixed assets	(16.9)	(18.0)	-6%
EBIT /Operating Income	7.3	4.5	60%
Financial results	(4.0)	(2.4)	69%
Earnings before taxes	3.3	2.2	51%
Taxes	(0.8)	(0.5)	52%
Net income from operations	2.5	1.6	50%

- **Sales declined with 6% to € 196.9**
 - Driven by divested PVC business and non-strategic contract manufacturing
- **Gross profit up € 7.2m**
 - Lower variable costs lead to continued recovery in gross margin
 - Margin from 44% to 51%
- **Operating expenses up 8%, driven by**
 - Inflationary adjustments on personnel and all other operating expenses
 - Key vacancies filled in sales
- **Operational EBITDA € 24.2m or 12.3% of sales**

Investments in product innovations basis for future growth

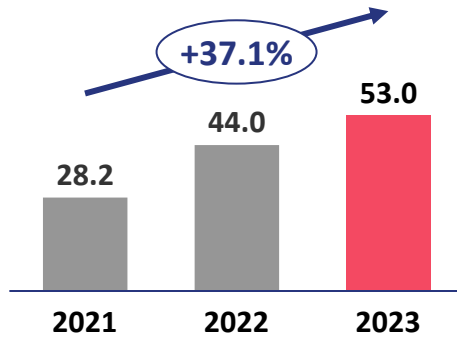
Stable sales across our strategic segments in challenging general market circumstances



Stable sales across strategic segments

Customized Solutions, Portfolio EU and ECO sound growth

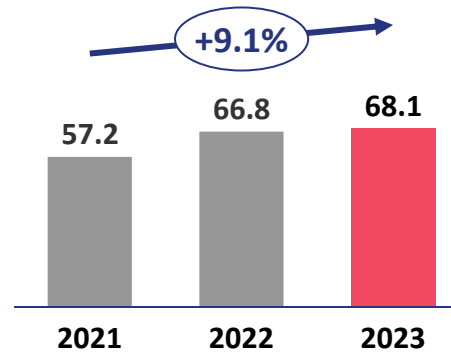
Customized solutions
in € million



Customized solutions +20.3% (22-23)

- Predominantly driven by new products launched, such as:
 - CHEP
 - Continental
 - BMW
 - Target (US)

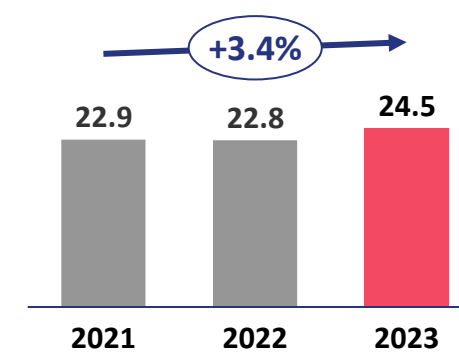
Portfolio sales EU
in € million



Portfolio +1.9% (22-23)

- Portfolio sales remained robust, given the challenging market circumstances
- Strong sales especially noted within Southern Europe

ECO sales
in € million



ECO +7.6% (22-23)

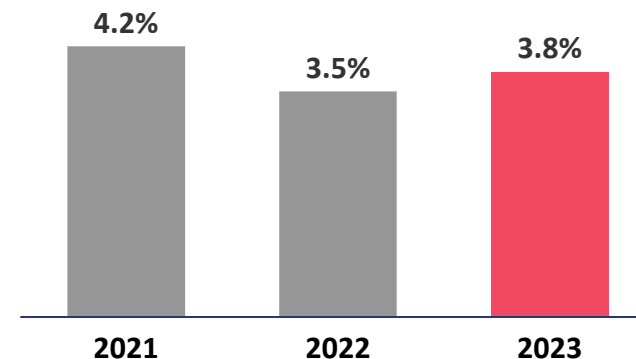
- ECO increased as a result of the consolidation and expansion of capacity

Investing for growth

Main investments to reopen and expand facilities in the US

CAPEX (including intangible assets) in € million	2023	2022
Replacement & Maintenance	16.2	7.4
Machines (expansion)	6.9	5.6
Mold (expansion)	6.5	4.5
ECO Restructuring	0.1	3.7
Process Automation	1.2	1.6
CNA shares	-	1.8
Total Capital expenditures	30.9	24.6

Replacement & maintenance investments excl. US restoration as % of revenue



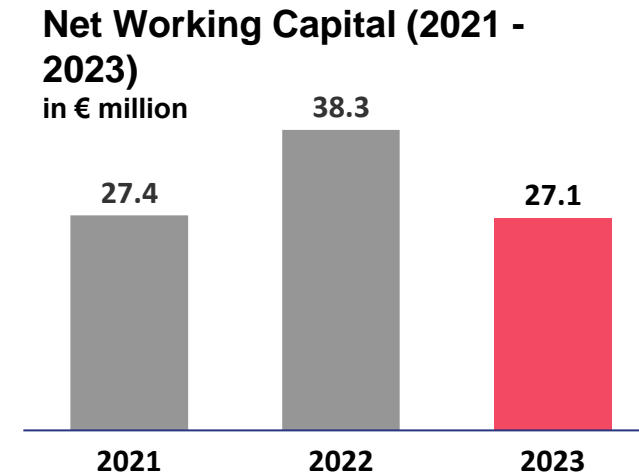
Capital Expenditures | € 30.9m

- Total replacement & maintenance investments were € 16.2 million: excluding the US this amounts to € 7.4 million or 3.8% of total sales
- Total US investments to reopen and expand were € 12.1 million, reducing our average age of our machine park from 13 to 3 years
- Total ECO business investment was € 2.3 million

Net Working Capital well within medium-term guidance

at 14% of sales

Net Working Capital in € million	2023	2022
Inventories	32.1	41.4
Trade receivables	27.6	31.8
Trade payables	(32.6)	(35.2)
Total Net Working Capital	27.1	38.3
% Sales LTM	13.7%	18.3%



Net Working Capital | € 27.1m at 13.7% of sales

- Solid Net Working Capital position, leading to a strong improvement in cash flow from operations to € 27.1 million
- Lower inventory value due to active inventory management, stabilizing costs, and delivery of moulds to our customers
- Lower trade receivables due to diligent management
- Decrease in trade payables due to an active reduction in our raw materials inventory

Significant improvement in operational cash flow

Operating activities funded investments in restoring US operation and future growth

- **Cash flow from operating activities improved with € 21.8m to € 27.1m**
 - € 24.2m operational EBITDA
 - € 11.2m positive movement in NWC
 - € -4.7m other working capital movements
- **Cash flow from investing activities | € -30.0m**
 - € -30.4m related to capital investment
 - € -0.5m intangible assets
 - € 0.9m from asset disposals and interest
- **Cash flow from financing activities | € -11.1m**
 - € -7.2m repayments of banking debt facilities incl. interest
 - € -2.7m settlement of lease facilities

€ 80 million Debt refinancing at improvement terms

Trust and support from financial partners

Lead by a consortium of banks

- Total initial debt facility of € 80 million for four years
- Including extension options for up to two years and an extra € 20 million for further financial flexibility.

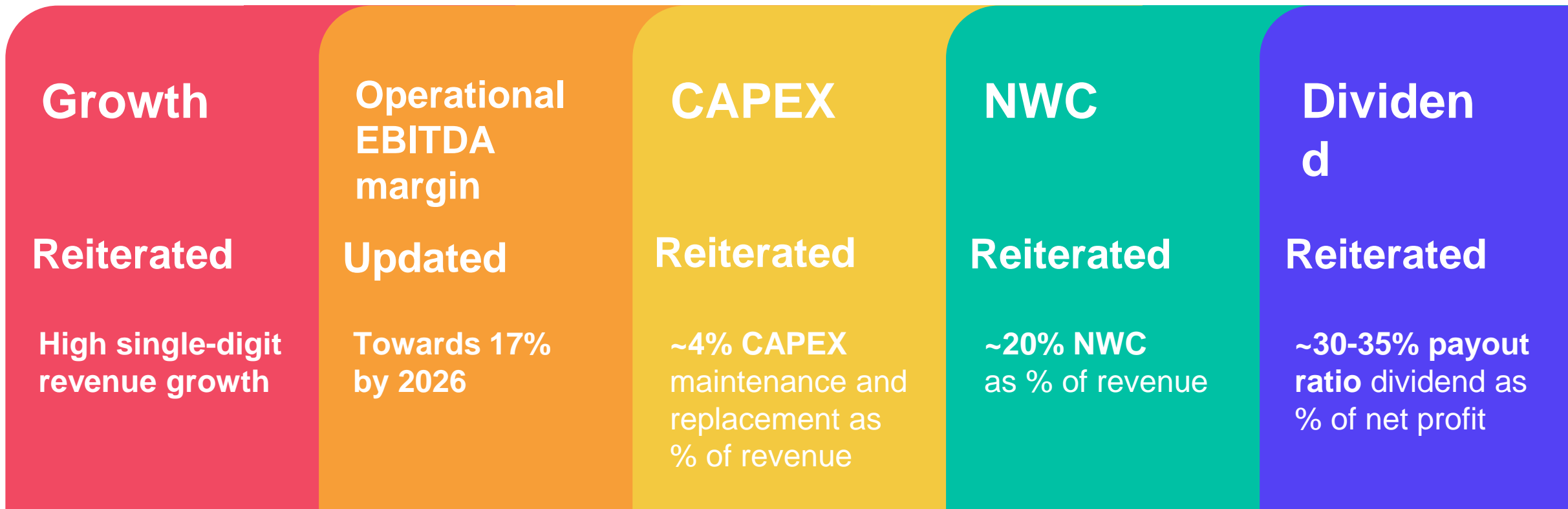
The new initial facility of € 80 million consists of two parts

- € 30 million term facility (replacing outstanding € 27 million debt facility)
- € 50 million revolving credit facility, (replacing the current € 30 million revolving credit facility).



Medium-term guidance update

In light of inflationary pressure impacting industry medium-term guidance 2021-2026 reviewed



2023 Performance on our medium-term guidance

Key Performance Indicators

2023 Performance

Medium-term guidance

Growth

-6%

High single-digit
revenue growth

Operational
EBITDA margin

12.3%

Towards 17% of
revenue by 2026

CAPEX

3.8%*

~4% CAPEX
maintenance and
replacement as
% of revenue

NWC

13.7%

~20% NWC
as % of revenue

Dividend

€0.15

~30-35% payout
ratio dividend as
% of net profit

*Excluding the restoration investments made in the US

Outlook

After a slow start of 2024, full year mid-single digit sales growth expected, and EBITDA margin within the 13-15% range.

Financial Calendar 2024

18 April 2024

Publication Annual Report 2023 and Trading Update Q1-2024

30 May 2024

Annual General Meeting

13 August 2024

Publication Half Year Results 2024

21 October 2024

Trading Update Q3 2024



Q & A



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