The future is plant-based

ANNUAL REPORT 2021/2022

GREENYARD

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Adding value throughout the chain by connecting growers, retailers and end-consumers. That is the essence of our unique business model.

Message from the co-CEOs

Successfully navigating an unseen global context: a future-proof, plant-based powerhouse

Our co-CEOs look back on a very unusual year and share their vision on Greenyard's future, which is – and always has been – plant-based.

Last financial year was very different than anticipated, in many ways. Back in April 2021, at the start of our previous financial year, no one could have imagined the global macro-economic disruptions we have witnessed since. Contrary to general belief, the corona pandemic did not wind down in 2021, but reached its absolute peak in the fall. All over the world, this caused a myriad of complexities in every supply chain and directly impacted the availability of labour due to national quarantine measures.

Additionally, the world was confronted with an inflationary context unseen for several generations. It provoked discussions at the central banks on interest rate hikes, for the first time in two decades. The impact on the global economy was massive, with an explosion of costs for energy, raw materials, labour, transport and packaging.

And then, in February this year, the world was shocked by the Russian invasion of Ukraine. A horrifying conflict and a human tragedy, right here in Europe. The ongoing war is a catalyst for further cost increases and resource scarcity, with a strong effect on food availability and prices.

Any one of these events would have made for a challenging year, but having all of them in the course of one financial year is something else entirely. No company, no industry was prepared for this. Even in this unusual year, we showed to be a reliable partner throughout the chain, delivering on what we had promised before we even knew about these unexpected turns of events.

A solid performance in every way

Faced with the toughest circumstances in decades, we gathered forces with our grower network and our customers. We showed agility and creativity, using the long-term strength of collaboration rather than the apparent power of competition. Through the tireless efforts of our 9 000 committed colleagues, we ensured that our healthy, plant-based food products remained available for consumers across the world.

It was a collective effort that paid off in our financial performance. Building on the previous year of strong acceleration, we delivered on the targets we set out at the beginning of the financial year. Our performance has been a solid one, confirmed by a strong last six months of our financial year.

We continued on our path to sustainable and profitable growth. Net sales amounted to € 4 400,5m, an increase of 1,4% on a like-for-like basis. Adjusted EBITDA has risen from € 156,9m to € 166,5m. Our leverage ratio further decreased to 2,4x, realising a ratio between 2,0x and 2,5x earlier than we had promised. Due to the current very volatile times across many industries, it is not possible to give a precise guidance for the upcoming financial year 22/23. However, and in line with what we announced during the Capital Markets Days in December 2021, we repeat our ambitions of € 200-210m Adjusted EBITDA and € 5bn net sales by 24/25.

These results illustrate the strength of our unique business model in a context where many industries, including ours,

suffered from the macro-economic circumstances. Close and integrated collaboration with growers and customers, and a focus on long-term relationships have enabled us to deliver these results. Our holistic approach to health and sustainability has proven to be the very foundation for our company's performance.

Strategy 2030 – plant-based is the future

Navigating through these extraordinary circumstances was one thing. At the same time, we never lost sight of our long-term strategy. We never stopped thinking about our future. On the contrary. The year also marked another milestone for Greenyard: in December 2021, we presented our Strategy for 2030. Our ambition is clear: to improve life through plant-based food experiences, connecting healthy lifestyles and sustainable food value chains.

The time is now. People are increasingly health-conscious and they are genuinely concerned about the state of our planet. They are looking for healthy food products, but they do not want to compromise on taste, quality and convenience. Sustainability is a key priority, for everyone.

And rightly so. Every day, it is becoming increasingly clear that our current eating habits and food production systems are jeopardising our planet for future generations. We need to make fundamental changes in the way we produce and consume food. Part of the answer is not even that complex: by simply adding more fruit and vegetables to our diet, we can reduce the environmental footprint significantly and lead healthier lives. Plant-based is the future.

It is our duty to play a leading role in this global transition to healthier and more sustainable food systems. We are committed to make it easier for consumers to make the right choices by broadening our plant-based portfolio of convenience products. After all, why shouldn't the healthy choice be an easy one?

> Plant-based food has been part of our DNA since day one. This gives us a head start. And we are much more than just a plant-based company. Fruit and vegetables – the plants themselves – are our core product, in all their natural power. They belong on the centre of every plate, based on their own merits.

Hein Deprez, co-CEO Greenyard

Part of our DNA – starting from a strong base

We have always been, and still are, right at the heart of the transition towards more plant-based and healthy food. We have been actively promoting the consumption of fruit and vegetables as a healthy and sustainable alternative for almost 40 years. And it is what we continue to do today, and on which we will accelerate tomorrow.

Plant-based food has been part of our DNA since the start of our company. But we are much more than just a plant-based company. Fruit and vegetables – the plants themselves – are our core products, in all their pure, natural power. We believe in fruit and vegetables as the centre of the plate, where they belong based on their own merits. This is what we mean when we talk about plant-based at Greenyard – whether in this report or anywhere else.

Our current portfolio already encompasses more than 1 000 purely plant-based convenience products. All of them are low-processed, close-to-crop and super-healthy. By further expanding these, we will capture a fair share of this double-digit growing market, which is expected to grow to around € 150bn by 2030. We expect growth will be mainly organic, and we are open to targeted M&A opportunities to further fuel our strategy.

Innovation and technology will be vital in our continued long-term growth and will be the focus for many investments in the coming years. We have already taken important steps in this domain last year: just think of the high-tech coating lines in our facilities in France and Poland on top of the already existing ones in Belgium and also the citrus line in Ridderkerk (the Netherlands), one of the most advanced of its kind.

As we manage the entire supply chain, from fork to field, we have a unique level of knowledge and access to a vast amount of data. It enables us to match demand and supply, increase transparency and ensure fair and correct pricing. Combining these new technologies with our global scale and decades of experience, we are perfectly positioned to embrace our role as a frontrunner in our industry.

Needless to say, we prioritise our responsibility towards our planet in every step we take. We owe it to ourselves, as nature is the main provider of our products. If we want future generations to enjoy them, we need to do everything we can to protect and nurture our planet. Moreover, we firmly believe that sustainability – in every meaning of the word – directly contributes to economic value. We will be expanding on our efforts in this domain later in the year, when we publish our dedicated Sustainability Report, following the steep sustainability ambitions we introduced last year.

Greenyard has shown to be a reliable partner, even when faced with the toughest circumstances in decades. We delivered on what we promised. This performance illustrates the strength of our unique business model, built on close and long-term collaboration throughout the entire food value chain.

Marc Zwaaneveld, co-CEO Greenyard

All the ingredients are there

Being a global player in the world of fruit and vegetables comes with great responsibility. If we want to make sure healthy and sustainable food is readily available for everyone, we need to work with everyone in the food value chain. At Greenyard, we have all the right ingredients available. Our proven and incomparable business model connects 9 000 passionate people, a global network of committed growers and long-term relationships with the world's strongest retailers.

This makes us confident that we will achieve our ambitions and our financial goals of reaching € 5bn net sales by 24/25. Even within the current unpredictable market conditions. We invite you to discover the progress we have made so far, along with the endless possibilities that fruit and vegetables offer for a healthier and more sustainable future.

Hein Deprez, Marc Zwaaneveld,
co-CEOs Greenyard

Highlights

Discover some of our most important activities and events of the past year in this overview.

2021

APRIL

New engine room for Frozen plant in Comines

Greenyard's Frozen division commissions a new engine room in its plant in Comines, France. The investment greatly increases capacity at the site and uses the latest technology to optimise energy efficiency and lower environmental impact.

New coating lines for Frozen

Greenyard Frozen installs new coating lines in its plants in France and Poland in addition to its existing lines in Belgium. The investment will enable the company to satisfy growing consumer demand for easy, tasty and convenient products.

JUNE

Divestment Greenyard Prepared Netherlands

Greenyard reaches an agreement with Cornerstone Investment Management to acquire 100% of the shares of Greenyard Prepared Netherlands. The divestment completes Greenyard's transformation and enables to further accelerate its core activities around the globe.

AUGUST

Solid start of the financial year

Greenyard's first quarter sales further increase to € 1 170,8m, implying an additional growth of 2,3% on a like-for-like basis, and 1,9% on a reported basis compared to the same quarter last year.

Joint venture Bardsley Fruit Enterprises Ltd. ended

Bardsley Horticulture Ltd has acquired all shares held by Greenyard Fresh UK Ltd in Bardsley Fruit Enterprises Ltd. As a result, both companies will no longer operate together in this joint venture, which consisted of a fruit packing station.

Financial Results 20/21

Greenyard ends the financial year 20/21 with solid sales growth, a stronger balance sheet and an increased ambition and guidance for the next financial year. These positive results are mainly driven by Greenyard's integrated customer relationships, growth in convenience and a strong financial basis.

SEPTEMBER

Sustainability Roadmap

Greenyard publishes its fourth Sustainability Report and introduces its Sustainability Roadmap for 2025, including a new ambitious set of commitments to further accelerate its sustainability journey.

OCTOBER

New citrus line at Bakker Barendrecht

Greenyard company Bakker Barendrecht commissions a new line for sorting and packing citrus fruits. The line is one of the most advanced of its kind. The installation automates every aspect of the citrus fruit chain – from initial quality control all the way to packaging and loading for transport – and provides a wealth of valuable data to optimise quality and reduce waste.

Full-electric company car fleet

Acting upon its purpose to improve life and its objective to become carbon-neutral by 2050 at the latest, Greenyard commits to directly switch to a full-electric company car fleet.

NOVEMBER

Positive half-year results

Greenyard posts positive half-year net results and realises further profitable growth, on top of last year's double-digit growth.

DECEMBER

A plant-based powerhouse

Greenyard reveals its Strategy 2030 during its successful Capital Markets Days. As part of this strategy, Greenyard will expand its product portfolio of convenient, plant-based products and further develop its digital services. The company has the ambition to increase sales by around € 650m to reach € 5bn sales by AY 24/25.

Redemption of convertible bond

Greenyard redeems its 3.75% convertible bond of € 125m at its maturity date. The bond being the highest priced debt instrument in our capital structure,

financial costs are expected to decrease significantly. This will allow for higher free cash flows for the execution of the strategy as announced during the Capital Markets Days.

Sustainability reporting tool developed

Greenyard developed an integrated sustainability reporting tool, allowing to increase the reporting frequency and embed sustainability in the management reporting cycle. The reporting tool contains all necessary features to facilitate the external assurance of our sustainability report.

2022

JANUARY

Materiality analysis confirms Sustainability Roadmap

A double materiality assessment was conducted taking into account how different material topics impact Greenyard's business and how the activities of the Group's impact on people and the environment. This materiality assessment resulted in a final set of 15 material topics and confirmed the key topics and targets addressed in Greenyard's Sustainability Roadmap.

FEBRUARY

Sales in line with expectations

In tough and unseen macro-economic circumstances, Greenyard further grows its sales from continued operations on a like-for-like basis with +1,2% when compared to the first nine months of the previous financial year.

Refinancing of factoring program

Greenyard refinances – and significantly scales back – its Factoring Program by entering into a renewed agreement with its financial partners. The refinancing once more provides additional stability for Greenyard.

An unexpected global macro-economic context

The past financial year was filled with unexpected and unpredictable events. Find out how we used our agility and our strong partnerships to navigate these difficult circumstances.

Macro-economic context

A collective effort managing the chronicle of unexpected events

Our last financial year, ending 31 March 2022, was filled with unexpected and unpredicted events. Halfway through 2021, it still seemed like there was light at the end of the pandemic tunnel after a long, challenging period of disconnection in every industry. While everyone was eagerly hoping for a return to normality, the pandemic resurged in the fall of 2021, this time resulting in even greater disruptions in global supply chains due to severe quarantine measures in many countries.

By the second half of 2021, the first signs of inflation became visible. Although many expected the upsurge would be temporary, we quickly found ourselves in an inflationary context unseen since the early 1980s. Rising costs for energy, raw materials, transport and packaging, had a profound impact on every sector and everywhere.

The chronicle of unexpected events continued as in February 2022 the world was shocked by the brutal Russian invasion of Ukraine. An unjustifiable conflict and a human tragedy, right in the heart of Europe. The war in Ukraine was a tipping point that startled our perception of world security and made us realise how fragile and how interconnected our global economy really is. It became another catalyst for further cost increases and resource scarcity, even jeopardising worldwide food supplies.

An agile response to challenging times

“The events of the past year have once again demonstrated that we are operating in an increasingly volatile environment. As a company, you can only respond to this by being agile. This is not something you can do in the spur of the moment. Agility is all about anticipating problems, building good relationships with stakeholders and a clear focus on continuous improvement.”

“Even in these challenging conditions, we have been able to keep up supply to our customers and have delivered on our targets. Our long-term relationships with customers have been crucial in navigating the current market conditions. Whenever a potential problem occurred – whether it was with regards to the availability of supply or an impact on prices – we anticipated them by opening up the dialogue, way before any of these problems escalated. This ability to anticipate and react swiftly, is in our nature. In a world where everything goes faster and faster, this clearly gives us a head start in our business.”

“We do the same at the other end of the chain. Our growers are experiencing the exact same thing. And they are also already feeling the impact of climate change first hand. It is our role to help them navigate these challenges, give them the right advice to improve their yields and introduce new techniques to mitigate changing weather conditions in our region. It is part of our long term collaboration and the historic relation we have built with them over years. At the same time, we also need to stand up for them in our discussions with our customers. It is part of our connecting role to explain – in an open and honest way – what is going on and try to find solutions that are acceptable for everyone, throughout the whole chain. After all, we are all part of an ecosystem in which we depend on each other. And only together, we can ensure a viable, fair and sustainable food value chain.”

Jan Ingelbeen, General Manager at Greenyard Frozen Flanders

Agility is all about anticipating problems, building good relationships with stakeholders and a clear focus on continuous improvement. Jan Ingelbeen

Harry Stals, Technical Talent Coordinator and Jan Dirkx, HR Director at Greenyard Prepared: "Training is the new recruitment. That's why we invest in on-the-job training programs to attract and develop the right talent."

Training is the new recruitment

"Over the last few years, we have witnessed the effects of an increasingly tight labour market. A situation that only got tighter during the subsequent waves of the corona pandemic. The war for talent is indeed raging in full force. We even see competitors trying to lure away people from us almost openly, something we have never seen before. The situation is especially precarious when it comes to technicians, which is why we have appointed a dedicated Technical Talent Coordinator to coordinate our efforts."

"So, regardless of the current context, we decided to innovate with regards to finding – and keeping – the right people at the right place. 'Training is the new recruitment' may have become somewhat of a cliché, but it's actually true. The days are long gone when you could easily find exactly the right profile for the job you had in mind. That's why we invest in on-the-job training programs to attract and develop the right talent. We even have plans for of a Talent Academy at our site in Bree, Belgium."

"Technicians are very often people who are eager to learn and love to explore new technologies. Luckily, we have a lot to offer: our plant holds three different production entities – traditional fruit and vegetables, convenience products and packaging – each with their own specific machinery and technical challenges. This also means people have the chance to grow in our company, which is crucial to keep our best people on board in the future."

Jan Dirkx, HR Director at Greenyard Prepared

People have the chance to grow in our company, which is crucial to keep our best people on board in the future.

Jan Dirkx

Securing transport capacity through long-term contracts

“Securing timely transport for our fresh products is essential in our extremely fast-moving business. And it was made extra difficult over the past months, for several reasons. We see prices going through the roof due to rising fuel prices and inflation. There is also a structural shortage of drivers in Europe, a situation which was particularly felt during the corona pandemic and additionally impacted due to the war in Ukraine. Overseas freight transport was hampered by several major and disruptive incidents – everybody probably remembers how the Ever Given got stuck in the Suez Canal.”

“Our approach over the past years has proven, last year even more than ever, that it is the only right one. In these past few years, we have already been looking to secure long-term contracts with many of our key suppliers and transport companies. In fact, we are taking the same approach as we do with our customers and our growers: building long-term relationships, based on trust, security, close collaboration and mutual understanding. This has helped us navigate through the difficult circumstances in the past year, and continues to do so today.”

“There is also a lot we can do from our side, by increasing transparency and efficiency within our organisation. We have invested in a Transport Management System that provides us with an overview of all transport-related activities and costs within the Group. It is a tool that truly enables the power of our global scale. It allows us to identify inefficiencies, exchange data between entities, optimise routes, combine shipments and accurately forecast the capacity we will need based on historical data. When we started this project a year ago, we could never have predicted that it would pay off so quickly.”

Pascal De Freyne, Group Transport Director at Greenyard

> The long-term relationships with our partners are based on trust, close collaboration and mutual understanding. This definitely helped us navigate this past year.
>
> Pascal De Freyne

Why plant-based power is the future

Greenyard is at the very heart of the most significant food trend today: the global transition to more plant-based diets, good for our health and better for our planet. Find out why we have a head start.

A short history – how we got here

Since the Second World War, the food industry has successfully resolved three major issues: the availability of food for a growing population, the presence of key nutrients and food safety. This was realised mainly through the large-scale introduction of new, efficiency-boosting production techniques and also by an increasing level of processing to produce industrialised food products. In large parts of the world, food became available in abundance, highly affordable and very rich in calories.

Today, this model has run its course. Obesity and diet-related diseases are booming dangerously in all continents. While the focus has been on reducing calories, salt, sugar and fat, often resulting in even more processing of foods.

More and more voices dare to speak up and say we are not heading in the right direction. We need to move towards less processed foods, preferably plant-based and as close to their natural origins as possible.

But there is another danger lurking around the corner. As the impact of climate change is felt around the globe, it is becoming clear that current food production systems – which have brought us so many benefits – are operating beyond the boundaries of our planet. If we want to provide healthy and affordable food for the world's growing population within the limited space available, a shift towards more plant-based diets, and eating more fruit and vegetables, is the only way forward.

Three key trends and Greenyard's answers



1 A growing market for **plant-based nutrition**

Driven by consumer trends towards healthy lifestyles and an increased focus on sustainability, plant-based nutrition is rapidly gaining traction in different market categories. Sustainability is key, with a clear shift away from meat and dairy to plant-based proteins, preferably through short and efficient supply chains. New products are appearing every day, with a strong focus on nutritional value, a variety of textures and of course great taste.

Greenyard focuses on the further development and expansion of plant-based food products that use fruit and vegetables – in all their pure, natural power – as their central ingredient. For us, plant-based means healthy food combinations primarily based on fruit and vegetables in fresh, frozen and prepared form, close-to-crop and with minimal processing.

2 A growing market for **healthy convenience products**

Consumers are looking for fresh and healthy food products that enable them to increase their daily intake of fruit and vegetables with a minimum of effort, any time, any place. They want new and innovative solutions adapted to the place and moment of consumption, perfectly portioned and in the right packaging, from easy-to-prepare home meals to grab-to-go solutions for out-of-home consumption.

Greenyard co-creates healthy and innovative products with its retail and foodservice customers that are easy-to-cook, ready-to-serve or ready-to-eat and ensure minimal food waste through smart portioning. We focus on smart combinations of fresh, frozen and minimally processed fruit and vegetables, close-to-crop and with a focus on maximum nutritional value.

3 A growing awareness of **the impact of our food production**

People are increasingly aware of the impact their choices have on the planet. This is especially true for younger generations. They want to know where their food is coming from, how it was produced and in what circumstances. The urgency to install more sustainable food value chains is on everyone's mind: authorities, business leaders and end consumers.

Through a unique business model, Greenyard connects Fork-to-Field, and teams up with farmers and retailers to drive continuous improvements on the ecological and social aspects of agricultural practices. Through close cooperation, we match supply with actual demand while minimising food waste and ensuring correct and fair prices for everyone involved.

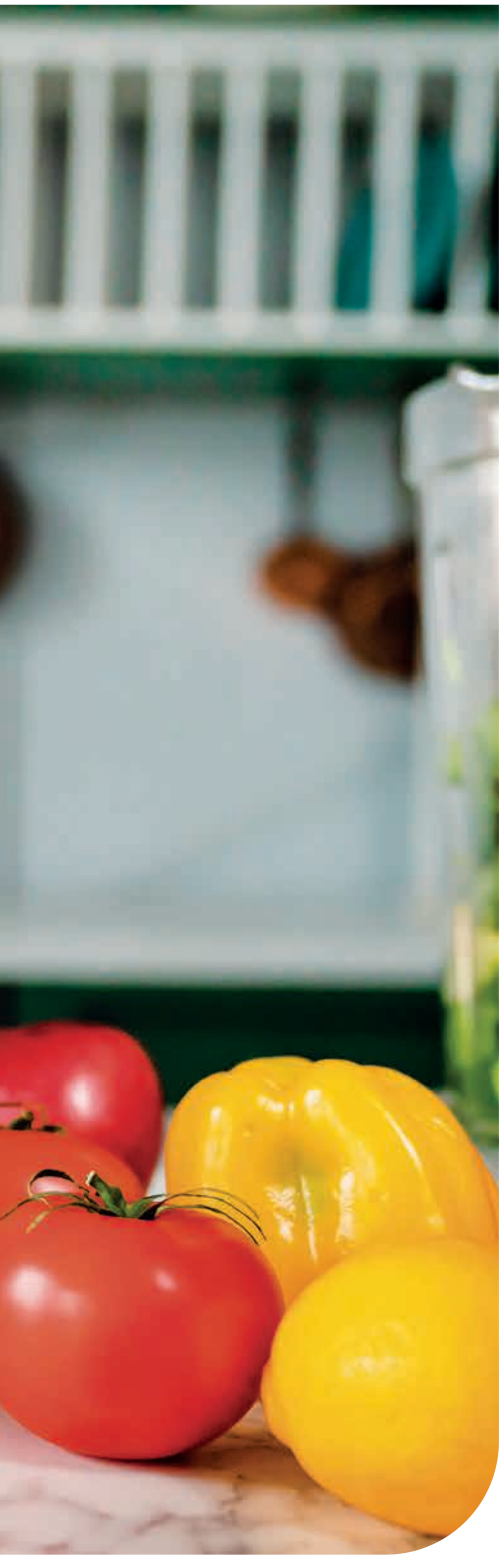
Strategy 2030

We are a plant-based powerhouse

Strategy 2030

Our ambition is clear: improve life through plant-based offerings which enable healthier lifestyles and more sustainable food supply chains. Discover how we realise our strategy in our day-to-day business.

A plant-based powerhouse



Last year was a landmark year for Greenyard. In 2021 we launched our strategy for 2030, and our ambition is clear: we want to improve life through plant-based offerings which enable healthier lifestyles and more sustainable food supply chains. Our strategy is in line with what has always been our core business and responds to global concerns surrounding our food patterns.

Plant-based convenience – a response to global trends

Greenyard's Strategy 2030 is at the heart of the most relevant food trend today. People are increasingly aware of the impact their food patterns have, both on their health and on the planet. A shift towards more plant-based diets is seen as the only way forward. At the same time, people do not want to compromise on taste, quality and convenience. This means there is an enormous market opening up for plant-based products that provide convenience, while remaining close-to-crop, with little or no processing. Bloomberg estimates this market to grow into a global business of around € 150bn by 2030.

A head start

Plant-based food has been our core business since the start of our company. Our business is not 'based' on plants. It is the full power of the pure plant. Low processed and close to the original crop. We have decades of experience in plant-based convenience products – today we already have more than 1 000 products on the market. This gives us an important head start to capture a vital part of this fast-growing market segment. It is what differentiates us from many others. Yesterday, tomorrow and in the coming years.

Moreover, we will also use our ability as a connector in the entire food value chain to further accelerate our efforts in this domain. This is characterised by our strong grower network and our integrated relationships with some of the world's largest retailers. This unique position in the value chain will enable us to lead the path of change.

A three-staged strategy

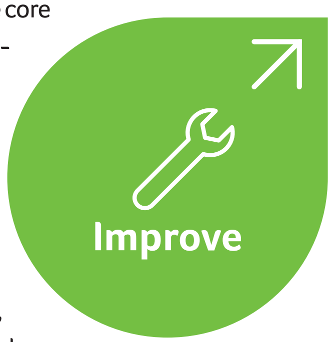
Greenyard's Strategy 2030 is built on three equally important stages that are running in parallel. They will reinforce one another and fuel the step-up of the plan. The three-staged approach facilitates a clear and meticulous implementation process. Matched by the strong organisation we already have today, Greenyard is ready to act on it for a 100%.

Improve |
Reinforce our unique business model

The way we operate our business is unique, there is no comparison in our industry. The strength of our long-term relationships at both ends of the chain serves as a catalyst for our strategy. In the coming years, we will deepen our close and integrated collaborations across the value chain to the benefit of everyone involved.

Our Integrated Customer Relationships (ICR) start with the consumer's demand to manage the assortment at our customers, resulting in a shorter, more efficient and more transparent supply chain with a lower environmental impact. By adding layers of added-value services – including quality logistics, packaging and forecasting – we intend to grow volumes and turnover with both new and existing customers.

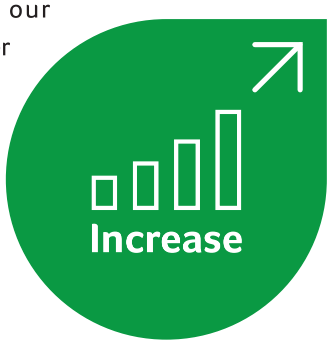
With our Integrated Grower Relationships (IGR), we adopt the same philosophy at the other end of the chain. Our Group Sourcing project will further strengthen ties with some of the world's best growers, leveraging our scale to drive efficiencies, improve quality, ensure availability, and minimise waste in an expanding number of categories.



Sustainability remains at the core of our business. It is a guiding principle in everything we do. We have boosted our ambitions is this domain and sharpened our objectives: we will reduce our carbon footprint by 70% by 2030, reduce our water intensity by another 10% by 2025, reduce waste in our operations by 25% by 2025, use 100% sustainable packaging by 2025 and achieve 100% social compliance throughout the chain by 2025.

Increase |
Expand our added-value offering

By stepping up our 100% plant-based offering, we will respond to growing consumer demand for healthy, low-processed and close-to-crop convenience products. Leveraging on our existing leadership in this domain, we will invest in the expansion of our current portfolio and our manufacturing capacity. As an example, we will continue to grow our mealkits business by introducing new variants and automating production to meet demand in this fast-growing category.

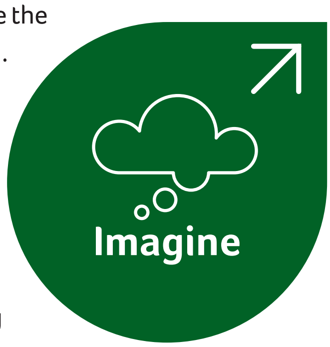


Further investments in our unique Integrated Customer and Grower Relationships (ICR & IGR) are a vital part of our Fork-to-Field strategy in the short and mid-term. Tailor-made menus for our customers – not a one-size-fits-all – will enable us to expand our added-value service offerings and implement solutions to boost productivity, create synergies and improve sustainability. We are also open to targeted mergers and acquisitions to complement and accelerate our strategy.

The investments will be made by deploying a one-off € 30-35m CAPEX over the coming three years, on top of our running CAPEX investments. The one-off CAPEX is expected to be cash flow neutral, given the expected short payback terms, and further expectations of operational and working capital improvements.

We have also sharpened our ambitions for 2025 in this light, as we announced during the Capital Markets Days in December 2021. We expect to increase net sales by around € 650m to € 5bn, implying a CAGR of 5%. At the same time, Adjusted EBITDA is expected to grow by around € 35-45m to € 200-210m, which results in a CAGR of 6-7%.

Imagine |
Take things to the next level



Greenyard aims to re-define the future of plant-based food. Our ambition is to create a new third category: valorising plant-based on its own merits, not simply as a replacement or an alternative to meat or dairy and differentiating ourselves from highly processed foods on the market today. Our innovation efforts will be done in a smart and proactive way – quickly testing the potential of new products, services and tools and constantly revising our product portfolio based on market feedback.

Digitalisation and technology are powerful instruments to unlock additional value for growers, customers and end consumers. As we are at the centre of the value chain, we have an enormous amount of data at our disposal on the origin, quality, taste, shelf life and nutritional value of our products. This exceptional level of knowledge provides us with limitless opportunities to develop additional online and personalised services. We will also connect with start-ups and innovators to further explore this domain.

Christiane Brede

ICR – Integrated Customer Relationships

A strategic, end-to-end alliance to unburden the customer

"As people become more health-conscious, the fruit and vegetables category has become of strategic importance for today's retailers. Through our Integrated Customer Relationships, we help them develop that category into an attractive proposition for consumers," says Christiane Brede, Managing Director of Fresh Solutions.

Fresh Solutions was established in 2020 as a separate legal entity within the Greenyard Group that is entirely dedicated to sourcing fruit and vegetables as well as flowers for a major German retailer. But there's more to it than that. Much more. We offer the customer a menu of added-value services, 100% tailor-made to their specific needs. These close and integrated collaborations are the key to our unique business model.

A great first impression

Fruit and vegetables are an increasingly important category for modern retailers. "As you enter the store, you are immediately welcomed by the aisles of fruit and vegetables, so it is the best way to make a great first impression on customers. But the category has also become top-of-mind for consumers. People are looking to add more healthy products – and plant-based food in particular – to their daily menu," says Christiane Brede.

So it is no surprise that retailers – and our customer in particular – see fruit and vegetables as a category of strategic importance. It is perhaps their most important pillar to attract new customers, differentiate from competitors and grow their market share. With Fresh Solutions, it is really our mission to help our customer realise this goal.

First to market

"Today, we are sourcing a wide range of fruit and vegetables for our customer, from exotic fruits such as lemons and limes to locally grown produce such as cucumbers, peppers and tomatoes. In most cases, we are exclusively sourcing these categories for them. But we are also delivering specialised services such as the ripening of bananas, avocados and mangos – including those sourced by other partners, both external and in-house."

Fresh Solutions is continuously expanding its portfolio based on the market profile of our customer, both in volumes and in new varieties. The latter is especially important for retailers that want to differentiate themselves from the competition and be the first to introduce novelties to the market. "Last year, we successfully introduced a larger calibre avocado at the stores and this year we are planning to add a new, large-sized and dark-coloured cherry variety to our – and our customer's – portfolio. On this occasion we will be visiting the farm in Turkey that produces the cherries, accompanied by top management of both Greenyard and our customer. We really act as one team, increasing the impact of the category together."

Closer to the origins

Our customer strongly believes in our direct sourcing approach through an exceptional grower network, and finds it very important to be as close to the producers as possible. Shortening the chain ensures they get the products as fresh as they can be and makes it easier to secure the year-round availability of the products. Regular in-person meetings with growers give our customer the chance to explain their quality requirements and help growers understand why these requirements are so important. It allows us to manage the supply chain end-to-end for our customer and develop an offering that is exclusive to them – up until the quality and product specifications of a single product, for instance on levels of sugar-acid balance. These meetings are also a great opportunity to reflect on the past season and look forward to the next one – already anticipating future consumer demand.

From our side, we are fully integrating our activities and closely cooperate at every level – Purchasing, Quality, Logistics, Finance and even Top Management. We work on the basis of a three-year plan which we created together to align activities, forecast demand and set growth targets for the fruit and vegetables category. Equally important, is our daily flexibility. When we, for example, have too much stock of a certain product, we organise last-minute promotions together to prevent produce from going to waste. But we are also looking to the future, as we both believe that there are still many new ways to develop the fruit and vegetables category and create exciting new concepts for consumers.

A new way of working

In many ways, our Integrated Customer Relationships introduce a new way of working and thinking. "We are in a people's business, and that starts with trust. A key driver in our approach is that we are capable to completely unburden our customer, so that he can focus on his core business: providing the best assortment to its end consumers. We have moved away from day-to-day discussions about prices and quantities to a strategic collaboration, based on trust and focused on common goals. We talk in all openness about how we can improve quality, reduce waste and optimise the supply chain to the benefit of everyone involved – Greenyard, the retailer, the grower and the end consumer."

Behind the scenes *of our added-value services*

As part of our Integrated Customer Relationships, we offer our customers a wide range of added-value services. Over the next pages, we give you a glimpse behind the scenes ...

GLOBAL SOURCING

A PEOPLE'S BUSINESS

"As the sourcing connection between Greenyard and our network of Colombian growers, we are there to ensure a steady supply of high-quality fruit to Greenyard's retail customers in Europe. We are mainly sourcing avocados, limes, mangos, physalis, passion fruit and of course bananas, which have always been one of our most popular export products."

"Managing the quality of the produce we send to Europe is probably our most important responsibility. We get continuous feedback from our colleagues in Europe on various aspects: the colour, the taste, the density, the shelf life, and so on. It is up to us to translate this feedback to our growers and see how we can do things better. It's really important for our growers to understand the markets they are selling to."

"But we're not just sitting in our office reading quality reports. We spend a lot of time on the road, visiting growers on their plantations, talking to them about their concerns and providing them with support in all their activities. One important aspect that we work on is certification, which has become incredibly important in European markets. But we also help them overcome the many challenges they are facing – variable weather conditions, water usage, recruiting people, managing their packing lines and cooling installations."

"Our job can be quite challenging at times, but we are passionate about what we are doing. It really pleases us to help the farmers of our country bring their great natural products to consumers all over the world, in the highest possible quality."

Pablo Velasquez, Quality & Technical Management and Sara Toro, Operation and Logistics Coordinator at Greenyard Fresh Colombia

SOURCING

UNBURDENING OUR CUSTOMERS 365 DAYS A YEAR

"Greenyard acts as a real sourcing partner for its retail customers. We are not just providing great products. We are unburdening our customers, making sure they have the full assortment of a certain category in their stores, 365 days a year, in exactly the right quality and quantity."

"It all starts with using our global sourcing capabilities. As a major player in fresh fruit and vegetables, we have access to a large network of growers around the world, which enables us to guarantee supply even in difficult times. In recent years, we have been centralising our sourcing efforts for all our European customers, which gives us even more clout. Bundling our sourcing is also a big advantage for our growers. As we are present in different markets with different preferences, we are not just after one specific quality or calibre, but we can provide them with a solution for all their produce."

"We always have to keep in mind that we are working with seasonal products, which means we are sourcing from different countries throughout the year. But it's not just the product that is seasonal, demand can be seasonal as well. During barbecue season, we're keeping a close eye on the weather forecasts. With a sunny weekend coming up, we know demand for our lettuce mixes or pre-cut vegetables will be much higher than usual and we already start working with our growers to anticipate this. Luckily, we have the experience and the historical data to make accurate predictions and make sure shelves are adequately stocked."

Mieke Bartholomeeusen, Sales and Business Development Lead and Yves Eeman, Sourcing and Sales at Greenyard Fresh Belgium

RIPENING

BANANAS ARE NOT JUST BANANAS, THEY'RE DIFFERENT EVERY DAY

"Most people don't know how much effort, knowledge and craftmanship goes into getting perfectly ripened bananas in the supermarket," says José Guerra Cachimuel, ripener at Greenyard Fresh Belgium. He makes sure that the bananas in one of our more than 500 special and independent ripening rooms are on the shelves at exactly the right moment.

"We start with an in-depth quality control of the produce that is coming in. We first check the overall quality and look for potential damages to the boxes and pallets. Then we go into more detail: we measure the temperature of the bananas, check the colour and verify a number of samples to see what the product looks like inside. The origin is also important: we source bananas from several countries, including Guatemala, Panama, Ecuador and Costa Rica. Every region has its own specific climate that determines the ripening process needed."

"Then the bananas go into the ripening rooms. These are natural products and even with years of experience, it remains very complex to predict how things will go. We check the ripening cells several times a day, to see how the process is going, check the temperature of the bananas, verify their colour and adjust the settings of the cells whenever necessary. Until they are exactly right for our customers."

José Guerra Cachimuel, Ripener at Greenyard Fresh Belgium

QUALITY

THE FINEST QUALITY, INSIDE OUT

Peter Nuyten has been responsible for quality control of mangos and avocados at Bakker Barendrecht for more than eighteen years. "Even after all this time, it's still quite a delicate and complex process, which requires my full attention and dedication. Everything starts with a thorough check as soon as the fruit arrives at our distribution centre. We check the outside colour, we measure the hardness, and we taste some of the samples."

"That already gives us a good indication of the overall quality and how much ripening will be needed. But even then, it's difficult to tell how the process will evolve. Every shipment, every season and every origin is different."

"In the end, it's all about getting these beautiful products on the shelves in the best possible quality. Ready-to-eat is the keyword nowadays. People want to buy their mangos and avocados and enjoy them immediately – in a salad, or as a healthy snack. I believe this is also the best way to prevent food waste, as they will definitely not go bad in the fruit bowl if you eat them right away!"

Peter Nuyten, Ripener at Bakker Barendrecht

TRANSPORT AND LOGISTICS

A 24/7 OPERATION

"Managing transport and logistics for our customer is a 24/7 operation. Our team takes care of the transport of incoming produce to our own site in Ridderkerk (the Netherlands), and the subsequent deliveries to the five distribution centres of our customer. We source almost any type of fruit and vegetables you may think of for our customer: from overseas tropical fruit such as bananas, mangos and avocados to domestic vegetables such as cucumbers and tomatoes, many of them locally grown by Dutch farmers."

"We are quite used to solving last-minute problems and dealing with unexpected circumstances, an asset that was very valuable over the past two years especially. For our team, it's all about being agile, and finding the right solution to unburden our customer. We have built good, long-term relationships with many of our transport partners, over the past years and even decades. This means they are willing to go the extra mile for us – both literally and figuratively.

At the same time, we are also working in close cooperation with our customer to optimise shipping, combine deliveries and make sure every truck we are sending out is fully loaded. In our business, close cooperation and good, personal relationships are essential."

Erik-Jan Groeneveld, Team Leader Logistics & Planning at Bakker Barendrecht

CATEGORY MANAGEMENT

RENEWED INTEREST IN THE FROZEN CATEGORY

"During the COVID-19 pandemic, people have clearly rediscovered the frozen food cabinet. A trend that is here to stay. While stocking up the freezer to prepare for lockdown periods, they were pleasantly surprised by the quality and convenience the frozen food category has to offer. Tasty, convenient, full of nutrients and always close to the natural product," says Elizabeth Ward, Category Marketing Manager at Greenyard Frozen UK.

"Today, we are working in close cooperation with our customers, to capitalise on this renewed interest and expand the category with new and exciting products. Some of the NPD highlights of last year include premium steamer bags with quinoa or bulgur wheat and a series of fruit mixes for cocktails. Thanks to our deep and long-standing relationships with our customers, we can be the linking pin between consumer demand, and in-store availability. It will be great to see so many of our innovations become successful in the market."

Elizabeth Ward, Category Marketing Manager at Greenyard Frozen UK

Francis Kint

IGR – Integrated Grower Relationships

The world on your plate, every single day

Fruit and vegetables are available in a seemingly endless variety of colour, shape, texture and taste. When we walk through the aisles of our favourite supermarket and see all of them lying peacefully together, it is difficult to imagine the hard work that has gone into them. "And yet, the supply chain of fruit and vegetables is by far the most difficult to manage of all food categories," states Francis Kint, Managing Director of the Frozen division.

How do you like your bananas?

Firstly, it is the most perishable category. Just think of bananas. They are only a couple of days in the exact state of ripeness that consumers really want – you don't want to buy them when they are too green, but you don't want them with brown spots either. Secondly, these products come from all corners of the world. In any supermarket you will find exotic products from the other side of the world alongside a wide variety of locally grown produce.

Finally, many of these products have their own harvesting calendar. "For some categories, managing a 52-week supply is a global affair. For grapes we switch origins six or seven times a year, from Europe (Italy, Spain, Greece,…) to the Southern Hemisphere (South-Africa, Brazil, Chili, Argentina,…), India, Egypt and back. That's quite a complex operation for something which most people would consider a rather simple, readily available and quite affordable product.

To further complicate matters, weather and climate conditions may vary from year to year, with a major impact on available volumes and quality. "Delivering a steady supply of high quality produce all year long can only be achieved if you are a true global expert, and if you can rely on close and integrated collaboration with growers," says Francis Kint.

Managing complexity is our core business

Greenyard operates as a connecting partner between the farmers who grow the produce in the field and the retailers, enabling them to respond to the latest consumer demands. "Managing the complexity of the entire supply chain, and making sure these products are available in the right volumes and at the right quality at any given time, is really our core business," says Francis Kint.

What makes us unique, is that we have a demand-driven model. From fork to field has been our motto for many years, and with good reason. We believe that it is much more interesting to grow what is needed in the market, instead of just pushing product, which only leads to waste and price erosion. And additionally, this way of working gives us the great possibility to bring crops to the market that are tailored to the specific needs of a specific customer. It is not one-size-fits-all. We work in a close, integrated way with growers and farming communities, guaranteeing them access to the market and a decent return for their work. The certainty these collaborations bring, is an important element in our relationship.

Over the years, Greenyard has built strong and integrated relationships with some of the world's best growers. We have been working with many of them on a steady basis for many years, in some cases even decades. These long-standing collaborations can take on many forms,

from guaranteed volumes and contract growing to full-blown joint ventures. “They may also include training programmes on more efficient and more sustainable agricultural practices. In Poland, around our Adamow frozen fruit factory, we support hundreds of growers in the delicate work of raspberry growing. We even published a 23-page book with everything they need to know about different varieties, agricultural practices and farm management. It is all about working together, and always looking to do better next time.”

Answering the need for more transparency

Our close connections with growers enable us to fulfil another important requirement in today’s markets. “There is a great need for increasing transparency throughout the chain. People want to know where the products they are buying come from, how they were grown, how they were transported and how farmers were compensated for their work. Answering these questions becomes a lot easier when we get products straight from the source,” says Francis Kint.

“These strong ties with our growers will become even more important in the future. The agricultural sector is faced with many challenges, from rising energy prices and labour scarcity to the impact of climate change on crops and fields. By working together, we can help our growers overcome these challenges and ensure people can continue to enjoy these wonderful products of nature,” concludes Francis Kint.

TRUE PIONEERS IN INTEGRATED GROWER RELATIONSHIPS

With the foundation of the BND growers’ association – back in 1997 – Greenyard Prepared was a true pioneer in building strong and integrated relationships with growers. The association was built on the very principles we have set out for our Integrated Grower Relationships.

“In our operations, planning is everything,” says Rik Ceyssens, Head of Agricultural Department at Greenyard Prepared. “The speed of our operations is vital to our success. We wash, peel and preserve vegetables within hours of harvesting to fully retain their natural nutrients. When the harvesting season arrives, there is simply no time to waste and we need to perfectly align the activities of our growers with our own production schedule.”

In 1997, Greenyard Prepared co-founded the BND growers’ association which unites growers from Belgium, the Netherlands and Germany, all of them active in the vicinity of Greenyard’s site in Bree, Belgium. Close-to-crop, and close-to-home. “Over the years, our cooperation has evolved way beyond production planning and required volumes,” stresses Inge Clijsters, Project Leader BND. “We support farmers in every possible aspect of their business, from introducing the latest agricultural practices to reducing the use of water and energy. Our agronomists visit the fields on a regular basis to guide farmers with practical advice.”

“Today, much of our attention goes out to sustainability. About 20% of our investments go to environmental projects and improvements – which is double of what is required by European legislation. Climate change is another focus area, as many of our farmers are already experiencing the adverse effects first hand. Summers are warmer, with long dry spells and sometimes precariously low levels of groundwater. We take it as our responsibility to help our farmers cope with these challenges.”

Inge Clijsters, Project Leader BND and Rik Ceyssens, Head of Agricultural Department at Greenyard Prepared

Alexander Verbist

A people-centric culture

Fostering a safe haven for our people

"Working at Greenyard means working in a very dynamic and demanding environment. But we also put a lot of effort in ensuring a safe haven for our people, a place where they find trust and support to contribute to our purpose to improve life," says Alexander Verbist, Group Legal and HR Director.

Champions League every day

Speed and flexibility are essential in our business. We work with fresh products of nature. Once harvested, they need to go to our customers very quickly, or they need to be handled as fast as possible. They are hyper-fast moving consumer goods. That means there is not a lot of room for mistakes. "If we make errors, products go to waste and the stores' shelves are empty. So, we really need to be on our best behaviour day in and day out. We sometimes joke that we are playing at Champions League level every single day, but it's really not that far from the truth," says Alexander Verbist.

When developing our organisation, we need to be aware of this. We expect a lot from our people, but we also need to give back. We want our organisation to be like a second home, where people find trust and support to perform to the best of their ability. In an uncertain macro-economic and geopolitical context, we want to provide a safe haven for our people.

And our efforts are paying off. We have seen this when COVID-19 hit again in the autumn of 2021. The commitment of our people, their flexibility and their tireless efforts allowed us to service our customers without interruptions. Additionally, it was amazing to see that the pandemic actually brought people together. The world was so small. You could say that we were more connected than ever before. Now we can hopefully leave this pandemic behind us definitely, so it is the perfect time to re-connect with colleagues in real life, and bring our company culture to life.

Nurturing an inclusive culture: speak up

Creating a safe space to work in, is all about openness and communication. At Greenyard, we foster a company culture where diversity, inclusiveness and fairness are non-negotiable. We strongly believe that it is exactly through our differences that we will make the difference. We actively welcome this. It is elementary that all our colleagues feel comfortable to not only be part of that culture, but also to safeguard it. In 2022, we launched an extensive internal campaign in all our global entities, and across our 9 000 employees, to motivate people to speak up when they see or experience inappropriate and unethical behaviour. We also introduced a new Code of Conduct and revised our whistleblowing procedure to lower the threshold for anyone who wishes to report misdemeanour.

Olivier Galard

Safety first

Physical safety in the workplace is another important focus domain. “Safety is a mindset, it has to be a second nature,” says Olivier Galard, Group Quality and Safety Director. “We have a lot of movement at our distribution centres in Fresh with forklifts and large trucks and a lot of moving parts at the production lines in Long Fresh. Everyone must be aware every day that for those who are not careful, danger is lurking around every corner. The seasonal aspect of our business poses us with an additional challenge, with many temporary workers coming in who are not always familiar with our company and our surroundings.”

But safety is also a shared responsibility. As a company we need to invest in safe working conditions. It may be about revising traffic plans to avoid risks of collision, repairing floors that are unsafe or making sure all the necessary tools are available to work in a safe manner. Continuous improvement is really the keyword here.

“At Group level, we are developing a more general safety management structure that enables us to gain insight into our safety hazards, map and follow up on incidents, define KPIs and provide support for every division and every site. We’re also bringing our experts from across the Group together to share best practices. Even though each division has its own specific safety hazards, there is still a lot we can learn from each other,” says Olivier Galard.

Keeping, attracting, and developing talent

With our Strategy 2030 we have set the bar high. We have the outspoken ambition to be a frontrunner in our sector, with a clear focus on creating more sustainable food value chains. This starts with ensuring we create an environment where we can keep the right people, with the right mind-sets, at the right place. Talent retention is a focus area throughout the company. It is clear we will need to invest in our people and help them develop their talents further. We will also need to make more room for innovation and creativity, away from the daily operations.

But we will also need to attract new talent. Despite a tight labour market, Greenyard has been able to fill in quite a number of important positions in the previous year, both in top management and in crucial support functions. “I believe we have one big advantage when it comes to attracting talent. We are a purpose-driven company, focused on improving life by promoting products that are not just better for our health, but for the planet as well,” says Alexander Verbist.

“In many ways, we are on the right side of history. Younger generations are particularly sensitive to this argument and are looking for a workplace where they can really contribute to a better world. Simply put: our purpose is our employer branding. If I’m honest this was also an important driver for me to join the company and I think I speak for many of my colleagues. This makes me quite confident we will be to attract the right talent, now and in the future.”

“Safety stops when you stop thinking about it. In 2021, we launched a campaign at the Belgian Frozen sites to re-activate awareness on several Health and Safety topics. The first one focused on the use of the pedestrian safety walkways. As part of the campaign, the walkways were repainted and extra attention went into making sure nothing was blocking them. We also encourage people to come up with their own suggestions for improvement and notify us immediately of any safety hazards on the factory floor. That way, we constantly keep an eye on each other’s safety, because safety is a team effort.”

Soraya Maesen, Prevention Advisor at Greenyard Frozen Belgium

Sustainability

Improving life – the Greenyard Sustainability Journey

Today's global food value chains are operating beyond planetary boundaries. We are rapidly depleting our planet and our natural resources and even jeopardising future food production. Continuing with business as usual is no longer an option. A major shift is needed, both in the way we consume and produce food. A simple but big step forward is increasing the amount of fruit and vegetables in our daily diet.

Part of our DNA

Sustainability has always been top-of-mind for Greenyard. We started out as a family business, where you automatically think about next generations. As we have grown into a multinational company, we have never lost sight of this basic principle. Our products simply depend on nature, on good climate conditions, on rich and healthy soils and on the availability of water and other natural resources.

FULLY CIRCULAR POUCH PACKAGING

"Pouches are an increasingly popular packaging for our soups, sauces and other convenience products," says Manon Meijers, Marketing Manager at Greenyard Prepared Belgium. "Not only do they look great on the shelves, they also provide optimal protection and preservation of the product inside. And maybe even more important: it's a lightweight and compact packaging with a relatively limited carbon footprint during transport."

The pouches do have one important disadvantage. Because they are a multi-layer packaging – consisting of laminated plastics and aluminium – they are very difficult to recycle. But that does not stop Greenyard. As part of our commitment to have 100% recyclable packaging on the market by 2025, Greenyard Prepared has recently joined an industry-wide consortium led by Brightlands Materials Center.

"We are developing a fully circular stand-up pouch, preferably made from a recyclable mono-material by 2024. The strict requirements in terms of food safety, resistance to heat, preservation and product protection make the project particularly complex. "We are working together with the entire value chain, connecting raw material suppliers to producers and retailers. Everyone realises the urgency of this project and we are looking forward to testing the first prototypes in our facilities."

Manon Meijers, Marketing Manager at Greenyard Prepared Belgium

BAKKER BARENDRECHT – POWERED BY NATURE

“Our new 30 000 m^2 distribution centre at Laurierweg in Ridderkerk (The Netherlands) was built with maximum energy efficiency in mind. It uses the latest, energy-efficient cooling technologies to keep the different products at exactly the right temperature. The building itself, which was commissioned in July 2020, is extremely well-insulated. Just to give an idea: the new building only uses about half of the energy of the other building we have nearby.”

“In the meantime, no efforts are spared to make our operations ever more sustainable. More than 8 000 solar panels are currently being installed on the roof, with a total capacity of 3 500 MW, enough to provide 900 families with electricity. Actually, we will only need about half of that capacity, the rest goes to the public net.”

Marinus Hoek, Interface Engineer at Bakker Barendrecht

A challenge for our generation

All over the world, and even in regions close-by such as the Benelux, our growers are already confronted with the adverse effects of climate change: more extreme weather conditions, severe droughts, heat waves and declining biodiversity. We believe solving these issues will be one of the most important challenges for years to come, not just for our company but for our entire generation.

Driver for economic value

Greenyard is at the very core of the transition towards healthier and more sustainable lifestyles. If we want to continue feeding the world’s growing population, a shift towards a more plant-based diet is the only way forward. It is an elementary part of the solution. As a global leader in supplying fruit and vegetables, Greenyard aims to make a significant and positive impact on this transition.

Moreover, we believe that sustainability is an important driver to create economic value for all our stakeholders, now and in the future. Many sustainability initiatives go hand in hand with economic benefits – optimising the food value chain to minimise product loss not only ensures that available produce does not go to waste, it also brings cost savings and extra revenue, both for Greenyard and our customers.

Measuring performance is crucial. End of 2021 we launched our new sustainability database where we started collecting the most important KPIs on a monthly basis and per location. This will give us far more insights on performance and will definitely help us to find new opportunities for improvement. It is a logical, but most needed and important step forward.

Find out more

We will further expand on our sustainability efforts in our dedicated Sustainability Report, which will be published in September 2022.

Our Sustainability Roadmap

To guide our sustainability journey, we have developed a Sustainability Roadmap with clear goals that we want to achieve by 2025. The roadmap was developed in close cooperation with the top management of all our entities and our sustainability ambassadors. Taking into account the global challenges we all see happening around us, the roadmap defines how we can best implement step-by-step improvements in our company. It is built around three pillars that encompass our entire food value chain.

Building sustainable food supply chains

Being a global supplier of fruit and vegetables gives us a unique position at the centre of the food value chain, but it also comes with great responsibility. Through close collaboration, we want to be a driving force towards ever more sustainable food systems. We commit to good and fair working conditions for everyone involved and support our growers in their efforts to apply the highest environmental and social standards.

As an active member of SIFAV, the Sustainable Initiative for Fruit and Vegetables, we team up with our customers to work on different topics, such as the environmental footprint of specific products and guaranteeing living wages for everyone involved in the supply chain. We have also developed a Greenyard Supplier Code of Conduct at Group level highlighting our expectations towards suppliers in terms of environment, social and governance matters. The Code is applied as an additional level of standards, above and beyond the already existing supplier approval procedures.

Improving our environmental footprint

Fruit and vegetables have a significantly lower impact when compared to other food categories. Nevertheless, we continue to work on reducing our environmental footprint throughout our own operations. We are undertaking a range of sustainability projects within our company, with a clear focus on minimising food waste, reducing the consumption of energy and water and lowering the impact of packaging, logistics and transport.

Here are just some of the projects – big and small – we have undertaken in 2021. We introduced a new technique for testing the quality of avocados, eliminating the need to

GREENYARD FRESH BELGIUM WILL RECUPERATE 80% OF WASHING WATER

"Climate change has a major impact on the worldwide availability of drinking water – a problem that is no longer limited to countries in the southern hemisphere. Since a couple of years, the Flemish government has been looking for ways to reduce the usage of drinking water in industry and agriculture."

Greenyard Fresh Belgium has set up a pilot project in cooperation with the University of Antwerp to develop an on-site water purification station to recuperate washing water at its site in Sint-Katelijne-Waver. By using an innovative biological treatment method, the washing water – which is much colder than the water from typical industrial processes – can be purified in less than six hours. Traditionally, this would take up to a few days.

"The new technology enables to install an on-site purification station that will recuperate 80% of our washing water. Combined with our own groundwater extraction, our site will no longer use drinking water in its operations."

Marc Requilé, Operations at Greenyard Fresh Belgium and Mieke Vanhessche, Environmental coordinator at Greenyard Frozen Belgium

JOINING FORCES FOR SUSTAINABLE FOOD CHAINS

"If we want our food chains to become more sustainable, we need to join forces with all stakeholders. Teaming up is the only way forward. That's why, last year, we strengthened our commitment to the Sustainable Initiative for Fruit and Vegetables (SIFAV), an international collaboration platform that works on sustainability improvements throughout the entire chain. Five Greenyard companies are involved: Bakker Belgium, Bakker Barendrecht, Fresh Solutions, Greenyard Fresh Belgium and Greenyard Fresh Germany."

"SIFAV's 2025 ambitions focus on significantly reducing the environmental footprint across the supply chain, addressing social sustainability topics such as improving incomes and working conditions and strengthening reporting and transparency. We clearly share the same beliefs, as these ambitions are very much in line with our own sustainability strategy."

"We have started an intense five-year period during which experts from various Greenyard Fresh companies will assist in the joint development of sustainability policies and approaches. We have already implemented a Sustainability Risk Tool to understand and prioritise risks across a diverse fruit and vegetable portfolio and an Environmental Footprint Index to calculate the actual footprint of a product."

"SIFAV provides us with a unique opportunity to share our ideas with other players in the industry, including some of our customers in retail. Our intensified collaboration will undoubtedly lead to major sustainability improvements throughout the entire value chain and advance our industry as a whole."

Frédéric Rosseneu, Corporate Business Development Manager

cut them open, which reduces food waste. A new type of tyres for the trucks at one of our entities will considerably reduce fuel consumption. While it is only a small part of our overall footprint, we changed our lease policy for our company cars to full electric. Reducing water and energy intensity is an ongoing project at all our sites, sometimes simply by replacing older equipment during maintenance. We investigate the options to place solar panels at our locations and we will move towards 100% green energy by 2025 for all our sites.

Teaming up with our customers

Our integrated customer model based on long-term relationships is unique. It is crucial to achieving a more sustainable food value chain. This way of working enables us to jointly develop healthy and sustainable food concepts, making healthy food choices ever more accessible for consumers. It also allows us to create shorter and more efficient supply chains, to the benefit of everyone involved, from grower to consumer.

Clearly defined targets

Climate change – adaptation and mitigation

We will realise a 50% reduction of scope 1* and scope 2* CO_2 emissions by 2025 compared to 2019. We will realise a 70% reduction in CO_2 emissions by 2030, on track to become carbon neutral by 2050. We will stimulate and incentivise our suppliers (scope 3*) to implement a Science Based Targets approach on climate change.

** scope 1: direct emissions / scope 2: indirect emissions – owned / scope 3: indirect emissions – not owned*

Minimise food waste

We will reduce any avoidable food waste in our own production by 25% by 2025 and by 50% by 2030. We will valorise all residual streams and by-product flows of our food production by 2025.

Lower the water footprint of fruits and vegetables

We will assess the water risks of all our growers by 2025 and set up projects to optimise water usage in our operations. We will reduce our primary water intensity by 10% (extra) by 2025.

Minimise the environmental footprint of our packaging

We will realise 100% recyclable packaging by 2025 and align our packaging with recycling schemes in key markets to ensure actual recycling. We will reduce the amount of packaging we use and optimise our packaging footprint without reducing shelf life (target to be defined). We will use 30% recycled material in non-food contact packaging by 2030.

Ensure responsible and sustainable sourcing

We will grow to 100% certification on social compliance of our grower base located in high and medium risk origins by 2025.

Florens Slob

Innovation

Driver for growth and plant-based leadership

Five questions for Florens Slob,
Group Innovation and Sustainability Director

Our business is all about natural products. Why is innovation so important for our company?

Innovation is central to realise our ambitions and live up to our position as a plant-based powerhouse, focused on healthier lifestyles and more sustainable food supply chains. Our innovation efforts can take on many forms. Most people will immediately think of new product development, and this is of course an important element in our strategy. If we want people to eat more fruit and vegetables, we need to develop products that make it easier to do so.

Technology and innovation are equally important to further optimise our operations and strengthen our connections with growers and customers. They will be crucial to solve many of the challenges our sector is confronted with: minimising food waste, tackling labour shortages, improving quality control, increasing transparency and ensuring healthy food is available and affordable for everyone.

Where does New Product Development fit into our Strategy 2030?

Despite government campaigns and efforts by retailers, the daily intake of fruit and vegetables is still way below what is recommended for a healthy diet. Both in Europe and worldwide, there is an enormous potential to boost the consumption of fruit and vegetables. The good news is that people are becoming more health-conscious and that they are actively looking for ways to improve their diet. What they don't want to do is compromise on convenience, quality or taste.

If we want to increase the consumption of fruit and vegetables, we need to find new and innovative ways to make them fit our modern lifestyles, for example by making them easier to use and prepare. With Greenyard, we embrace this responsibility. Convenience can take on many forms, from pre-cut vegetables to prepared soups, to completely new, plant-based products. We also need to expand the moments of consumption

Cauliflower rice, which was successfully introduced by our Frozen division, is another example of an innovation that enables customers to add more vegetables to their meals and move towards a low-carb diet.

– why not have fruit and vegetables at breakfast or as appetisers? Creativity is another important ingredient in the mix. New recipes can help people discover the rich variety of our natural products.

Could you give some examples of these innovations?

The mealkits are a great example of what makes us unique as a company. The idea is quite simple: it's a box that contains the exact ingredients you need to prepare a full meal, including spices and seasoning. No need to think of a shopping list, everything is there. Also included is an easy-to-follow recipe that allows anyone to put a healthy family meal on the table in less than half an hour.

Although the idea may seem simple, there are very few companies that can handle the logistics behind compiling these boxes with the necessary fresh and prepared ingredients, in the right quality and ripeness. We have certainly proven we can. Our mealkits have found their way to many consumers in our main markets, with many more retailers following our lead. We are also refreshing the concept with new meals and new recipes, developed in close cooperation with our customers.

Cauliflower rice, which was successfully introduced by our Frozen division, is another example of an innovation that enables customers to add more vegetables to their meals and move towards a low-carb diet. The beauty is that we use the entire cauliflower – you can easily imagine that this reduces food waste as well. It's important to stress that our focus in innovation is on low-processed and what we call close-to-crop products. The natural product, along with its basic nutrients, taste and texture, remains central and processing is limited to what is needed for convenience (like cutting or slicing) and preservation purposes (like freezing or appertisation). We always stay close to the pure, natural power of the product.

How can technology and innovation make our operations more efficient and create more sustainable food supply chains?

The high-tech citrus line that was recently commissioned at the Bakker site in Ridderkerk is a good example. With more than 150 fully integrated machines, it automates the entire process, from initial quality control to packaging. At the start, the quality of each individual fruit is checked via near-infrared spectroscopy and cameras. This enables us to not only scan the outside of the fruits but also get a good idea of the quality within. The next steps are also fully automated: the citrus fruits are sorted, packed and put in crates, ready for distribution. This process gives us real-time insights into quality of every single fruit that passes our system, allowing us to improve the entire supply chain.

Optimising our own processes is only one part of the story. As we cover the

ADDING VALUE THROUGH CONVENIENCE AND TASTE

"Convenience is all about adding value to our core product – in our case freshly harvested vegetables. The fact that we are offering them in frozen form is already an added value in itself. It not only enables easy storage and long preservation but also helps prevent waste at the consumer side. You just take the portion of vegetables you need and put the rest back into the freezer. It's good for the planet, and it saves you money."

"We always try to stay ahead of the market and develop innovative and attractive products that entice people to add more vegetables to their menu. We are continuously expanding our product range: adding seasoning, herbs and spices to our vegetable mixes, combining them with quinoa and other ingredients and creating new and authentic recipes based on international culinary trends. We're also exploring the endless possibilities of our cauliflower-based products which enable low-carb diets. Following our cauliflower rice, we are now also introducing pastas, risottos and couscous based on cauliflower."

"Although processing is limited, our focus on innovative convenience products has led to a number of major investments at our plants, such as the specialised coating lines in Belgium, France and Poland. They are used to add a light coating with herbs and spices for a delicious ready-made vegetable meal. But perhaps the most important success factor is the close collaboration between our chefs and our engineers. We are working in cross-functional teams that oversee the development of the product from the initial idea to the final production stage. This way of working has resulted in the successful introduction of several new and exciting products to the market."

Valentijn Verhaeghe, Business Unit Manager Convenience at Greenyard Frozen and Roman Porozynski, R&D Manager at Greenyard Frozen Poland

Valentijn Verhaeghe

Roman Porożyński

entire chain – from the growers' fields to the aisles of the supermarket – we have an incredible amount of data on the quality, taste and origin of our produce. This unique level of knowledge enables us to reduce waste, provide transparency and ensure true and fair pricing for everyone in the chain. We can also use these data to better serve our customers and supply them with the exact amount of product that is needed in the right quality, based on forecasting and real-time demand. There are many opportunities to remove inefficiencies in the chain, not just for ourselves, but also for our customers, our growers and everyone that wants to be contribute to a more sustainable food value chain.

We have many innovation projects going on in our company. Is there a way we can share information and best practices?

We have been undertaking most of our innovation projects close to the business and close to the customer for many years – having a market is key to innovation. This will remain the best way to innovate for Greenyard in the future, as we are in essence a private label partner for our customers.

Nevertheless, there are many opportunities to create added value by sharing our knowledge and our experiences. That is why we are currently recruiting two innovation managers to establish an Innovation Hub at the Group level. It will allow us to leverage the expertise we already have in our company and take it to the next level. It will also be the place where we can connect with external partners such as start-ups, universities, and research institutes.

SEDUCE PEOPLE WITH GREAT NEW PRODUCTS

“If we want to convince people to add more fruit and vegetables to their menu, we need to offer them products that not only taste great, but are also easy to prepare. Although there are still a lot of misconceptions about our products, most of them come straight from the field, which means they are both healthy – field-fresh and bursting with nutrients – and good for the environment.”

“For many years, private label products have undergone a major evolution. The A-brands used to be the reference, which we then copied, preferably with better taste, healthier and more affordable. Now we see that retailers are at the forefront of innovation. They regularly introduce new and ground-breaking products, from new soups or ready-made meals to entirely new food concepts like bean dishes or vegetable spreads. They count on our expertise to play a proactive role in this evolution and to help them realise their ambitions in this domain.”

“Recently, we have developed a brand-new range of sauces to accompany rice dishes at the request of one of our customers. The range will be launched in supermarkets later this year. It’s a great and healthy product, consisting for more than 95% of vegetables and herbs – which perfectly fits with our expertise as a plant-based powerhouse. We are pretty confident people will really love it.”

Bernd Lambrechts, R&D Director at Greenyard Prepared

THE RIGHT PACKAGING FOR EVERY PRODUCT

“Sustainability is high on our customers’ agenda, with a particular focus on packaging, as it is a very visible element in the stores. It is a very dynamic area, with a lot of changes happening. Many of our customers are looking to reduce the amount of packaging that is needed and are looking for more sustainable alternatives. We are seeing a clear shift away from single-use plastics to cardboard packaging. It has recently led to an investment in two new cardboard packaging machines for products such as apples and kiwis.”

“But the choice of packaging material very much depends on the needs of the product. Despite the perception, plastic packaging is still the best solution for many products. Broccolis and cucumbers, for example, really need that extra protection to avoid discolouration and prolong shelf-life. Although it’s not always that easy: locally grown cucumbers can do without their plastic skin, whereas those that are imported during wintertime still do. Using recycled content in our packaging is another way to reduce their environmental impact.”

“In the end, it is our job to help customers make the right decision, using our product expertise and our knowhow in new packaging technologies.”

Merel Noorts, Innovation & Sustainability Coordinator at Greenyard Fresh Belgium

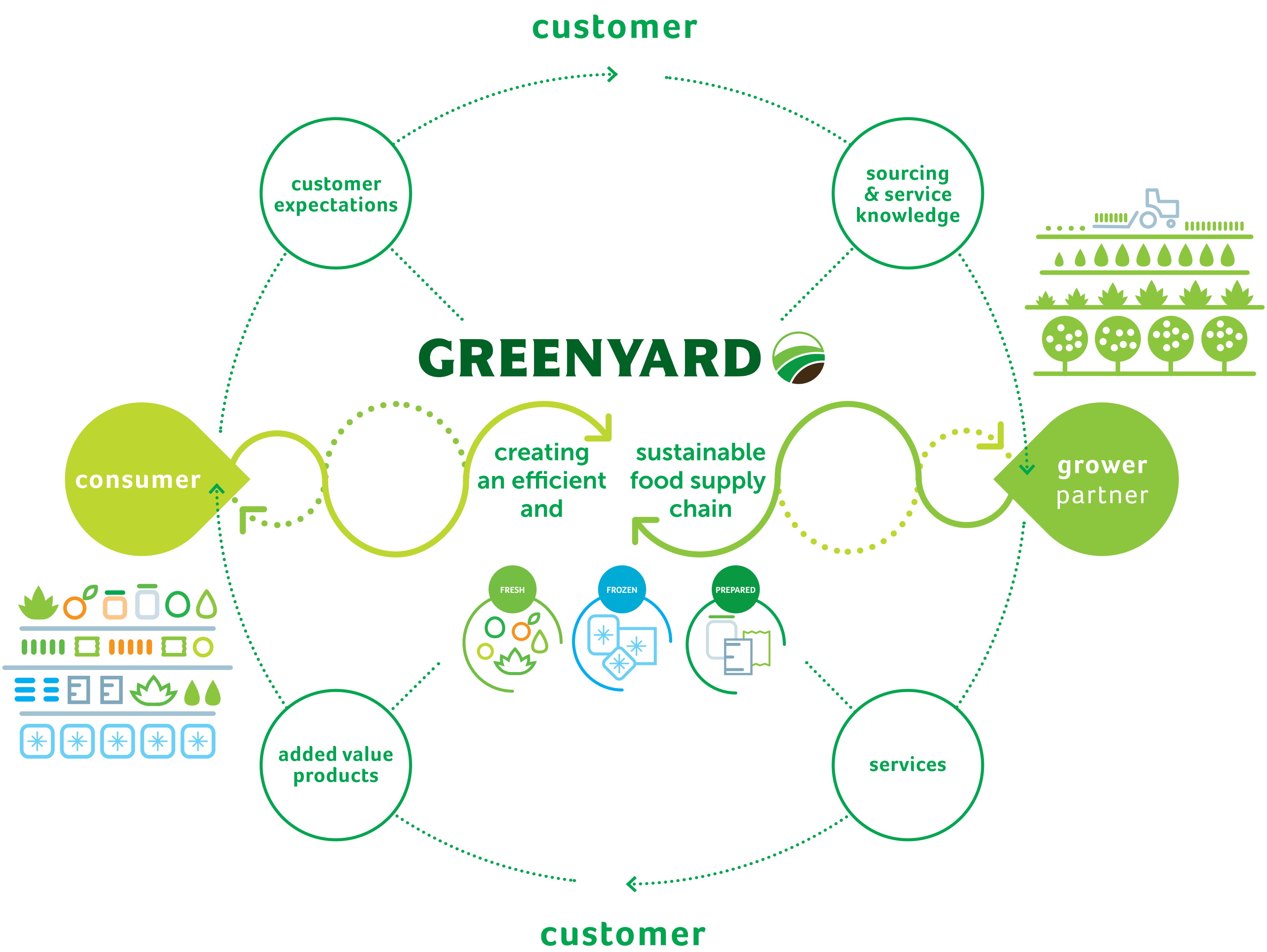

GREENYARD

Greenyard at a glance

Our unique and complementary mix of three divisions – Fresh, Frozen and Prepared – allows us to meet the needs of every consumer.

A unique business model

Adding value, tailored to today's demands



The power of Greenyard lies in our exceptional ability to connect and collaborate with both ends of the food value chain. Joining farms where produce is grown with supermarkets or restaurants where we can all enjoy fruits and vegetables, in all shapes and sizes.

Next to our reliable network of dedicated growers and our long-term relationships with customers, Greenyard's global scale offers a comprehensive and calculated range of high-quality products tailored to today's consumer demands – making fruit and vegetables more convenient, accessible, and affordable for everyone.

It's our expertise and our unique position in the food supply chain with strongly integrated customer relationships, that enables us to broaden our portfolio, shifting away from a classic, one-size-fits-all trading company to a plant-based powerhouse with high added-value services tailored to data-driven consumer needs. Greenyard is a game changer in a highly complex play on plant-based services. Ranging from innovative product development to ripening, logistics and sustainable packaging, while ensuring the shortest possible food supply chain to the benefit of every link in it.

Operational review

Divisional excellence across fresh and long fresh segments

Greenyard has the zest to call the world's largest food retailers and food service companies our customers. They can rely on us for a steady and high-quality supply of fresh, frozen and prepared fruits and vegetables.

Through strong and long-term relationships with our customers, we offer our expertise, scale, and knowledge to co-create a plant-based product offering that enhances their business and meets ever-changing consumer needs.

Our unique and complementary mix of three divisions: Fresh, Frozen and Prepared allows us to meet the needs of every consumer. No matter what their lifestyle or age, and that for every occasion. A quick afternoon snack, a convenient and healthy meal tomorrow, or dinner with friends next weekend.

Greenyard's plant-based arrangement and short food supply chain also contribute to a healthier planet. We supply our produce to a range of different markets fitted to their respective size and taste preferences, meaning nature provides us with her bounty at her own rhythm. Additionally, we carefully source products for our Frozen or Prepared ranges, to meet other types of consumer needs in a sustainable way.

We firmly believe that a healthy choice should always be an accessible and an easy choice, for people and for our planet.

Greenyard Fresh | Fresh quality and variety

27
distribution sites

approx.
1 875 000
tons/year supply

approx.
5 600
employees

Worldwide market leader that offers an exceptionally wide range of high-quality fresh fruit and vegetables, sourced from selected growers all over the world, to key European retailers. With strategically located distribution centres in Europe, our Fresh division offers them best-in-class integrated services that improve their performance and increase sales of healthy consumer products.

Greenyard Frozen | The best of nature, always fresh

9 facilities

approx. **460 000** tons/year production

approx. **2 200** employees

Global pioneer and market leader in processing freshly harvested fruits and vegetables into innovative, frozen food products that are easy to store and consume; meeting the needs of modern consumers who want to enjoy healthy and tasty food, with minimal preparation time. Our Frozen division offers excellent service and advanced logistics for frozen plant-based products to retailers, food service companies and the food industry in general.

Greenyard Prepared | The best of nature, available all-year round

2 facilities

approx. **215 000** tons/year production

approx. **900** employees

Global player in freshly preserved fruit and vegetables, and other ambient food products that are easy to store and ready to eat. Our Prepared division supplies three market segments with an extensive product portfolio: retailers, food service companies and the food industry. Ranging from classic preserved products in cans or jars to dips, sauces, and soups in a variety of packaging.

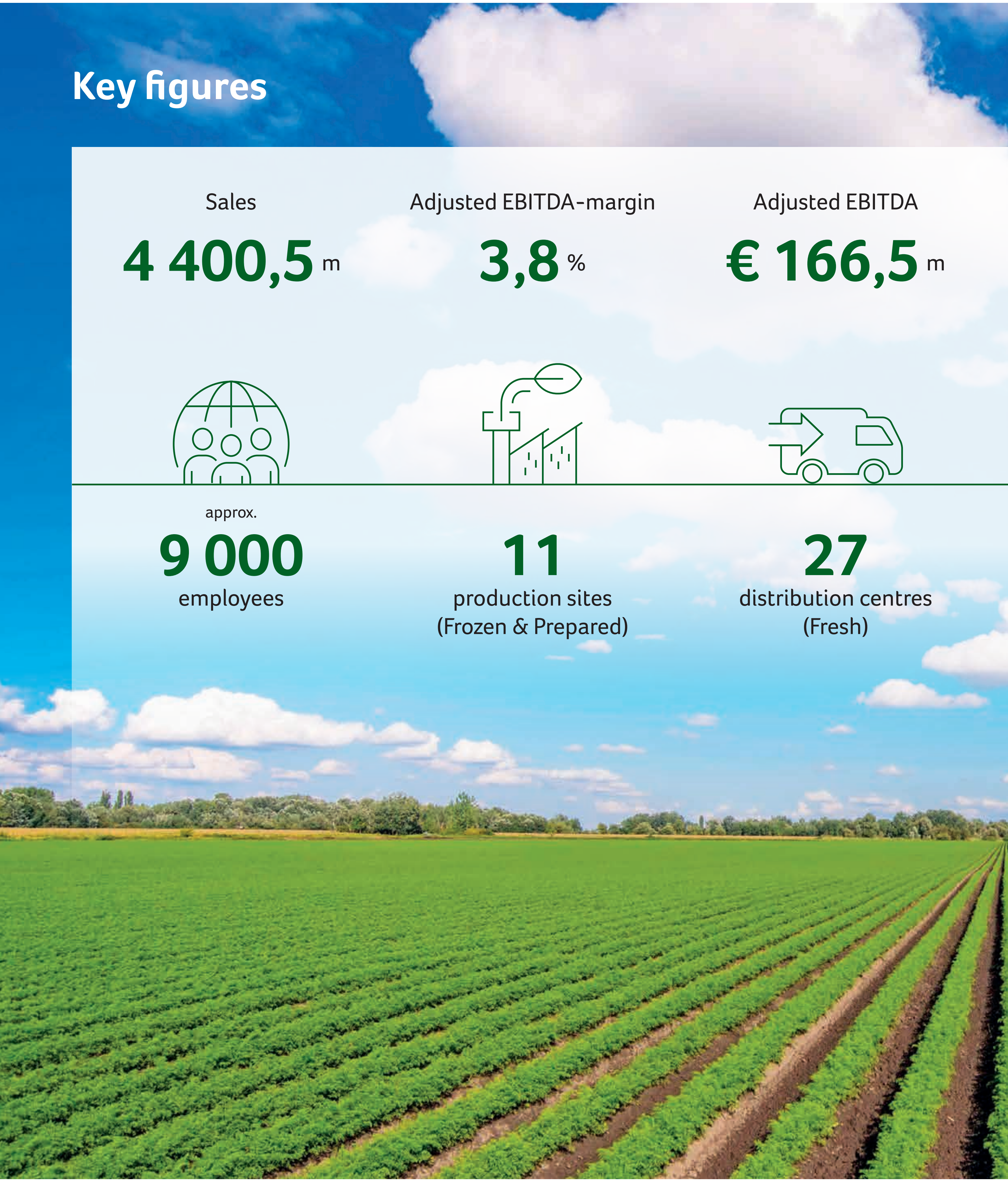
Key figures

Sales	Adjusted EBITDA-margin	Adjusted EBITDA
4 400,5 m	**3,8** %	**€ 166,5** m

approx. **9 000** employees

11 production sites (Frozen & Prepared)

27 distribution centres (Fresh)



Net result

€ 16,9 m

Net Financial Debt

€ 303,6 m

Leverage

2,4 x

approx.

2 550

Kton sales volume

> 80

sales countries

19

out of 20 of
EU top-20 retailers

Financial Report

Our strong financial results illustrate the strength of our unique business model and our commitment to deliver on our promises, even in a tough economic context.

Geert Peeters

Message from the CFO

Showing stagility: strong foundations, while keeping a flexible mindset

Following a strong year in 20/21, demonstrated by solid sales growth, a strengthened balance sheet and the successful completion of its transformation for Greenyard, the world economy entered an extremely difficult and complex environment. The year 2021 and the first quarter of 2022 were marked by a longer-than-expected COVID-19 pandemic, an overheating of supply chains and a disrupted labour market, hyper-inflation popping up and recently of course the start of the war in Ukraine.

None of this was foreseen, by no one. With Greenyard we fortunately managed to identify these events in an early stage, which allowed us to swiftly take decisive actions. Being flexible and lean is part of our day-to-day business. It is an indispensable skill we have nurtured over decades of experience. And it proved essential last year, to handle and mitigate the challenges many industries were confronted with.

Last year, back in 2021, we refinanced our capital structure and raised € 50m. This was the final accomplishment of a two-year period, in which we fully focussed on strengthening the organisation and group, and reconnected with a profitable organic growth. The robust capital structure gave Greenyard the financial certainty and flexibility to fully engage in its further strategic development.

This ambition was culminated at the end of 2021 when we updated and refined our long-term strategic plans into Greenyard's Vision on the Future of Food. It is the strategic outline for the coming decade, starting from macro-trends combined with our strengths, our assets and our competences.

Long-term relations with customers remain leading in our drive to increase the consumption of fruit and vegetables in healthy diets in a sustainable way. We believe in the bright future of plant-based food, a vastly growing market. As a company that has the unique ability to fully leverage the pure power of fruit and vegetables, we are right in the heart of close-to-crop, plant-based food solutions. We have a privileged position in today's food market and will develop new products and offerings with amongst others a clear focus on health and convenience.

Next to this, we will engage in digitization. This will enable us to gain efficiencies, offer more added value to our customers and build worthwhile insights. The potential seems endless, and first examples of upcoming projects involve Artificial Intelligence in planning, shelf-life prediction, traceability through block-chain and robotics and automation. Like we did last years, we will continue simultaneously to deepen our customer relationships, reinforce our organisation, and realise efficiency gains across the entire food value chain.

We translated our strategy in renewed financial goals and are confident to realise them: in three years, by March 2025, we aim to reach sales of € 5bn, and an Adjusted EBITDA between € 200m and € 210m with a margin between 4,0% and 4,2%.

In the current tough economic context, Greenyard shows *stagility*. We proved to be stable and resilient, and we displayed our ability to act agile to the continuously changing and challenging circumstances. We managed to cope with the many uncertainties, the pressure and volatility. Through clear focus, we found fast, actionable and creative solutions. Obviously, this has been a collective effort. Transparent communication and regular, ongoing dialogue are essential to navigate uncertainty. We believe that the strength of Greenyard, as a global company, is defined by the connection of our employees, suppliers and our customers. A vision we certainly fully deployed last year, growing stronger together.

This combination of acting on a stable foundation with a clear vision on the one hand, and the agility to quickly shift gears when needed on the other hand, runs through Greenyard's veins. It is what allowed us to reconfirm and to reach our Adjusted EBITDA guidance that was communicated already at the beginning of the financial year, not knowing which challenges would come. We realised an Adjusted EBITDA of € 166,5m for the full year 21/22, with an Adjusted EBITDA margin of 3,8%.

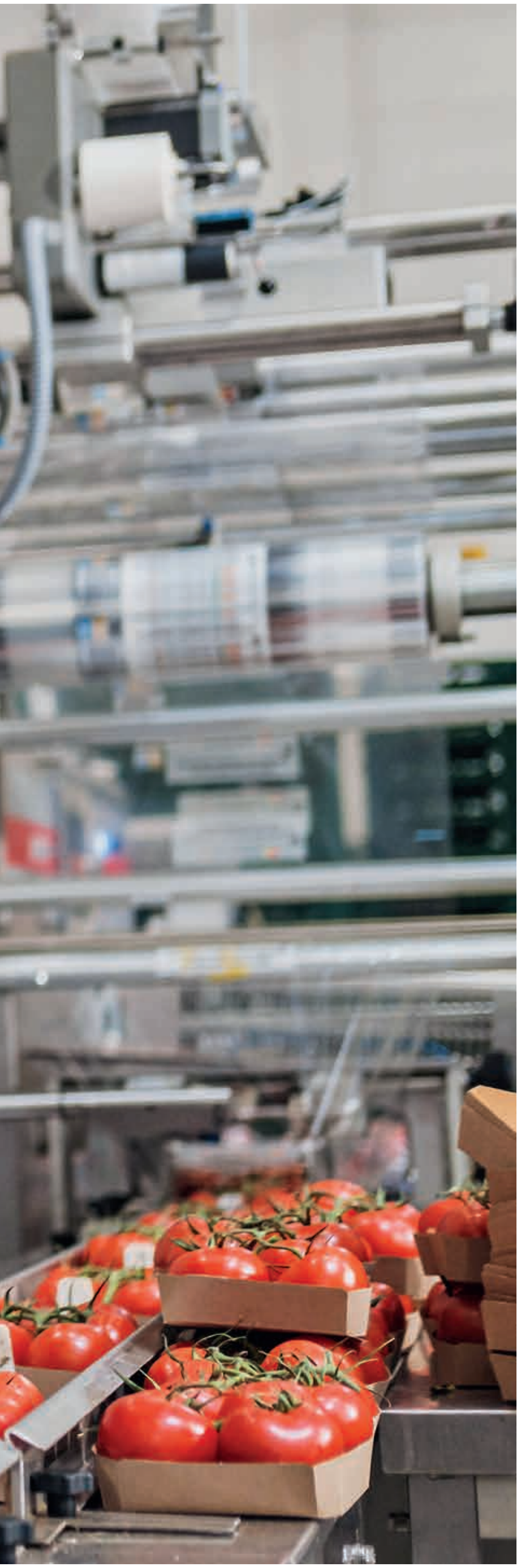
Although we were confronted with a steep rise of input prices, we secured our profitability. We achieved this thanks to a mindset of continuous improvement, further delivering efficiencies. Equally important are our signature close collaborations at both ends of the chain. These long-standing relations allow us to transparently align sales tariffs with 'real' higher cost levels, ensuring fair and true pricing all along. On top, our finance cost decreased significantly due to the refinancing. This led to the recovery of our net profit from € 1,2m to € 16,9m.

Further to improving profitability, we also further decreased our net financial debt from € 339,9m to € 303,6m, resulting in a pre-IFRS 16 leverage of 2,4x, realising the 2,0x to 2,5x leverage target that we promised two years ago.

We showed stagility. Our ability to combine a solid long-term vision with the flexibility to quickly adapt, is enabled by the strong connection of our employees, our growers and our customers.

Even though several of the above conditions remain uncertain for the upcoming period, Greenyard reconfirms its long-term financial ambitions. We will continue to seek further growth, both organically and through carefully selected and potential well-integrated M&A opportunities.

Contents Financial report



Key financial information

Key financials (in €'000 000)	AY 21/22	AY 20/21	Difference
Sales (reported)	4 400,5	4 416,2	-0,4%
Sales (like-for-like)	4 361,6	4 299,6	1,4%
Adjusted EBITDA	166,5	156,9	6,1%
Adjusted EBITDA-margin %	3,8%	3,6%	
Net result continuing operations	16,9	1,2	
EPS continuing operations (in €)	0,32	0,01	
NFD (excl. lease accounting)	303,6	339,9	-10,7%
Leverage	2,4	2,9	

Sales

Greenyard sales increased with 1,4% on a like-for-like basis on top of last year's high single-digit sales growth and increased with € 62,0m, from € 4 299,6m to € 4 361,6m. In the post COVID era, an expected rebalancing of volumes between Retail and Food Services took place as out of home consumption picked up again. The main drivers of this increase are the sound sales in the integrated customer relationships and the impact of the product mix choice.

Adjusted EBITDA

The Adjusted EBITDA increased with € 9,6m from € 156,9m to € 166,5m which represents a growth of 6,1% increasing the Adjusted EBITDA margin with 20 bps from 3,6% to 3,8%. Despite the unforeseen economic headwinds following COVID-19, global supply chain disruptions, the conflict in Ukraine and high inflation rates, Greenyard was able to further increase the profitability thanks to a relentless focus on operational efficiency, a better sales mix, tight cost control, recharging higher costs based on transparent conversations with our clients and a strong performance on joint incentive programs within the integrated customer relationships.

Net result

Greenyard reports a net result from continuing operations of € 16,9m compared to € 1,2m for the same period last year. In addition to a higher EBIT, the net finance cost has been considerably reduced (€ -12,7m) as interest margins decreased because of the refinancing at the end of last accounting year and decreasing debt levels. However, income taxes have increased in line with the increase of profit before tax and depleted carried forward tax losses in some entities.

Leverage

Excluding lease accounting cfr. bank covenant definitions, net financial debt (NFD) was significantly reduced by € 36,3m compared to March 2021, to € 303,6m on 31 March 2022. This translates into a leverage of 2,4x, down from 2,9x in March 2021, reaching already in March 2022 or one year earlier than planned a leverage between 2,0x and 2,5x which is considered a sustainable level going forward in the current operating context. This result was achieved thanks to strong operational cash generation also helped by lower interest payments and proceeds from disposals. Moreover, the non-core disposals of Greenyard Prepared Netherlands and Bardsley Fruit Enterprises in July 2021 also contributed to the reduction of the net financial debt.

EBIT - Adjusted EBITDA	AY 21/22				AY 20/21			
	Fresh	Long Fresh	Unallo-cated	TOTAL	Fresh	Long Fresh	Unallo-cated	TOTAL
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
EBIT	**28 560**	**32 425**	**-2 701**	**58 283**	**28 632**	**25 564**	**-2 711**	**51 485**
Depreciation and amortisation	64 883	33 818	1 128	99 828	62 390	33 818	1 383	97 591
Impairment property, plant & equipment	-	-	-	-	-1	1 414	-	1 413
Impairment other	430	-	-	430	101	420	-	521
EBITDA	**93 872**	**66 243**	**-1 573**	**158 542**	**91 121**	**61 215**	**-1 327**	**151 009**
Reorganisation costs and reversal of provision for reorganisation costs (-)	2 171	368	324	2 862	4 280	335	-237	4 377
Corporate finance related project costs	111	20	66	197	-	789	-117	673
Financing project costs	-	-	-	-	-	-	251	251
Costs related to legal claims	3 540	-769	36	2 807	3 233	1 695	-	4 927
Result on sale of assets	-	-	-	-	-622	-	4	-618
Other	491	37	32	559	-473	-1 486	720	-1 239
Adjustments	**6 312**	**-344**	**458**	**6 426**	**6 417**	**1 332**	**621**	**8 370**
Result on sale of divestitures	-2 961	307	-	-2 653	-2 889	-	-	-2 889
Current year EBITDA of divestitures	4 670	-447	-	4 223	415	14	-	429
Divestitures (not in IFRS 5 scope)	**1 709**	**-140**	-	**1 570**	**-2 475**	**14**	-	**-2 460**
Adjusted EBITDA	**101 894**	**65 759**	**-1 116**	**166 537**	**95 064**	**62 562**	**-706**	**156 919**

EBIT from continuing operations amounted to a positive € 58,3m compared to € 51,5m last year. In AY 21/22 non-recurring adjustments were far more limited than last year. However, depreciation and amortization increased, related to a higher overall investment level, as foreseen in the company's long-range plans.

As to Property, plant & equipment (and other) impairments, last year the company accounted for € - 1,9m of impairments, compared to € -0,4m in AY 21/22 which relates to the divestment of Greenyard Fresh UK.

As to non-recurring adjustments, these decreased from € -8,4m last year to € -6,4m this year, with main impacts this year being the increase/release of provisions related to claims and provisions for reorganization costs.

The adjustments this year also benefited from a positive impact on the result on sale of Bardsley Fruit Enterprises and Greenyard Prepared Netherlands. The adjustment for current year's EBITDA of divestitures includes Greenyard Prepared Netherlands, Bardsley Fruit Enterprises, which were divested in AY 21/22, as well as Greenyard Fresh UK, which is in the process of being divested and all had a break-even or negative Adjusted EBITDA contribution to the Group.

Leverage reconciliation	**31 March 2022 €'000**	**31 March 2021 €'000**
Adjusted EBITDA	166,5	156,9
Lease accounting (IFRS 16)	*-40,7*	*-40,4*
Adjusted EBITDA (for leverage)	**125,8**	**116,6**
NFD	531,4	572,9
Lease accounting (IFRS 16)	*-227,8*	*-232,9*
NFD (for leverage)	**303,6**	**339,9**
Leverage	**2,4**	**2,9**

Reconciliation net financial debt	**31 March 2022 €'000**	**31 March 2021 €'000**
Cash and cash equivalents	-98 504	-81 250
Interest-bearing loans (non-current/current)	395 238	413 792
Lease liabilities (non-current/current)	231 998	235 445
As reported	**528 732**	**567 986**
Net capitalised transaction costs related to the refinancing	2 657	2 864
Net value of the conversion option at inception after amortisation	-	2 008
Net financial debt	**531 389**	**572 857**
IFRS 16 impact	-227 769	-232 911
NFD (excl. lease accounting)	**303 620**	**339 946**

Sales and Adjusted EBITDA per operating segment

Key segment figures - FRESH in €'000 000	AY 21/22	AY 20/21	Difference
Sales (reported)	3 607,4	3 592,7	0,4%
Sales (like-for-like)	3 606,1	3 582,2	0,7%
Adjusted EBITDA	101,9	95,1	7,2%
Adjusted EBITDA-margin %	2,8%	2,6%	

Like-for-like (LfL) Fresh sales increased by +0,7% YoY, whereby sales within the integrated customer relationships already represent three quarters of the Fresh segment sales. Additionally, sales continued to grow, despite Greenyard's decision to discontinue the commercialisation of certain seasonal categories, as communicated in its Q3 press release. The company is determined to continuously improve transparency in the supply chain to meet its strict sustainability and social responsibility criteria, which was not possible for these categories.

The Fresh segment managed to improve its Adjusted EBITDA margin from 2,6% to 2,8%, despite the challenging economic context influenced by COVID-19, supply chain and labour market disruptions. Moreover, pressure was put by high inflation popping up and accelerating in the 2nd semester. The improved profitability is the result of more profitable programs and strong performances on joint incentive programs within the Integrated Customer Relationships. Greenyard's long-term oriented relationships prove to be very robust in the current volatile economic environment. They are at the heart of Greenyard's strategy, and Greenyard is fully committed to its long-term strategy to further expand this way of working, at existing and with future customers.

However, with regards to its Fresh business in the UK, Greenyard sees insufficient room for standalone profitable growth, in a mature market that is also under pressure from Brexit and supply chain disruptions. Therefore, Greenyard has decided to divest its UK Fresh operations in the coming months. This evolution of Greenyard's presence in the UK will have no material impact on the company's financial ambitions and its € 200-210m ambition for 2025. Greenyard emphasises that it fully commits to its Frozen activities in the UK, in the Long Fresh segment, where it has a leading position.

Key segment figures - LONG FRESH in €'000 000	AY 21/22	AY 20/21	Difference
Sales (reported)	793,1	823,5	-3,7%
Sales (like-for-like)	755,6	717,4	5,3%
Adjusted EBITDA	65,8	62,6	5,1%
Adjusted EBITDA-margin %	8,3%	7,6%	

LfL Long Fresh sales increased by +5,3% YoY to € 755,6m, up € 38,2m from € 717,4m. Sales are growing steadily due to a partial recovery of food service (from 13% of total Long Fresh sales in AY 20/21 to 16% in AY 21/22), further growth with higher-end convenience and fruit categories and additional business unlocked by investments. This, despite the slowdown we faced in the UK mainly related to local supply chain disruptions.

Although the economic context puts pressure on the Long Fresh results, the Adjusted EBITDA margin improved from 7,6% in AY 20/21 to 8,3% in AY 21/22, thanks to continued focus on operational efficiency, a better sales mix and the ongoing increase of sales prices following high inflationary input costs.

Report of the board of directors

Comments on the consolidated financial statements

These comments relate to the consolidated financial statements of Greenyard NV ('the Company') and its subsidiaries (together, 'the Group' or 'Greenyard') for the year ended on 31 March 2022.

1. Consolidated income statement

Sales

Greenyard sales increased with 1,4% on a like-for-like basis on top of last year's high single-digit sales growth and increased with € 62,0m, from € 4 299,6m to € 4 361,6m. In the post COVID era, an expected rebalancing of volumes between Retail and Food Services took place as out of home consumption picked up again. The main drivers of this increase are the sound sales in the integrated customer relationships and the impact of the product mix choice.

Fresh represents 82,7% of consolidated sales, while Long Fresh represents 17,3%.

Gross profit

Gross profit has decreased only slightly by € -2,4m from € 297,3m to € 294,8m (-0,8%), However, adjusting for the disposals, gross profit slightly increased thanks to the limited sales growth, and gross profit margin remained more or less constant.

Looking at gross profit by segment (on a like-for-like basis), in Fresh, gross profit margin remained constant despite inflation pressure by focusing on more profitable business and thanks to incentive realizations. In Long Fresh, gross profit margin slightly decreased as this margin erodes due to inflation on input costs, even when fully charged through to customers. As Long Fresh gross margins are higher than Fresh gross margins, the Group gross margin remained more or less constant as Long Fresh became more important in the Group portfolio of activities.

Earnings before interest and tax (EBIT)

EBIT has improved significantly by € 6,8m from € 51,5m to € 58,3m. Main driver is the improvement of Adjusted EBITDA by € 9,6m. On one hand, there was a slight decline of gross profit explained by the disposals. On the other hand, mainly in Long Fresh selling, general and administrative expenses decreased thanks to cost efficiency programs and labour shortages. The increase of Adjusted EBITDA is partially reduced by higher depreciations amounting to € -2,2m consequent to stepping up the investment level, and by € 0,6m higher adjustments, divestment and impairment results.

Net finance income / cost

Net finance cost decreased by € 12,7m YoY to € -34,4m mainly thanks to lower interest rates on bank borrowings because of steadily decreasing debt usage and lower grid following an improved leverage ratio, as well as lower costs on factoring and leasing debt (respectively amounting to € -5,1m and € -9,5m in AY 21/22).

The bank and other financial costs in AY 21/22 mainly relate to write-offs of financial assets for an amount of € 0,8m (€ 1,9m in AY 20/21), agency and service fees (€ 0,5m) and miscellaneous bank charges ad € 0,4m.

Income tax expense / income

Income tax for AY 21/22 amounts to € -7,0m (AY 20/21 € -3,1m). This implies a consolidated effective tax rate of 29,3% (AY 20/21 72,2%). The effective tax rate for AY 20/21 was highly impacted by (non-)recognition and at the same time the use of deferred tax assets previously not recognized, as well as by the impact of IFRS16 rules and non-deductible items related to a range of items for which the most significant were non-deductible interest expenses. The current tax accruals result from the improved/increased profit before tax positions of several legal entities within the Group. In addition, tax losses have been fully utilised by a number of legal entities in several jurisdictions.

2. Consolidated statement of financial position

Non-current assets

Non-current assets decreased by € -37,3m to € 1 217,8m, primarily driven by a decrease of respectively € -15,9m and € -14,4m in Property, Plant & Equipment and other intangible assets together with a decrease of € -8,1m in rights-of-use assets.

The decrease in Property, Plant & Equipment is mainly due to the disposal of Greenyard Prepared Netherlands and Bardsley Fruit Enterprises (€ -15,0m) while additions and depreciations of the year almost offset each other entirely. The decrease in other intangible assets is mainly driven by further amortization of the customer relationships for € 13,3m, while the decrease in right-of-use assets by € -8,1m results from depreciations exceeding the additions over AY 21/22.

Current assets

Current assets decreased by € -7,3m to € 679,7m. The decrease consists of the combination of (i) an increase in inventory for € 31,7m, almost fully in Long Fresh, as a result of better harvesting which led to increased processing together with a slowdown in the UK mainly related to local supply chain disruptions and a mix effect, (ii) a decrease of trade and other receivables position by € -56,1m thanks to active working capital management, which is (iii) only partially offset by an increase in cash and cash equivalents for € 17,3m.

Equity

Total equity amounts to € 469,3m and represents 24,7% of total equity and liabilities at 31 March 2022 versus 23,2% last year. The increase by € 18,2m compared with 31 March 2021 mainly results from the net result of the year attributable to the shareholders of the group for € 16,0m. Also note that in AY 21/22 a share buy-back program resulted in the buy back of 600.000 shares for an amount of € 5,5m which is largely offset by other equity movements.

Non-current liabilities

Non-current liabilities increased by € 60,9m to € 614,9m, primarily following the refinancing of the interest-bearing loans before the end of AY 20/21, whereby a separate tranche was foreseen to refinance the convertible bond that matured in December 2021. In December 2021, that tranche was drawn and therefore classified again as non-current liability.

Current liabilities

Current liabilities amount to € 813,3m, representing a € -123,7m decrease compared 31 March 2021. This decrease is driven by a decrease in interest-bearing loans (€ -87,5m) which is mainly a result of the convertible bond loan repayment in December 2021 and a decrease in trade and other payables (€ -35,8m) by aligning payments to suppliers with better terms from long-term customers and lower tax payables.

There are no changes in valuation rules with a significant impact on the Group's reported results or financial position, apart from those included in note 2.3. *Basis of consolidation*.

3. Consolidated statement of cash flows

The net increase in cash and cash equivalents for AY 21/22 amounted to € 17,5m. Operating and investing activities contributed € 104,3m as compared to € 117,2m last year.

Cash flow from operating activities

The cash inflow from operating activities amounted to € 132,2m in AY 21/22, compared to a cash inflow from operating activities of € 158,8m in AY 20/21, or a decrease of € -26,6m. This decrease is mainly the result of higher income taxes paid (€ -13,0m) and an increase in working capital by € -12,4m as compared to an improvement of € 10,6m the year before, partially offset by a higher EBIT corrected for mainly non-cash EBIT adjustments, from € 151,6m in AY 20/21 to € 161,0m in AY 21/22.

The Group continued its efforts in further improving its working capital, however, the improvements were slowed down mainly due to an increase in inventory in AY 21/22. Inventories increased over AY 21/22 by € -55,7m (excluding disposals of the current year) thanks to the growth of the business and good production volumes, but also some delivery issues due to Brexit in the UK. Receivable and payable improvement amounted to € 43,3m thanks to continued active working capital management and strengthening of the financial position of Greenyard.

Cash flow from investing activities

The cash outflow from investing activities amounted to € -27,9m, which is € 13,7m lower than in AY 20/21.

The main explanation is the difference in disposal proceeds being € 20,5m in AY 21/22 as compared to € 6,7m in AY 20/21. The current year's proceeds were higher due to the sale of Bardsley Fruit Enterprises and Greenyard Prepared Netherlands, versus the sale of Greenyard Logistics Portugal in the preceding financial year.

Acquisitions of Property, Plant and Equipment remained more or less at the same level as the year before i.e. € -48,5m in AY 21/22 as compared to € -48,3m in AY 20/21. The investment program was intensified, however, delays in delivery occurred mainly related to the uncertain economic circumstances. In Fresh, main capex related to a new citrus sorting line in Bakker and roll-out of ERP. In Long Fresh, investments consisted amongst others of new boiling kettles, upgrade of a cooling space and a new freezing tunnel in France.

Cash flow from financing activities

The cash outflow from financing activities has decreased by € 82,4m to € -86,7m. This is mainly the result of the refinancing of the outstanding debt in a new Facilities Agreement, resulting in the repayment of € -432,0m and new drawings of € 290,8m of last year. In AY 21/22, the convertible bond has been repaid (€ 125m), financed through an additional bank tranche of € 125m, moreover, a first instalment (€ 15m) occurred. This results in repayments of € -153,4m, and new drawings of € 135,8. Positively, in AY 21/22, net interests have reduced by € 11,8m from € -41,3m in AY 20/21 to € -29,5m in AY 21/22 thanks to lower debt and better margin conditions. Lastly, in AY 21/22, Greenyard has purchased 600 000 treasury shares for an amount of € 5,5m for its management option incentive scheme.

Dividends

The Board of Directors is proposing not to pay a dividend for the current closed accounting year AY 21/22, given the uncertainties in the market due to the global macro-economic context and given that it has just reached its ambitioned leverage ratio of below 2,5x (Net Debt / Adjusted EBITDA) on a pre-IFRS 16 basis.

Position of the company: risks and uncertainties

The Group is required to disclose the key risks and uncertainties which have affected or may impact its financial position and results. Together with their associated mitigating actions, these risks are described below. The list does not, however, rank the risks by priority; nor is it an exhaustive description of all risks currently faced.

Availability and prices produce and consumables

The results of the Group may be adversely affected by shortages in produce and consumables.

Fresh obtains most of its supply directly from a solid and extensive network of third-party growers. For all its business models, sourcing is done at market prices or price ranges negotiated in advance. In general, growers are compensated based on the prices obtained from the customers with a fixed % margin for Greenyard, occasionally with a minimum guaranteed price or based on a fixed price or agreed price ranges.

With regard to the production of frozen fruit and vegetables, Long Fresh obtains fresh supplies from 800 farmers in Belgium, France and Poland. The UK supplies are secured by agricultural cooperatives and various dealers. For canned fruit and vegetable production, on the other hand, the supply of fresh produce is sourced from approximately 4,500 ha of agricultural land within a radius of 100 km of the main processing sites in Belgium and the Netherlands. Long Fresh sources with pre-season fixed-price annual contracts. Possible shortfalls can be compensated for by purchasing raw materials on the spot market. Depending on the type of fresh produce, the number of hectares and the expected yield (tons per hectare) are set.

Despite the attention and efforts dedicated to these aspects and active supplier relationship management, the Group is however greatly exposed to temporary weather phenomena, while climate and soil conditions can also influence supplies and raw materials prices (see separate item).

Energy prices

Due to the high energy intensity of the production, cooling, ripening and storage processes, the Group is affected by trends in energy prices (mainly gas, electricity and oil prices). The Group is typically fixing the forward prices of gas and electricity to secure prices for the coming three years. Due to the steep increase of energy prices over the last year and low visibility on future 'stabilised' levels, the hedging strategy is currently under review, also taking into consideration sales price dynamics.

Customer dependence

The Group faces some customer concentration, i.e. its top three customers, primarily retailers, represent approximately 60% of its total sales (top 10 represent 76%). The Group believes its customers make purchase decisions based on, among other things, price, product quality, consumer demand, added value services, supply certainty, innovation, sustainability of our operations and desired inventory levels.

Although the Group uses advanced planning with continuous revision loops, to match purchases with expected sales, sudden changes in customer strategies or purchasing patterns may adversely affect the operating profit by supply and demand mismatches resulting in waste or a lower valuation of surplus volumes.

Customers may also reduce their purchases, diversify their purchase strategy by involving other market players or purchase directly from growers or through own purchase organisations. However, we underline that Greenyard is already doing business with the top ten customers for many years and cooperation is renewed constantly with new programs.

The Group believes that its customer intimacy strategy, embedded in the Integrated Customer Relation model (ICR), is key to its pursuit of margin and volume stability. Based on multi-year ICR contracts, Greenyard and its partner retailer can fully streamline the value chain, and better align supply and demand. This leads to plenty of benefits like efficiencies, dedicated investments, better quality, fair pricing, less waste and more sustainability. As this is a tailored approach for each customer, and both parties commit to integration, these relations are typically for the long run.

Integrated customer relationship model

The Group's strategy of establishing integrated partnerships with major retailers and vertically integrating with them has been further developed successfully over the last years. Currently the Group has several multi-year contracts with retailers where it provides an assortment of products and customised services. By closely co-operating as partners and investing in a joint strategy to grow the fruit and vegetable category, a constructive interdependence exists between both parties. This makes it worthwhile to continually build on this instead of switching to alternatives.

However, pursuing a transition from a trading model to long-term, integrated customer relationships might not succeed with all customers. For instance, it implies Greenyard and the retailer to work together in a culture of trust and transparency. Moreover, the retailer has to be willing to change from transaction-based purchasing to category management. Transition to the new model is a complex process as it implies a far-reaching alignment between both partners which typically takes time and effort. The benefits of an integrated customer relationship model increase step-by-step over time (typically years) when both partners are more and more integrating activities and intensifying co-operation.

Climate conditions

From time to time, the growers supplying Greenyard experience crop disease, insect infestation, severe weather conditions (such as floods, droughts, windstorms, and hurricanes), natural disasters (such as earthquakes) and other adverse environmental conditions. Severe weather conditions can be further exacerbated due to the impacts of climate change. These adverse environmental conditions, and more specifically unpredictable weather patterns, can result in production and price volatility. As far as possible, the Group mitigates this risk by the geographical spread of its sourcing through an extensive and global network of growers.

Concerning produce from growers, the Fresh segment often works on a free consignment basis and shares the risk of adverse environmental conditions given its long-term relationship with growers. In addition, the Fresh segment may occasionally finance crop production of some growers and suppliers and can be adversely affected if it is not repaid or repayment is postponed due to detrimental environmental conditions affecting those growers and suppliers.

Where the Long Fresh segment is concerned, the Group actively works together with its growers to minimize the climate impact for instance by stimulating irrigation, adapting sowing plans, etc. In addition, a lot of flexibility has been secured against shortages by building sufficient inventories and managing a broad mix of products making alternatives available. Moreover, being present with factories in different countries, that closely co-operate, mitigates the climate risk. Worst case, the Group will have to buy additional volumes at higher prices on the spot market.

Along with other elements, such as soil fatigue in fields for specific crops, weather conditions can be a compelling reason for the Group to reduce its dependence on the harvest in a specific region as much as possible. This risk is mitigated by the geographical spread of the activities and by long-term relations with the growers.

Seasonality and working capital

Seasonality is a material risk element for the Group. Opposing underlying trends exist across the operating segments. Long Fresh has a production peak in the period from July to November with a corresponding inventory build-up, whereas demand is relatively stable throughout the year. This gives rise to large swings in working capital in the last two quarters of the calendar year. On the other hand, Fresh achieves a greater portion of its sales during the first two quarters of the calendar year, whereas the third and fourth calendar quarters typically have slightly lower sales and less homogenous sales patterns than the first half of the calendar year. As Fresh reports a negative working capital figure, the positive working capital of Long Fresh is partly offset at Group level.

Due to high seasonality, production volumes can greatly influence the Group's results during high season and lead to large inventories that have to be held and financed. The Group actively manages and closely monitors working capital and liquidity to cope with large swings in working capital and continuously secures its funds and resources accordingly.

Geopolitical changes

We come out of a long period of quantitative easing and creating 'cheap money' to stimulate economic growth and finance crises like the Covid pandemic. Half a year ago, triggered by the Western world exiting a strategy of lock-downs post-Covid, high inflation popped up (see separate item). Currently the economic uncertainty is high, also due to the Ukraine-Russian war (see further), and there is no visibility on when the tide will turn. Important governmental measures are initiated and can be further expected like increasing interest rates to temper inflation. Some economists are also concerned on the economy slowing down, in combination with inflation, thus stagflation. Although we believe plant-based food will remain key in consumption, this might put pressure on volumes and margins.

In the past few years, the US, the EU and the UN have increased their imposition of various sanctions and embargoes on trade with countries such as Iran, Syria, Sudan and others. Similar sanctions were taken by the US and EU against the Russian Federation and subsequently by the Russian Federation against the US and the EU. As the activities and operations of the Group are worldwide, the Group and its competitors, distributors, suppliers and customers may have difficulties complying with or may suffer from such trade sanctions and embargoes.

UK withdrew from the European Union on 31 January 2020. Despite temporary supply chain disruptions in 2021 caused by Brexit in the transition period, Greenyard has experienced limited impact. Reason is that most of its sales to the UK market are from its UK subsidiaries. Moreover, these subsidiaries have good relations with local UK growers.

In February 2022 unexpectedly the Ukraine-Russian war started. Historically far-reaching trade sanctions have been installed. Furthermore, high concern on EU dependency on Russian gas is raised. Greenyard does not suffer any direct impact not having operations in these countries, and hardly dealing with any customers or growers in these regions. However, there is of course an important indirect impact due to inflation and availability of input (see separate items).

The Group's management monitors global geopolitical trends and promptly takes the appropriate measures, where required. The geographical spread of operations and sourcing channels also partly mitigates the geopolitical risks.

Product liability

In the execution of its activities, the Group may be subject to inadvertent events that may potentially or effectively affect the quality or food safety of its products and give rise to corrective actions that may impact the results of its operations.

The Group may be exposed to product recalls, including voluntary recalls or withdrawals, and adverse public relations if its products are alleged to cause injury or illness, or if the Group is alleged to have mislabelled or misbranded its products or otherwise violated regulations. The Group may also voluntarily recall or withdraw products that it considers below its quality standards in order to protect its (brand) reputation. Consumer or customer concerns (whether justified or not) regarding the safety of the Group's products can adversely affect its business. A product recall or withdrawal can result in substantial and unexpected expenditure, the destruction of product inventory and lost sales due to the unavailability of the product for a period of time. As a consequence, the Group may also experience adverse public exposure and product liability claims.

The Group applies recognized food safety standards and its activities are GFSI certified (Global Food Safety Initiative). Group, division and local management actively monitor quality and compliance with these standards. Long-standing relationships have been developed with key growers and suppliers who offer the required commitment and compliance with the Group's quality standards and requirements.

Changes in legislation and regulations

The Group's activities are subject to extensive regulation in the countries in which it operates, including corporate governance, labour, tax, competition, environmental and health and safety legislation. Failure to comply with existing laws and regulations could result in damages, fines and criminal sanctions being levied on the Group or the loss of its operating licenses and could adversely affect its reputation. Compliance with future material changes in food safety or health- related regulations and increased governmental regulation of the food industry (such as proposed requirements designed to enhance food safety, impose health-protection requirements or to regulate imported ingredients) could result in material increases in operating costs and could require interruptions in the Group's operations to implement such regulatory changes, thereby affecting its profitability.

There has been a broad range of regulations aimed at reducing the effects of climate change which have been proposed and adopted at national and international level. Such regulations apply or could apply in countries where the Group has or could have interests in the future. The Group reviews the impact of any changes on a regular basis, and seeks to ensure it budgets appropriately for future capital and operating expenditures to maintain compliance with environmental and health and safety regulations.

Talent attraction and retention

The Group's future success depends on its ability to attract, retain and motivate qualified and talented employees. Being unable to do so would compromise its ability to fulfil its strategic ambitions. To enhance its recruitment pool, it has initiated a global employer brand, supporting its recruitment activities and communication with potential candidates. Furthermore, a people-focussed culture, attractive development and training programmes, adequate remuneration and incentive schemes and a safe and healthy work environment, also mitigate this risk.

Human rights and anti-corruption

Risks from the improper behaviour of employees and business partners, breaching fundamental human rights, could adversely affect the Group's reputation and its business prospects, operating results and financial situation. It could thus be liable under human rights, corruption, environmental, health and safety laws or regulations, or fines, penalties or other sanctions. Therefore, high ethical standards are maintained throughout the entire Group at all levels with zero tolerance for corruption or bribery and any conduct which inappropriately or unreasonably interferes with work performance, diminishes the dignity of any person or creates an intimidating, hostile, exclusionary or otherwise offensive working environment. This includes discrimination, harassment, bullying or exclusion based on race, colour, religion, gender, age, national origin, sexual orientation, marital status or disability.

Exchange rate risk

The Group operates internationally and is exposed to foreign exchange risk in relation to various currencies. The US dollar and the British pound are the most important non-euro currencies. Of lesser importance are the Polish zloty and the Czech koruna. The Group's management has introduced guidelines requiring subsidiaries to manage their foreign exchange risk against their functional currency. These guidelines require subsidiaries to hedge their entire foreign exchange risk exposure with Corporate Treasury. To manage its foreign exchange risk arising from future commercial transactions, the Group uses foreign exchange forward contracts. Although the Group engages in natural and transactional hedging, there can be no assurance that the Group will be able to successfully mitigate foreign exchange exposure, particularly over the long term. Further reference is made in note 6.18. *Risk management policy*.

Interest rate risk

The Group's financing positions are almost fully exposed to floating interest rates after repayment of the convertible bond in December 2021, which was at fixed rate. The Group is exposed to floating interest rates through a revolving credit facility, factoring programs and term loans. Due to the long period of 'below zero' Euribor interest rates, the Group did not engage over the last years in hedges fixing its interest rate exposure through interest rate swaps. However, due to the current economic environment with rising interest rates, the Group will re-evaluate its interest hedging policy in the coming months. Further reference is made to this in note 6.18. *Risk management policy*.

Credit risk

The Group is exposed to the risks associated with their counterparties being unable to perform their contractual obligations. The credit risk comes from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Group's customers have varying degrees of creditworthiness, exposing it to the risk of non-payment or other forms of default of its contracts and other arrangements with them. To protect itself against customer defaults and bankruptcies, the Group uses the services of international credit insurers and also applies internal customer credit limits. Credit insurance is mandatory for all trade receivables sold to the factor company. For entities excluded from the factoring program, the receivables are included in the credit insurance. If credit limits are not sufficient, internal limits could be allocated.

The Group also makes advances to key suppliers, generally to secure overseas produce in key categories, based on a diligent analysis. Advances made are generally interest-bearing and recovered by deductions from the payments made in respect of the produce delivered by the counterparty. Further reference is made to this in note 6.18. *Risk management policy*.

Financing, liquidity risk and covenant compliance

The Group is financed by syndicated term and revolving credit facilities which are in place until end March 2024. Consequently, Greenyard secured sufficient financial means to a) finance the working capital and investment needs of the business, and b) settle semi-annual term loan repayments from March 2022 onwards. The size of the credit facilities has been aligned based on the Group's business plan and liquidity forecasts taking into account sufficient headroom. Moreover, financial covenants i.e. leverage ratio and interest cover, have been aligned to this.

A continuous increase in cash generation and liquidity has been foreseen based on further sales growth and improvement of profitability margins, which has been underpinned by a 3-year business plan up to AY 24/25. Significant investments have been included in the plan to support this growth and further strengthen the position of the Group. Furthermore, liquidity is also dependent on the working capital conditions with suppliers and customers. At customer side the Group relies on factoring of outgoing invoices and partially on reversed factoring. At supplier side credit limits granted by credit insurers are important. Management expects working capital, factoring and credit limits to grow normally in line with the business.

ICT systems and cyber security

In our business it is of utmost importance to meet very high service levels in order to secure a constant high quality and availability of our products to our customers. To execute and follow up seamlessly large numbers of different transactions, we rely on information systems and technology both on premise and in the cloud. Availability of these systems is key to run the day-to-day operations. Greenyard therefore constantly strives to comply with high standards and adapt to new evolutions in relation to applications, hardware platforms and cyber security. As the applications, we are currently upgrading our ERP systems in different entities in order to improve efficiency, simplify and harmonise. Typically, the go-live of a new application might lead in a transition phase to operational inefficiencies and risk of internal control deficiencies. As to cyber security, this is a major attention area which has been embedded in our management processes and is reviewed, monitored and improved on a permanent basis. As to hardware, we a.o. take care of regular upgrades, replacements, redundancy and back-ups and actively screen our suppliers and systems.

Input cost and sales price inflation

Since the summer of 2021, a perfect storm triggered by the Covid pandemic, Brexit, Ukraine-Russian war, … has caused high increases in input prices which are currently still accelerating. Greenyard is mainly impacted by increases in prices of energy, labour, packaging and transport. More and more, also prices of produce and food additives are rising amongst others due to the higher cost of fertilizers. Although the Group continues to look for efficiency improvements, it has no choice than to align the sale prices at the same time to keep the business and the whole food value chain healthy. Moreover, no more fixed sales prices for a full year or season are agreed, instead sales prices are continually adapted in line with the rising input costs until the situation stabilizes.

As Greenyard mainly works with long-term integrated customer and grower relations, the Group is fortunately more resilient to inflation than other market players that would be more operating based on spot contracts. At the sale side, we benefit for instance from cost-plus or target margin models, at the purchasing side, inflation resilience comes from agreements with fixed margins contrary to fixed prices.

Nevertheless, it is not sure whether all input cost increases can be fully charged through to customers, which might harm profitability margins. Although this is less an issue in the integrated customer relations, Greenyard of course has to take care that the retailer remains competitive which puts pressure on setting the right conditions.

Higher sales prices could also reduce the purchase power of consumers and bring down consumption. Greenyard however believes that the supporting trend towards healthy and convenient food and offering a private label as opposed to more expensive branded variants, makes that this negative impact is probably only temporary.

Input availability and supply chain disruption

Apart from high inflation (see previous item), also availability of transport, packaging and labour are becoming more and more problematic since 2021. The Group has a full focus on this and is constantly optimizing its processes and ways of working to become more agile and less vulnerable to this supply disruption. It has also attained that for all categories there is access to several alternatives. Currently the situation is managed out successfully so that availability of fruit and vegetables at our customers is secured and Greenyard continues to be acknowledged as a reliable, stable partner. Nevertheless, organizing all this proves to be a time-consuming and costly process.

Please note that the lower availability and higher prices of transport, energy and packaging, also stimulates the Group and its customers to reduce this consumption. For instance, by better loading trucks, by more energy efficient installations, by less use of packaging. This supports our ambitious sustainability goals.

Sustainability and Research & Development

1. Sustainability

Sustainability is an increasingly important and integral part of the Group's strategy. In September 2021 the Group updated its sustainability strategy and published its Sustainability Roadmap 2025 including a new set of commitments. The key commitments the Group has been working on over the past years on climate change, water, zero waste and social responsibility are being stretched and new targets have been added. The Group considers this an ongoing process and will report on the progress in its Sustainability Report. The Roadmap will be reviewed on a regular base and at least every three years.

The targets are embedded within the Group's activities, ensuring sustainability is at the heart of the operation. In parallel, several internal projects have been set up to help strengthen our governance structure, measure performance and manage continuous improvement on ESG matters (Environment, Social & Governance).

The Group prepares a separate sustainability report which complies with the requirements of Directive 2014/95/EU with regard to the disclosure of non-financial and diversity information by certain large undertakings and groups. The EU's reporting requirement directly affects listed companies such as Greenyard with more than 500 employees and/or a balance sheet total of over € 20m and/or a net turnover of over € 40m. The report includes information on the Group's efforts with regards to the environment, society, employees, human rights, anti-corruption and diversity. The latest report has been issued for AY20/21 in September 2021 and is available on the corporate website. The sustainability report for AY21/22 will be issued in September 2022. Some key figures are also included in this annual report. The Group is also working on ensuring its future reporting will be in line with the requirements of the upcoming EU Corporate Sustainability Reporting Directive (CSRD).

By publishing a dedicated sustainability report, the Group aims to provide a comprehensive and inspirational overview of its sustainability efforts at different levels within the organization and across the food value chain.

UN Sustainable Development Goals

The Group's Sustainability Roadmap is guided by the United Nations Sustainable Development Goals (SDGs) of which SDGs 2, 3, 8, 12 and 13 are considered as most relevant for the Group and linked to its own Sustainability targets.

- SDG 2 – Zero Hunger > Build a resilient and sustainable food chain
- SDG 3 – Good Health & Wellbeing > Promote healthy lifestyles with a diet based on fruits and vegetables
- SDG 8 – Decent Work and Economic Growth > Promote sustained inclusive and sustainable economic growth
- SDG 12 – Responsible consumption & production > Minimize food waste (12.3)
- SDG 13 – Climate action > Reduce our food print and build a resilient food supply chain while fostering nature respecting planetary boundaries

Next to this, the Group considers SDG 17 on Partnership as a key element for success. More detailed information on its approach can be found in the Group's Sustainability Report.

The United Nations 2030 Agenda for Sustainable Development and the 17 SDGs define in a clear way the global sustainable development priorities and aspirations for 2030. As one of the largest suppliers of fruit and vegetables in the world, by focusing on 5 key SDG's most relevant to the Group's activities and impact, the commitment to the implementation of the 2030 Agenda is expressed and deployed.

Sustainability Roadmap 2025

The Sustainability Roadmap was introduced in September of AY21/22 and helps us to structure and manage our performance over the coming years. The roadmap is based on the 5 mentioned SDGs and structured along three pillars that are crucial to create more sustainable food value chains.

1. Responsible and sustainable sourcing in compliance with environmental and social standards.
2. Improving the environmental footprint of our own operations.
3. Teaming up with customers to develop and promote healthy and sustainable food concepts.

The roadmap is supported by several internal programs to further improve the measurement of sustainability KPIs, embed sustainability targets in our daily management and build a sustainability culture in our company.

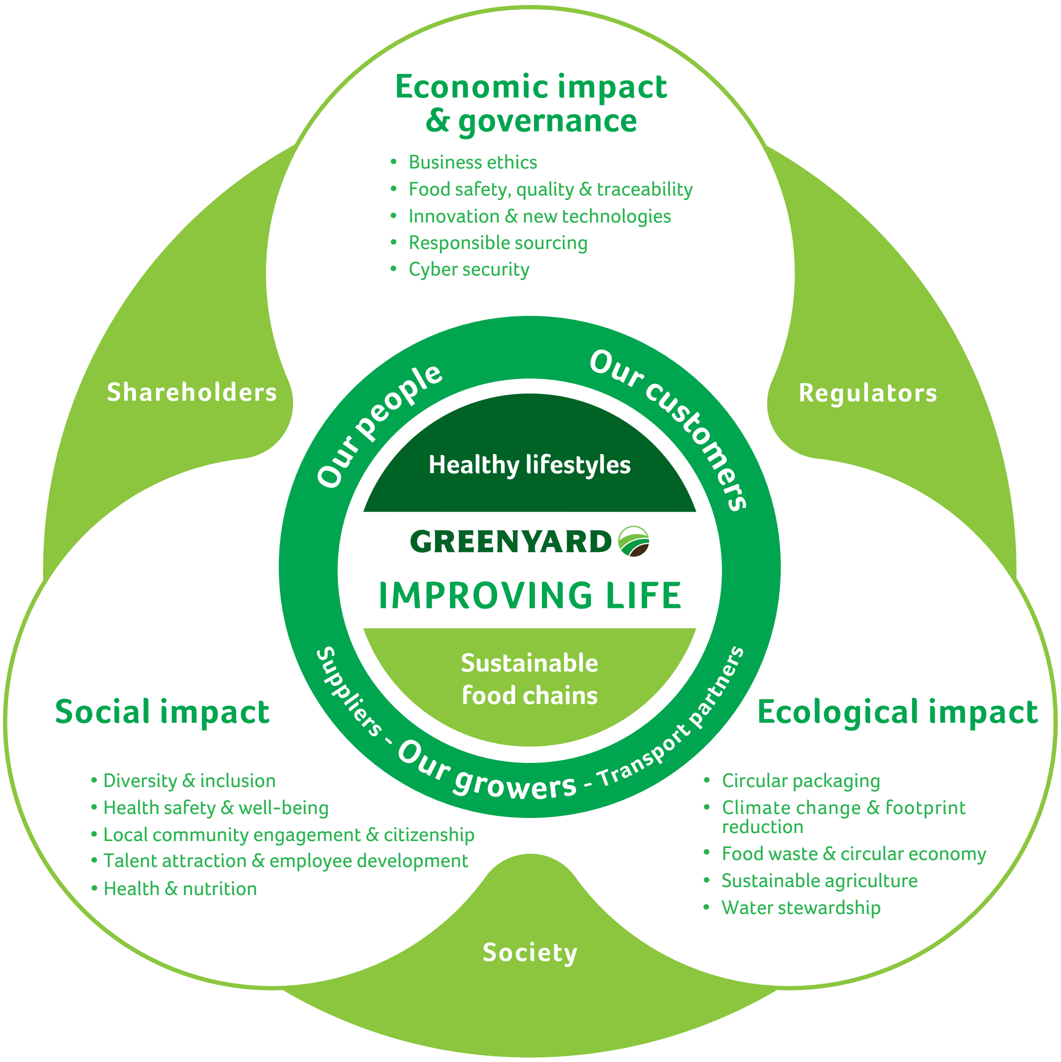
Materiality Assessment

The sustainability Roadmap is based on conversations with internal and external stakeholders and experts. The double materiality assessment that was performed beginning of 2022 considers how different material (sustainability) topics impact the Group's business and how the activities of the Group impact people and the environment. This materiality assessment resulted in a final set of 15 material topics and confirmed the key topics and targets addressed in the roadmap.

Sustainability Model

As part of the Sustainability Roadmap the company introduced a sustainability model to visualize how the 15 material topics are clustered around the core of Greenyard's purpose and business with a clear focus on healthy lifestyles and sustainable food value chains.

Some extra background on the key-topics of the roadmap is given below. For extra insights we refer to our sustainability report, available on the Greenyard website.



1.1. Responsible and sustainable sourcing

Food supply chains are complex and the physical distance between fork and field can be long. The company explicitly acknowledges the responsibility for supply chains and the social and environmental issues that may arise from them. The company actively focuses on social standards, responsibility, transparency and traceability, in close collaboration with growers and suppliers.

The Group sources its fruit and vegetables from a worldwide network of growers and suppliers. The Group builds strong, long-term partnerships with this network of growers and suppliers and believes this is the best way to team up and improve efficiency, ensure quality and availability and works on sustainable food chains.

With over 2.5 million tonnes of fruit and vegetables sourced worldwide each year, the Group puts extra focus on ensuring a sustainable food chain (on environmental and social aspects) and requires full compliance of growers and suppliers to all relevant applicable standards. The Group established the explicit ambition to only conduct business with suppliers who can vouch for their compliance with international and national employment legislation, particularly in risk regions.

Greenyard puts extra focus on products originating form high and medium risk countries and regions, driven largely by overseas and Mediterranean volumes from the Fresh division and adding up to approximately 50% of the overall volume in AY 21/22. Greenyard has committed to having 100% of its grower base in high and medium risk regions certified for social compliance by 2025. At present, about 80% of its grower base is certified for social compliance. Suppliers can assure social compliance using assessment tools and certification schemes.

While the Group has most impact by making food value chains more sustainable it also has business in specific certified products like Fair Trade and Organic Fair Trade volumes represent about 4% of Greenyard Fresh volumes. Volumes of organic products represent more than 7% of Greenyard Fresh volumes and more than 4% of Greenyard Prepared and Frozen volumes.

The company actively takes part in the 'Sustainability Initiative Fruit and Vegetables' (SIFAV) and their collaborative sustainability strategy for 2025. The new SIFAV program started in the course 2021. Beyond social compliance, all partners committed to reduce the environmental footprint (carbon footprint, food waste, water use) of priority products by 2025, while taking the first steps in improving living wages and income for farmers and implementing robust supply chain due diligence policies. All SIFAV topics are well in line with our sustainability targets.

To harmonize the way of working and ahead of regulatory developments (EU Sustainability Due Diligence Directive proposal) Greenyard has recently issued a Supplier Code of Conduct at group level highlighting our expectations towards suppliers in terms of environment, social and governance matters. Internally, the Group is taking measures to maintain and ensure an ethical business spirit through its Code of Conduct.

The Group also provides training to growers including optimising cultivation, reducing environmental impacts, transitioning to organic cultivation, and conserving nature.

1.2. Improving our footprint

The Group's most valuable supplier is nature. Healthy soil, good biodiversity and fresh water are crucial to grow the fruits & vegetables. Greenyard believes in the responsible and sustainable production of food and agricultural products. This is only possible if the Group teams up with its growers and suppliers and deals with its resources in a responsible way throughout the value chain and in its own operations.

The drivers in this pillar focus on climate action, water stewardship, (food) waste reduction, closing the loop through an effective waste & recycling policy and circular packaging. Responsible use of land and maintaining a good biodiversity are part of our agronomy approach.

Climate action

Fruit and vegetables have an exceptionally low carbon footprint compared to other food categories. Nonetheless, Greenyard is constantly striving to reduce our greenhouse gas emissions along the value chain. The ambitions in this domain are invigorated as we witness the consequences of climate change first-handed, with more frequent droughts and extreme weather events affecting growers all over the world.

The carbon footprint on the Group is measured by calculating our total Scope 1, Scope 2 and Scope 3 emissions. The footprint in terms of Scope 1 and 2 emissions covers the own operations (consisting of factories operated by Greenyard but excluding co-packers), warehousing (consisting of distribution centres operated by Greenyard but excluding third-party warehousing) and logistics performed with Greenyard's own truck and vehicles (consisting of fleets operated by Greenyard and including our company cars). Scope 3 emissions cover the fruit and vegetables the group is sourcing, third party logistics, packaging, waste, and business flights. The data is calculated and reported in line with the GHG-Protocol. The insights are used to set annual reduction targets and identify key initiatives to achieve them.

Greenyard has joined the Science Based Targets initiative (SBTi) and submitted corporate greenhouse gas emission reduction targets for its scope 1, 2 and 3 emissions in line with limiting the global temperature rise to 1.5°C. These targets were approved by SBTi in April 2022 (certificate GREN-BEL-001-OFF).

Greenyard commits to reduce its Scope 1 and 2 greenhouse gas emissions 70% by the end of 2030 compared to 2020 both by moving towards green energy, production of green energy on site and by reducing energy consumption where possible. The Group recognises its responsibility to also support the reduction of greenhouse gas emissions beyond its direct influence. Greenyard therefore also commits that 70% of its suppliers, by spend covering purchased goods and services, upstream and downstream transportation and distribution, will have science-based targets by the end of 2026.

Energy use is the prime source of greenhouse gas emissions in the Group's operations. In AY 21/22, the Group used 553.433 MWh of energy (excl. transport fuel). Scope 1 emissions amounted to 72,390 tonnes CO_2e, whereas Scope 2 emissions amounted to 55,775 tonnes CO_2e (market-based). The divestment of Greenyard Prepared Netherlands caused a significant reduction in energy use and greenhouse emissions, like-for-like greenhouse gas emissions decreased by 4% due to continued investments in energy efficiency and the switch to renewable and less CO_2-intensive energy sources.

The Group discloses its climate-related risks and impact under the terms of the CDP (2021 score B-), ensuring consistency in the information provided to stakeholders in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Zero (Food) Waste & Circular Packaging

The Group is committed to reduce waste and food loss to an absolute minimum in all its activities, from the processing of fruit and vegetables to the use of packaging materials. As a food producer, the company also has a major impact on preventing food waste, both during production and at the consumer end. In preventing food waste a good planning and close cooperation with both retailer and grower are the most important factors, the right storage and transport conditions and the right packaging can also play an important role. On packaging the company teams up with its customers and ensures compliance with packaging regulations which may differ per country next to this the Group strives for 100% recyclable packaging in 2025 and the use of recycled content in packaging.

The company generated around 196,000 tonnes of by-products and waste in AY21/22 which is comparable to previous years. The lion's share originates from processing activities in our Frozen and Prepared divisions, e.g. the steam peeling of carrots, pulses and peas. The majority of this by-product flow is used today as animal feed. This is today the best possible option for these streams matching ecology and economy. Presently close to 59% of the waste streams are re-used (e.g. animal feed, sludge) and 37% is recycled.

Another important source of food losses originates from limited shelf life or product quality issues in the Fresh division. It is important to understand that a part of this waste is unavoidable (e.g. peelings or products with quality issues), but the Group constantly aims to reduce waste and develops projects to optimize valorisation of these flows.

The first and most important strategy to minimise waste is the Group's "fork to field" strategy, and the integrated customer relationship approach. Within this approach customer demand is constantly matched with supply through – among others – planned production of our growers and optimized distribution form the Group's distribution centres to the warehouses of its customers. This unique and fully integrated customer model ensures a low amount of food waste in all parts of the value chain. More information on waste and recycling can be found in the Sustainability Report.

The Group seeks to reduce its packaging use every year as long as this does not have a negative effect on the shelf life of the products or on the recyclability of the packaging. Key metrics for the business are absolute primary packaging volumes and the share of recyclable packaging. In AY 21/22, the Group used about 68,000 tonnes of primary packaging for its products of which close to 99% is recyclable.

Water stewardship

Fresh water is a vital resource for growing fruit and vegetables and a crucial element in our production processes at Greenyard Prepared and Frozen, where we use it to wash, process and preserve our products. Within our Fresh division, we use water to wash vegetables and salads we use in our fresh cut convenience products. Knowing the true value of fresh water, the Group strives to reduce consumption and mitigate risks – not just in its own operations, but all through the value chain.

In AY 21/22 the Group consumed 4.16 million m^3 water in its own operations (mainly in Long Fresh). Like-for-like the water intensity for processed products increased slightly (5%) due to differences in the product mix. We aim to further reduce the water-intensity in our processing sites by 10% by 2025 (compared to 2019) through continued water-efficiency investments and increased wastewater treatment.

Next to its own operations the Group is mapping the water risk of its grower base using the WWF Water Risk Filter to identify basic risks. With a commitment to map the entire grower base by 2025 the Group has reached 61% in AY21/22. The Group discloses its water-related risks and impact under the terms of the CDP, it received the score B in 2021.

Biodiversity and responsible land use

The process of delivering high-quality fruit and vegetables to consumers starts in the field as does the focus on responsible resource use. The Group is committed to taking good care of the land so that it can keep on producing healthy food without exhausting its future potential. It has therefore taken measures in its operations to safeguard the natural balance and biodiversity. These measures include educating the growers and supporting them to work in more efficient ways.

EU Taxonomy

Greenyard falls under the scope of EU Taxonomy Regulation (EU 2020/852), as such and as per Taxonomy Disclosure Delegated Act of (EU 2021/2178) it should disclose the share of eligibility and non-eligibility of its activities for the first two annexes of Climate Delegated Act (EU 2021/2139; Annex I on climate change mitigation and Annex II on climate change adaptation) in AY21/22.
The Group undertook a screening exercise with a specialised consultancy. Greenyard's key revenues generating activities consist of the wholesale and distribution of fresh fruit and vegetables and the production of frozen and prepared fruit and vegetables. These activities are not covered in either of the annexes of the Climate Delegated Act. As such, the exercise concluded that the share of eligible turnover was not material (<1%). Further calculations in terms of CAPEX and OPEX were not deemed relevant at this stage. Therefore, AY21/22 Taxonomy-eligibility of Greenyard's turnover, CAPEX and OPEX is 0% and Taxonomy non-eligibility of the same KPIs is 100%. Further developments of the EU Taxonomy Regulation are being monitored, the Group expects its activities to be relevant in terms of the annexes on circularity and biodiversity.

1.3. Teaming up with customers to develop and promote healthy and sustainable food concepts

A driving force is Greenyard's Integrated Customer Relationship (ICR) approach. The Group's ambition is to develop product ranges that appeal to modern consumers and inspire them to live a healthier life while ensuring the responsible and sustainable sourcing of these products. The Group recognises that for achieving its ambition to be a responsible supplier of high-quality, healthy and sustainable products, it needs to have strong collaboration with several partners along the value chain starting by understanding the demands in a fork to field (consumer to grower) approach.

This close collaboration has allowed the Group to give sustainability a central focus. Several entities collaborate with other business partners, both in food and non-food sectors, who share similar beliefs. The Group's engagement for partnerships goes beyond the supply chain by supporting several local and social engagement projects.

The Group encourages people around the world to follow healthy diets by offering a broad range of healthy fruit & vegetables as well as convenience products based on fruit & vegetables that are available throughout the year. This is backed up by ensuring that stringent food safety standards to protect people's health are at the top of the Group's priorities. The Group is also fully committed to safeguarding the well-being, health and safety of its employees. This pillar aims to empower everyone working for the Group and to encourage and support them in developing their knowledge, skills and talents.

One of the main challenges for global agriculture is the rising demand for products. Driven by a growing world population, a higher average life expectancy and land scarcity, agriculture needs to find solutions to ensure that enough high-quality food is accessible for everyone. The Group's ambition is to support new alternatives, such as innovative techniques, technologies and infrastructure, which will be key enablers of future food security.

Healthy & sustainable diet

Fruit and vegetables form the basis of any healthy and balanced diet. They contain fibres, minerals and vitamins that are essential to our well-being. However, research shows that on average people still only eat 60% to 70 % of recommended daily allowances. The Group sees it as its mission to contribute to healthier and more sustainable eating habits for everyone.

The Group works closely with its customers to provide people with an attractive and varied assortment of fresh produce year-round. It jointly develops innovative concepts to promote and boost consumption of fruit and vegetables. The Long Fresh segment turns fruit and vegetables into convenience products that are always available, independent of the season.

Additionally, the Group takes into account the nutritional value, by reducing salt and sugar content in prepared products without compromising the unique taste of the products.

Food safety

The Group shares a fundamental responsibility in ensuring that consumers can trust the safety and quality of all its products. Therefore, all the Group sites comply with the most stringent international food quality standards (e.g. IFS, QS, BRC).

In order to comply with these standards, the Group's focus on food safety and quality covers the entire production chain, starting in the fields with the raw materials. All growers and suppliers must comply with clear and strict product specifications. From that point on, the Group assures quality using advanced control systems and inspection equipment, combined with visual inspections by experienced quality specialists.

1.4. Employees

The fundament or backbone of the above mentioned 3 pillar approach to sustainability are our employees. The passion for their job and commitment of our approximately 9,000 employees across the globe make Greenyard the global leader in fruits and vegetables it is today. The company has a clear focus to create a safe haven for its broad and diverse workforce: everyone working in the offices, warehouses or factories in Europe and the USA and working remotely in the countries across the globe where the company sources its products.

Providing a safe and healthy work environment

The Group values its employees and is committed to providing a safe, healthy and inclusive working environment for every single one of them. The Group inspires its employees to take initiative and improve the safety of the organisation in any way they can. Despite the clear focus on safety in AY 21/22, the Group recorded 296 working accidents resulting in lost time. The Group aims to continuously reduce this number.

Talent Development

The Group offers several formal and informal training and development programs. In AY 21/22, the Group provided on average 13 hours of training per employee.

Diversity, inclusion & ethical business behaviour

The Group's workforce is a reflection of social diversity with more than 80 different nationalities working at the various locations. Recruiting the right people with the right skills and mindset is a key priority of its human resources strategy. The Group recognises its role in society and therefore wants to be an active provider of social employment.

Through its Code of Conduct, the Group has a set of rules outlining the unified social norms and responsibilities for all its operations. It explains and details the commitment in respect to diversity, human rights, fair employment, fraud, anti-corruption, environment, health and safety and privacy issues.

Every person working at the Group is subject to the Code. It provides the employees with guidance and solid principles to follow, even in complex situations. The Group has made a special effort to reach all employees by translating the Code into 12 languages.

In the past AY21/22 a special campaign was launched to encourage employees to speak up if they would encounter any possible breaches with the Code of Conduct or if they feel in any way not included within the company. This can be done via their manager, HR or a trust person. Next to this Greenyard has a whistle blowing policy.

Equal opportunities are a logic and key-element within the HR approach of the Group. Diversity (cultural, inter-generational, linguistic, between men and women, etc.) is a connected and important topic. The company continuously looks at who is “best fit for the job” and simultaneously focuses on moving towards a gender balance at all levels. Female employees represent 33% of our workforce, while 28% of the employees were older than 50.

This year, the Group has not recorded any lawsuits regarding non-compliance with human right, anti-corruption and fraud regulations.

2. Research & development

The Group has a consumer-centric approach to product development which involves taking into account consumer needs such as health, convenience, pleasure, affordability and sustainability with the goal of driving forward product innovation in each division. In the past accounting year, as well as in previous years, many new products, product varieties, dishes and packaging have been developed and successfully marketed. Some of these products have also been recognised for their innovative character and nominated for industry awards.

Development quality and the circulation of information throughout the organisation are monitored throughout the process by the internal research and development (R&D) departments. Fresh and Long Fresh employ respectively 20 and 8 dedicated permanent staff in order to develop new products and engage in research partnerships. There are currently a number of R&D programmes in place, which are co-financed by external national and international institutions. The Group’s R&D budget amounts to € 3,0m.

The Group’s food processing operations continue to invest in the best-performing and innovative machinery and installations, allowing them to develop products at a rapid pace, in step with market trends and consumer expectations.

Important events after balance sheet date

In May 2022, Greenyard reached an agreement with a real estate investor on the lease-and-lease-back of its facility of the Greenyard Prepared division in Bree, Belgium. The transaction generates around € 90m proceeds, net of tax which will be fully used to voluntarily repay bank debt.

There are no other major events subsequent to the balance sheet date which have a major impact on the further evolution of the Group.

Corporate governance statement

Governance principles

Greenyard applies the Belgian Code on Corporate Governance which came into force on 1 January 2020 (*the 2020 Code*), replacing the 2009 Code, and uses it as a reference code in accordance with article 3:6 (§2) of the Belgian Companies and Associations Code (*BCAC*). The BCAC has been fully applicable to Greenyard since 17 October 2019, the date Greenyard's articles of association as amended in accordance with the BCAC, were published in the Belgian Official Gazette.

The most important aspects relating to Greenyard's governance policy - in particular the role, responsibilities, composition and functioning of the Board of Directors, its advisory Committees, the Executive Management and the Leadership Team - are set out in Greenyard's Corporate Governance Charter. The Board of Directors revises the Corporate Governance Charter regularly and, where needed, makes modifications. The Charter, adopted by the Board of Directors on 2 July 2015, was amended on 26 March 2020 to comply with the 2020 Code. The most recent version of the Corporate Governance Charter may be consulted on the Company's website (www.greenyard.group).

The Corporate Governance Charter and its annexes include the terms of reference of the Board of Directors, its advisory Committees, the Executive Management and the Leadership Team respectively, as well as the Code of Conduct and the Dealing Code (see 6., below). These internal policy documents are available on the Greenyard website and give an overview of Greenyard's governance.

2020 Corporate Governance Code

The Company meets the provisions provided for by the 2020 Code, except as explicitly otherwise stated and justified in this Corporate Governance Statement. The 2020 Code applies the 'comply or explain' principle, meaning that any deviations from the recommendations must be justified.

As at the date of this Financial Report, Greenyard fully complies with the provisions of the 2020 Code, except for a limited number of deviations in relation to executive and non-executive remuneration as set out in provisions 7.6 and 7.9 of the 2020 Code. The deviations are indicated and explained in the relevant sections of this Statement.

The 2020 Code is available online at www.corporategovernancecommittee.be.

Governance structure

Greenyard has opted to maintain a one-tier governance structure, as referred to in articles 7:85 *et seq*. BCAC. At least every five years, the Board of Directors will evaluate whether the chosen governance structure is still appropriate.

The Board of Directors - as a collegial management body - is therefore empowered to carry out all acts necessary or useful to accomplish Greenyard's aims, except those reserved, by law or articles of association, for the Shareholders' Meeting. The Board of Directors has delegated specific management powers to Greenyard's co-Chief Executive Officers who, together with the Chief Financial Officer, act within the framework of an Executive Management.

1. Board of Directors

1.1. Composition of the Board of Directors

Principles

In accordance with Greenyard's articles of association, the Board of Directors consists of at least three directors. The Corporate Governance Charter stipulates that at least half of the directors are non-executive and at least three are independent within the meaning of article 7:87 (§1) BCAC, and therefore meet the criteria as set out in provision 3(5) of the 2020 Code. Directors are appointed for no more than four years and may be re-elected.

The composition of the Board of Directors is such that it must provide a proper balance of experience, knowledge, and competencies, and sufficient expertise in the various activities of Greenyard that enables optimal fulfillment of the role of the Board of Directors.

Moreover, the following principles must also be applied:
- conformity with diversity requirements and sufficient expertise in Greenyard's areas of activity;
- conformity with specific gender diversity requirements;
- conformity with the specific qualitative requirements on individual members set out in the Corporate Governance Charter, including an independent and enterprising personality, an impeccable reputation and proper business ethics;
- application of the defined age limit of 70 years, as a result of which the term of a director shall end on conclusion of the Annual Shareholders' Meeting in the calendar year in which the director turns 70 years of age unless the Board of Directors resolves otherwise at the proposal of the Nomination and Remuneration Committee;
- no more than five appointments as director of a listed company.

Membership of the Board of Directors as at 31 March 2022

As at 31 March 2022, the Board of Directors consisted of nine members:
- with the exception of co-CEO Deprez Invest NV (permanently represented by Mr Hein Deprez), all directors are non-executive directors;
- four independent directors meeting the independence criteria set out in article 7:87 (§1) BCAC and provision 3(5) of the 2020 Code (which criteria are also fulfilled by their permanent representatives);
- one third of the directors are of a different gender than the other directors in accordance with article 7:86 BCAC.

Moreover, the Board of Directors meets the diversity requirements in respect of educational background, professional experience, knowledge and expertise (see below).

Changes in the composition of the Board of Directors during AY 21/22

The mandates of all directors, with the exception of Ahok BV (permanently represented by Mr Koen Hoffman) and Aalt Dijkhuizen B.V. (permanently represented by Mr Aalt Dijkhuizen), expire at the end of the Annual Shareholders' Meeting with respect to AY 22/23.

The directorship of Aalt Dijkhuizen B.V. (permanently represented by Mr Aalt Dijkhuizen) as independent director has been renewed in 2020 until the end of the Annual Shareholders' Meeting with respect to AY 23/24.

The mandate of Ahok BV (permanently represented by Mr Koen Hoffman) expires at the 2022 Annual Shareholders' Meeting. Upon advice of the Nomination and Remuneration Committee (in which deliberations and decision-making Ahok BV as a member of this Committee did not take part), the Board of Directors will propose to the Annual Shareholders' Meeting of 16 September 2022 that the mandate of Ahok BV (permanently represented by Mr Koen Hoffman) as independent director in the meaning of article 7:87 (§1) BCAC and the 2020 Code, be renewed for a new four-year term, expiring at the end of the Annual Shareholders' Meeting with respect to AY 25/26. In view of his added value as a director and Chairman of the Board of Directors, and the diligent and thorough way in which he fulfils this role, the Board of Directors considers that his reappointment is recommended for and will contribute to the well-functioning of the Board of Directors.

Ms Hilde Laga has decided, with a view to pursuing new professional opportunities, to voluntarily resign as independent director of the Company, with effect from 16 September 2022, immediately after the end of the 2022 Annual Shareholders' Meeting. In view of her succession, a search for a new profile contributing to a balanced and diversified composition of the Board of Directors is ongoing. The aim is to propose a new candidate-independent director for appointment to the Annual Shareholders' Meeting of 16 September 2022.

In view of the directors' mandates which expire at the next Annual Shareholders' Meeting of 2023, an in-depth assessment has been initiated of the competencies, skills and knowledge already present and needed to arrive at a balanced and diversified composition that represents the expertise and experience required for Greenyard, while also ensuring an adequate level of continuity.

Composition of the Board of Directors as at 31 March 2022

Director's name	Appointment Date	Re-appointed at	End of term
Aalt Dijkhuizen B.V., rep. by Aalt Dijkhuizen(1)	21/02/2017	18/09/2020	AGM 2024
Ahok BV, rep. by Koen Hoffman(1) and (3)	04/10/2017	-	AGM 2022(4)
Alychlo NV, rep. by Marc Coucke	01/04/2021	-	AGM 2023
Bonem Beheer BV, rep. by Marc Ooms	19/06/2015	20/09/2019	AGM 2023
Deprez Invest NV, rep. by Hein Deprez(2)	19/06/2015	20/09/2019	AGM 2023
Galuciel BV, rep. by Valentine Deprez	18/02/2021	-	AGM 2023
Gescon BV, rep. by Dirk Van Vlaenderen(1)	05/07/2016	20/09/2019	AGM 2023
Hilde Laga(1)	25/11/2014	20/09/2019	AGM 2022(5)
Management Deprez BV, rep. by Veerle Deprez	19/06/2015	20/09/2019	AGM 2023

(1) Independent director within the meaning of article 7:87 (§1) BCAC.

(2) The Board of Directors delegated the daily management of Greenyard to director Mr Hein Deprez (as permanent representative of Deprez Invest NV) for an indefinite period from 1 February 2018. He bears the title of co-Chief Executive Director and Managing Executive Director.

(3) Chairman of the Board of Directors.

(4) The renewal of the mandate of Mr Koen Hoffman (as permanent representative of Ahok BV) as independent director of the Company will be submitted to the Annual Shareholders' Meeting of 16 September 2022.

(5) Ms Hilde Laga has decided to voluntarily resign as independent director of the Company effective immediately after the end of the Annual Shareholders' Meeting of 16 September 2022.

Biographies

The following paragraphs set out the biographical information of the members of the Board of Directors as at 31 March 2022, including information on other director mandates held by these members:

Hein Deprez I co-Chief Executive Officer and Managing Executive Director (°1961)
Permanent representative of Deprez Invest NV
Please refer to the *Composition of the Executive Management* for Mr Hein Deprez's biography.

Aalt Dijkhuizen I independent director (°1953)
Permanent representative of Aalt Dijkhuizen B.V.
Mr Aalt Dijkhuizen has a Ph.D. in Animal Health Economics and a master's degree in Agricultural Economics. He is a former Managing Director of the Agri Northern-Europe Business Group of Nutreco and, from 2002 to 2014, served as President and CEO of Wageningen University & Research. From 2014 to 2020, he was President of Topsector Agri & Food in the Netherlands. He is currently a supervisory board member at Royal De Heus, Hendrix Genetics and Ploeger Oxbo Group (Chairman) and co-director of the Holland Center in China. Formerly, he served as Chairman of the Food & Beverage Innovation Forum in Shanghai and acted as high-level expert to the European Commission in Brussels. Mr Dijkhuizen was awarded Honorary Citizen of Fujian Province in 2008, and Commander of the Order of Orange-Nassau in the Netherlands in 2014.

Dirk Van Vlaenderen I independent director (°1959)
Permanent representative of Gescon BV
Mr Dirk Van Vlaenderen has a master's degree in Applied Economics. He was an Arthur Andersen LLP partner from 1993 and a member of the audit management committee and Managing Partner at Deloitte from 2002 until 2016. He has served a wide range of national and international companies as statutory auditor. He was also a lecturer at the Universities of Brussels and Leuven in IFRS Basics and Reporting in an International Context. He serves as a board member at other companies including at listed companies Accentis SA and IEP Invest NV.

Hilde Laga I independent director (°1956)
Holding a Ph.D. in Law, Ms Hilde Laga is founding partner of Laga, the law firm which she led as Managing Partner, and where she was head of the corporate M&A practice until 2013. Until 2014 she served as a member of the supervisory board of the Financial Services and Markets Authority. She is a member of the Belgian Corporate Governance Committee and serves as an independent board member at listed companies Barco, Gimv (Chairman) and Agfa-Gevaert.

Koen Hoffman I independent director and Chairman of the Board of Directors (°1968)
Permanent representative of Ahok BV
Mr Koen Hoffman obtained a master's in Applied Economics and an MBA at Vlerick Business School. Between 1992 and July 2016, he was active at KBC Group where he began his career in the corporate finance department becoming CEO of KBC Securities in October 2012. Since August 2016, he has been the CEO of the asset management company Value Square. Mr Koen Hoffman serves also as an independent board member at listed companies Fagron (Chairman), MDxHealth (Chairman) and SnowWorld (Chairman).

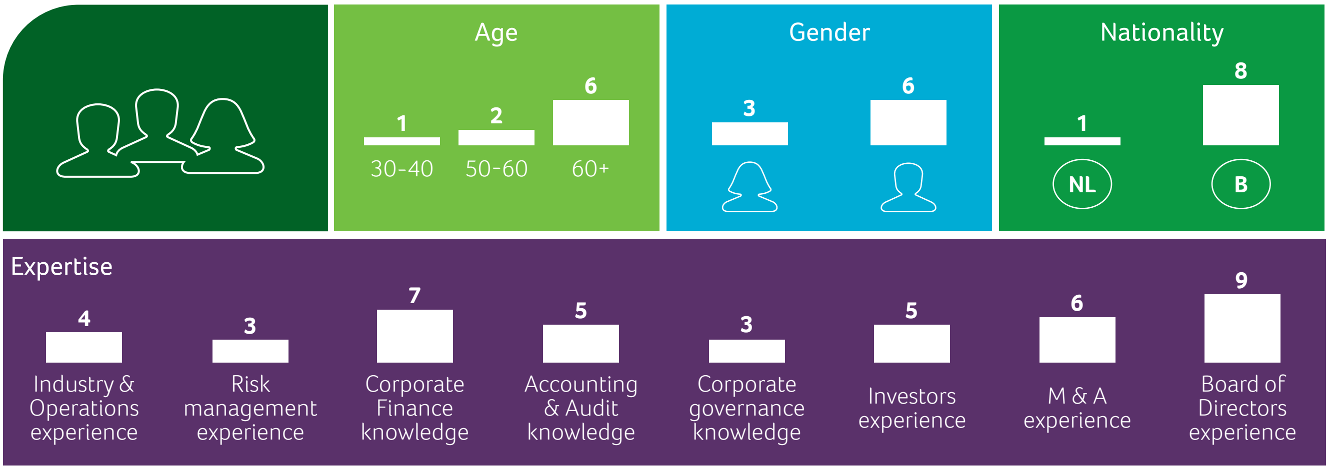
Marc Coucke I non-executive director (°1965)
Permanent representative of Alychlo NV
Mr Marc Coucke graduated as a pharmacist from the University of Ghent and obtained an MBA at Vlerick Business School. He is the founder and former CEO of Omega Pharma. Following the sale of Omega Pharma, Mr Coucke currently invests through Alychlo NV, in several listed and non-listed companies and technologies. He serves as a board member of Fagron, Smartphoto Group, Animalcare Group and a number of private companies.

Marc Ooms I non-executive director (°1951)
Permanent representative of Bonem Beheer BV
Mr Marc Ooms was General Partner of the Petercam group, a Benelux Investment Bank, and Chairman of Petercam Bank Nederland until 2011. He is currently a private equity investor and on the board of several companies including SEA-invest Corporation, Baltisse, BMT, Universal Partners and De Weide Blik.

Valentine Deprez I non-executive director (°1989)
Permanent representative of Galuciel BV
Ms Valentine Deprez holds a Master of Arts in Art History from the Catholic University of Leuven, went to Vlerick Business School and holds a Postgraduate Diploma in Hospitality from the Glion Institute of Higher Education in Switzerland. Being born into the Company's founding family, Ms Deprez has been involved with the business from a very early stage. Besides her mandate as director, she is active as an executive coach.

Veerle Deprez I non-executive director (°1960)
Permanent representative of Management Deprez BV
Ms Veerle Deprez started her career with Alcatel Bell in 1980. In 1987, with her brother, Mr Hein Deprez, she laid the foundations of Univeg, which would later become the Greenyard Fresh segment. Ms Deprez also serves as a board member at listed companies Fagron and Tessenderlo Group, as well as at various companies belonging to the Group and De Weide Blik group.

Diversity in the Board of Directors



Greenyard strives for diversity within the Board of Directors, creating a mix of executive, non-executive and independent directors.

Greenyard has put in place a procedure in the context of the appointment and renewal of mandates of the members of the Board of Directors and the appointment of the members of its Committees. In the Corporate Governance Charter, this procedure is set out. This procedure is designed to foster a complementarity of skills, experience, knowledge, age diversity and educational and professional background in the composition of the Board of Directors and its specialized Committees, while ensuring compliance with, amongst others, article 7:86 BCAC. All this in addition to focusing on the expertise and professional integrity required to exercise their duties. In the context of the self-assessment exercise, particular attention is also given to ensuring complementarity and diversity in the composition of the Board of Directors and its Committees.

The successful effects thereof are reflected and realized in the Board of Directors' composition, which, as at 31 March 2022, comprises three female directors out of a total of nine, thereby ensuring compliance with the requirements on gender diversity as laid down in article 7:86 BCAC. The Board has representatives of two nationalities and from different age categories, and the directors have complementary experience and knowledge and come from diverse educational and professional backgrounds, as evidenced in their biographies (see above).

1.2. Role and responsibilities of the Board of Directors

Role of the Board of Directors

The role of the Board of Directors is to define a value-based strategy to achieve sustainable long-term success for Greenyard. As a collegial body, the Board of Directors oversees the performance of the Company and pursues sustainable value creation by Greenyard, by establishing and assuring effective, responsible and ethical leadership as well as efficient risk management and control.

It determines, following proposals from Executive Management, the Company's strategic direction over the medium and long term, and regularly reviews and evaluates the implementation of this strategy.

The Board evaluates the levels of risk Greenyard is willing to take to achieve its strategic objectives and assures the necessary financial and human resources for Greenyard to achieve its goals.

The Board of Directors further supports and monitors the Executive Management in the fulfillment of its duties and constructively challenges its members whenever appropriate.

Role of the Chairman of the Board of Directors

Independent director Mr Koen Hoffman (as permanent representative of Ahok BV) has been Chairman of the Board of Directors since 1 February 2018. He is appointed Chairman for the duration of his term of office as director. As a consequence, he will continue to chair the Board of Directors when being reappointed as a director by decision of the 2022 Annual Shareholders' Meeting.

The Chairman presides over the meetings of the Board of Directors to ensure that decision-making is carried out in the most constructive and efficient way, in an open and respectful atmosphere. He chairs the Shareholders' Meetings, ensures effective communication with shareholders and has the prime liaison role with shareholders for all matters falling within the Board of Directors' competence. He seeks to develop effective interaction between the Board of Directors and the Executive Management.

Activities of the Board of Directors in AY 21/22

The Board of Directors convenes as often as the interest of the Company requires, sufficiently regularly to perform its duties and responsibilities effectively, and in any case at least six times a year on predefined dates. In principle, the decisions are taken by a simple majority of votes. However, the Board of Directors strives to take the resolutions by consensus. The functioning of the Board of Directors is regulated by the articles of association and by its terms of reference as included in the Corporate Governance Charter.

The Board of Directors met seven times during AY 21/22. The two Board of Directors' meetings which took place successively on the same day have been taken into account as two distinct meetings.

Given the continuing COVID-19 pandemic and all related safety measures, the Board of Directors was unable to hold regular in-person meetings. Instead of in-person meetings, the Board of Directors' meetings were held in digital format or, in so far possible given the nature of the decision, Board of Directors' decisions were taken by written unanimous consent of the directors in accordance with article 7:95 BCAC and article 19 of the Company's articles of association. Four meetings of the Board of Directors (out of the seven meetings in total) took place by videoconference. The procedure for unanimous written decision-making within the meaning of article 7:95 BCAC was applied nine times.

All meetings were attended by the Company Secretary, Ms Fran Ooms, legal counsel. The overall attendance rate of the directors for the Board of Directors' meetings was 100%.

During its meetings in AY 21/22, the Board of Directors dealt with the following matters:
- Business and financial updates by the Executive Management reporting on the operational (including the integrated customer relationships) and financial performance at Group and division level;
- (Re)appointment of (candidate) independent directors, subject to approval by the 2022 Annual Shareholders' Meeting;
- Analysis and approval of:
  - the 2030 Strategy Plan, including Greenyard's objectives of sustainable value creation and updates to the 2021-2025 Long-Range Plan, and
  - the Budget for AY 22/23, elaborated under the leadership of and proposed by the Executive Management;
- Follow-up on the implementation of the Sustainability Roadmap for 2025 and monitor Greenyard's performance relating to its sustainability & ESG commitments and objectives, as laid down in its sustainability report AY 20/21;
- Approval and follow-up of the implementation by the Executive Management of a risk management roadmap & framework;

- Monitoring of the status of and approval of (potential) divestments, and business development and investment opportunities (such as, the disposal of Greenyard Prepared Netherlands B.V. and Greenyard's stake in the joint venture Bardsley Fruit Enterprises Ltd. and the launch of the divestment process for Greenyard Fresh UK Ltd.);
- Approval of a new share buyback program whereby 600 000 Greenyard shares in total were acquired for the purpose of meeting the Company's obligations arising from existing incentive plans;
- Follow-up on forecasts review by the Executive Management, including an assessment of the impact of the COVID-19 pandemic, inflation increase and geopolitical tensions in Eastern Europe on the business and/or forecasts, and the mitigating measures taken by the Executive Management;
- Convening of the 2021 Annual Shareholders' Meeting, including preparation of the resolutions to be submitted for approval to the shareholders, and review and approval of Greenyard's financial reporting;
- Evaluation and analysis of the performance of the members of the Executive Management, upon the recommendation of the Nomination and Remuneration Committee;
- Monitoring of compliance with the Code of Conduct, and in this context, the implementation of a new whistleblowing tool, within the framework of the reporting by the Audit Committee;
- Follow-up on the Market Abuse Regulation requirements, particularly on the disclosure of inside information;
- Approval of press releases prepared for the announcement of the bi-annual and annual financial results, as well as all other press releases labelled as regulated information during AY 21/22.

1.3. Evaluation of the Board of Directors – self-assessment

In accordance with the 2020 Code and its terms of reference, the Board of Directors regularly evaluates (at least every three years) the Board's size, composition and functioning, and that of its advisory Committees, as well as its performance and its interaction with the Executive Management. The aim is to encourage continuous improvement in the corporate governance of Greenyard by recognizing the Board of Directors' strengths while identifying areas for improvement. The Board of Directors' self-assessment exercise is coordinated by the Company Secretary, under the leadership of its Chairman, and is monitored by the Nomination and Remuneration Committee.

The self-assessment exercise has the following main objectives:
- Verify whether the current Board's composition represents sufficient expertise in the Greenyard's areas of activity;
- Assess the directors' actual contribution in terms of presence and constructive involvement;
- Verify whether the chosen one-tier governance structure is still appropriate;
- Appraise the Board's operation and the execution of its responsibilities;
- Verify whether the interaction with the Executive Management takes place transparently;
- Seek views on the current remuneration policy for non-executive directors.

The Board of Directors carried out its most recent self-assessment at the end of AY 19/20. The outcome of the evaluation was satisfactory and positive in respect of the current governance structure, the cooperation and dynamic within the Board of Directors, the interaction with its advisory Committees and the Executive Management, and the contribution of each director and their level of commitment. Certain proposals to continue to improve the Board's efficient functioning have been further elaborated and implemented. A new self-assessment exercise is foreseen and planned for AY 22/23.

When the renewal of a directorship is being considered, the Nomination and Remuneration Committee will assess the commitment and constructive involvement of the director concerned in Board discussions and decision-making in the light of its recommendation to the Board of Directors. The Board of Directors ensures that any appointment or re-election allows an appropriate balance of skills, knowledge and experience to be maintained.

The non-executive directors evaluate on a regular basis their interaction with the Executive Management. In this respect, non-executive directors shall meet at least once a year in absence of the Managing Executive Director, who is the only executive director within the Board of Directors. This occurred during the meeting of the Board of Directors on 17 February 2022 in the context of topics pertaining to Executive Management members' remuneration to be discussed and decided upon, without the presence of any executive member, including the Managing Executive Director. In addition, non-executive directors have regular contact with each other whether or not in the context of advisory Committee meetings, the minutes of which are made available to all directors, upon their request.

2. Advisory Committees to the Board of Directors

The Board of Directors is assisted by two permanent advisory Committees: (i) the Audit Committee (see 2.1, below) and (ii) the Nomination and Remuneration Committee (see 2.2, below). The existence of the Committees does not decrease the responsibility of the Board of Directors as a whole. The Committees do not have the power to take binding decisions, as the decision-making remains the collegial responsibility of the Board of Directors, nor shall the Committees formulate Greenyard's strategy.

Their roles, tasks, functioning and composition have been set out in accordance with the BCAC and the recommendations of the 2020 Code and are described in their respective terms of reference, as attached in an annex to the Corporate Governance Charter.

2.1. Audit Committee

Composition

The Audit Committee comprises at least three non-executive directors appointed by the Board of Directors. At least one member of the Committee is an independent director in accordance with article 7:87 (§1) BCAC, who satisfies the criteria set out in provision 3(5) of the 2020 Code.

As at 31 March 2022, the Audit Committee comprises the following members:

Dirk Van Vlaenderen (as permanent representative of Gescon BV)	independent director and Chairman of the Audit Committee
Hilde Laga	independent director
Veerle Deprez (as permanent representative of Management Deprez BV)	non-executive director

As of 1 April 2021, resigning director Mr Johan Vanovenberghe (as permanent representative of Intal BV) was succeeded as a member of the Audit Committee by Ms Veerle Deprez (as permanent representative of Management Deprez BV).

All the members of the Audit Committee have expertise related to the activities of the Company and relevant experience in accounting, auditing and finance to fulfil the Audit Committee's role effectively, as evidenced by the members' professional biography (see above). With regard to the competencies of the members of the Audit Committee, particular reference is made to the biography of Mr Dirk Van Vlaenderen, Chairman of the Audit Committee, who has gained extensive expertise in the field of accounting and auditing as a former statutory auditor and Managing Partner at Deloitte and, as an independent director complies with article 7:87 BCAC.

The Chief Financial Officer has a standing invitation to attend meetings of the Audit Committee, in an advisory capacity. The Audit Committee decides whether and when the co-Chief Executive Officers, the statutory auditor and other persons may attend its meetings. At least twice a year the Audit Committee meets the statutory auditor and the person responsible for internal auditing in the Company to exchange views on the audit process, including any (potential) issues identified in the control.

Role and responsibilities

The Audit Committee supports the Board of Directors in fulfilling its supervisory and monitoring responsibilities with a view of monitoring to the largest extent, including risk control. In this respect, the Audit Committee is, at a minimum, responsible for notifying the Board of Directors of the outcome of the statutory audit of the annual and consolidated accounts and explaining how the audit contributes to the integrity of the financial reporting and what role the Audit Committee had in that process.

The Audit Committee also monitors the financial reporting process, the efficiency of the internal control and risk management systems, and the internal audit and its efficiency. In addition, the Audit Committee assesses the independence of the statutory auditor and verifies whether the provision of additional services to Greenyard is appropriate. It reports regularly to the Board of Directors on the fulfilment of its duties.

More detailed information on the Audit Committee's responsibilities can be found in the Company's Corporate Governance Charter on Greenyard's website (www.greenyard.group).

The Audit Committee regularly, at least every three years, evaluates its functioning, efficiency and terms of reference. The most recent formal self-assessment exercise was conducted at the end of AY 19/20. The key findings are published in the Annual Report with respect to AY 19/20. The next self-assessment will be performed in AY 22/23.

After each Audit Committee meeting, the Chairman of the Committee (or, in his absence, a designated member of the Committee) reports on its activities and conclusions to the Board of Directors subsequent to each Audit Committee meeting. When reporting to the Board of Directors, the Audit Committee identifies the issues on which it considers that action or improvement is required or advisable and makes recommendations on the measures to be taken. The approved minutes of Audit Committee meetings are made available to directors in the Company Secretary's office or through the online board portal which is accessible to all directors.

Activities during AY 21/22

The Audit Committee met on four occasions during AY 21/22. Three out of the four meetings took place by videoconference. The attendance rate of the Audit Committee members for its meetings was 100%.

Both the statutory auditor Deloitte Bedrijfsrevisoren BV (represented by Mr Kurt Dehoorne) and the corporate internal auditor participated in three meetings.

The Audit Committee has been engaged in the following main dossiers and items during AY 21/22:
- Monitor the financial reporting process, and in particular the Group's consolidated quarterly, half-yearly and annual results and the Company's annual and consolidated financial statements;
- Monitor specific consolidation-related matters and the accounting treatment for specific IFRS operations and applications;
- Monitor and evaluate the statutory auditor's performance, including controlling the one-to-one rules;
- Monitor and evaluate, in the presence of the corporate internal auditor, the internal audit function, including the internal audit plan for AY 22/23, as well as the findings of the internal audit activities and controls in AY 21/22;
- Monitor the Group's internal control improvements and risk management systems and their efficiency (with particular focus on cybersecurity), including follow-up on the findings of the risk management exercise conducted under the leadership of the Executive Management and make recommendations on the proposals in respect of risk management, submitted to the Board of Directors;
- Follow-up on pending litigations and material claims reported by Group entities;
- Monitor the launch of a preliminary selection procedure for candidate audit firms, meeting the selection criteria for pre-qualification, in view of the audit tender process to be initiated in AY 22/23 to comply with the applicable external rotation rules as laid down in the applicable Audit legislation[1];
- Monitor relevant regulatory developments, including the EU Corporate Sustainability Reporting Directive and EU Taxonomy, and assess the impact on, amongst others, the sustainability reporting process, including for the purpose of obtaining external assurance;
- Follow-up on and approve the updated Greenyard Whistleblowing policy (to comply with EU Whistleblowing Directive requirements and to further increase its effectiveness) and the implementation of a new whistleblowing tool enabling all Greenyard employees to report via a web-based reporting system in a confidential manner, and even anonymously, about illegal practices or breaches of the Code of Conduct and/or applicable regulations or rules.

[1] Regulation (EU) No. 537/2014 of the European Parliament and the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission decision 2005/909/EC and the Act of 7 December 2016 regarding the organization of the profession of and the public supervision on auditors.

2.2. Nomination and Remuneration Committee

Composition

The Nomination and Remuneration Committee comprises at least three non-executive directors appointed by the Board of Directors. At least the majority of its members are independent directors in accordance with article 7:87 (§1) BCAC, who satisfies the criteria set out in provision 3(5) of the 2020 Code.

As at 31 March 2022, the Nomination and Remuneration Committee comprises the following members:

Aalt Dijkhuizen (as permanent representative of Aalt Dijkhuizen B.V.)	independent director and Chairman of the Nomination and Remuneration Committee
Koen Hoffman (as permanent representative of Ahok BV)	independent director
Veerle Deprez (as permanent representative of Management Deprez BV)	non-executive director

The members of the Nomination and Remuneration Committee have ample experience and expertise in remuneration matters, as a result of, amongst others, the experience they have gained in senior executive roles and positions held in other companies during their professional careers, as evidenced by their professional biographies (see above).

The co-Chief Executive Officers are invited to attend meetings of the Nomination and Remuneration Committee, in an advisory capacity, when it discusses the appointment or remuneration of the other members of the Leadership Team. They will not attend discussions concerning their own remuneration. The Committee may invite other individuals to the meetings at its own discretion.

Role and responsibilities

The Nomination and Remuneration Committee assists and makes proposals to the Board of Directors in matters relating to, on the one hand, the directors' and Executive Management members' individual remuneration and compliance with the remuneration policy and deviations therefrom, and, on the other hand, the (re)appointment of directors and members of the Executive Management and the Leadership Team. The Committee also prepares the remuneration report (as included in the Corporate Governance Statement) and the remuneration policy, both submitted to the Annual Shareholders' Meeting. The Committee assists the Chairman of the Board of Directors in respect of the evaluation of the Board of Directors' performance and functioning.

After each Nomination and Remuneration Committee meeting, the Chairman of the Committee (or, in his absence, a designated member of the Committee) reports on its activities and conclusions to the Board of Directors subsequent to each Nomination and Remuneration Committee meeting. When reporting to the Board of Directors, the Nomination and Remuneration Committee identifies the issues on which it considers that action or improvement is required or advisable and makes recommendations on the measures to be taken. The approved minutes of a Nomination and Remuneration Committee meeting are made available to directors in the Company Secretary's office or through the online board portal which is accessible to all directors.

Activities during AY 21/22

The Nomination and Remuneration Committee met on four occasions in AY 21/22, two meetings of which were held by video-conference. The attendance rate of its members for the Committee's meetings was 100%.

The Nomination and Remuneration Committee discussed the following main topics:
- Continuously monitor changes to the regulatory framework and recommendations relating to governance and remuneration, in respect of the BCAC, the 2020 Code and the Shareholders Rights Directive (EU) 2017/828, and taking into account stakeholders' expectations;
- Assess the remuneration policy, as approved by the 2021 Annual Shareholders' Meeting, taking into account the aforementioned regulatory framework and best governance practices;
- Make recommendations on the proposed applicable bonus system for Executive Management and Leadership Team members, as foreseen in the approved remuneration policy;
- Submit a proposal in respect of the re-appointment of Mr Koen Hoffman (permanent representative of Ahok BV) as independent director;
- Initiate and lead the process for selecting and proposing (new) candidate directors for (re)appointment as laid down in the Corporate Governance Charter, in view of the replacement of Ms Hilde Laga as independent director on 16 September 2022 and the directors' mandates that expire at the end of the 2023 Annual Shareholders' Meeting;
- Follow-up on changes to the composition of the Leadership Team and on the arrangements made in the event of termination or changes in the further cooperation;
- Assess the financial objectives proposed for the bonus for AY 21/22 and the Executive Management's personal performance objectives, while considering the alignment with the Company's business strategy;
- Evaluate the Executive Management members' overall individual performance in AY 20/21 and submit a proposal to the Board of Directors;
- Make recommendations on the individual remuneration package for the Executive Management members and follow-up on salary adjustments for other Leadership Team members;
- Follow-up on management changes at country and divisional level and on recruitments for vacant senior corporate positions;
- Monitor the establishment of a succession plan for senior management positions, and of appropriate programs for leadership and talent development;
- Prepare and review the remuneration report, to be included in the Corporate Governance Statement.

3. Attendance at Board of Directors and Advisory Committees meetings

The attendance overview of the Board of Directors and Committee meetings, as set out hereunder, shows all meetings, and not only the annual pre-scheduled meetings. The decisions which were taken through the procedure of written decision-making are not reflected in the below overview.

AY 21/22	Board of Directors	Audit Committee	Nomination & Remuneration Committee
Number of meetings	**7**	**4**	**4**
Aalt Dijkhuizen B.V., rep. by Aalt Dijkhuizen	7/7		4/4
Ahok BV, rep. by Koen Hoffman	7/7		4/4
Alychlo NV, rep. by Marc Coucke	7/7		
Bonem Beheer BV, rep. by Marc Ooms	7/7		
Deprez Invest NV, rep. by Hein Deprez	7/7		
Galuciel BV, rep. by Valentine Deprez	7/7		
Gescon BV, rep. by Dirk Van Vlaenderen	7/7	4/4	
Hilde Laga	7/7	4/4	
Management Deprez BV, rep. by Veerle Deprez	7/7	4/4	4/4

4. Executive Management

Since 9 February 2019, the responsibility for day-to-day management has been exercised by two Chief Executive Officers (*co-CEOs*), in close cooperation with the Chief Financial Officer (*CFO*), with whom they jointly form the Executive Management. The Executive Management is assisted by the Leadership Team (see 4.3, below) in the exercise of the Company's day-to-day and operational management.

4.1. Composition of the Executive Management

Principles

The Executive Management comprises the two co-CEOs and the CFO. The members are appointed and dismissed by the Board of Directors on the advice of the Nomination and Remuneration Committee. The appointment or dismissal of the co-CEOs is subject to a two-thirds majority in the Board of Directors. The CFO is appointed after consultation with and on the recommendation of the co-CEOs.

Executive directors are *de jure* members of the Executive Management.

From left to right: Mr Marc Zwaaneveld, co-CEO, Mr Hein Deprez, co-CEO and Mr Geert Peeters, CFO.

Membership of the Executive Management as at 31 March 2022

Hein Deprez I Co-Chief Executive Officer
as permanent representative of Deprez Invest NV
Mr Hein Deprez started out in 1983 with a small mushroom farm. In 1987, he founded Univeg, which later became the Greenyard Fresh segment. It was the foundation on which he built one of the biggest fruit and vegetable companies in the world. At the beginning of 2018, he took up the role of Greenyard CEO, focusing on the Company's long-term vision and strategy, while also being personally engaged with some of its key customers. Since mid-February 2019, Mr Deprez and Mr Marc Zwaaneveld have jointly shared the role of CEO. Mr Deprez is also member of the Board of Directors as an executive director. In addition, he serves as a board member at various companies belonging to the Group and De Weide Blik group.

Marc Zwaaneveld I Co-Chief Executive Officer
as permanent representative of MZ-B BV
Mr Marc Zwaaneveld advised various international companies and consulted on investments, restructuring and interim management during the periods 2002-2005 and 2011-2014. From 2005 until 2011, he was CFO and Vice Chairman of the Management Board at SUEZ Benelux - Germany. In 2014, he became COO at Van Gansewinkel Group. After six months, he was appointed CEO (until 2017) and led the company's turnaround. In early 2019, he took up the newly created position of Chief Transformation Officer at Greenyard to lead the Transformation Office created to steer the value recovery. To ensure an embedded implementation of the Transformation Plan throughout the entire organization, Mr Zwaaneveld was appointed co-CEO, alongside Mr Deprez in February 2019.

Geert Peeters I Chief Financial Officer
as permanent representative of Chilibri BV
Mr Geert Peeters started his career as a Management Consultant at PwC advising international companies on business processes, reporting and systems. He became a Senior Manager at PwC and later at Deloitte, working in corporate finance and recovery, where he supervised various acquisitions and reorganisations. In 2005, he moved to SUEZ, where he was promoted to Controlling Manager and later became Finance Director Belux. In 2012, Mr Peeters became Metallo Group CFO where he also served as a director before joining Greenyard as CFO in September 2018.

4.2. Role and responsibilities of the Executive Management

Responsibilities of the Executive management

The Board of Directors has delegated day-to-day management to both CEOs, each of whom may act alone, within the meaning of article 7:121 BCAC. Day-to-day management comprises all actions and decisions that do not go beyond the daily needs of the Company, as well as those actions and decisions that do not justify the intervention of the Board of Directors for reasons of minor importance or urgency.

The co-CEOs have individual representational powers in matters of daily management. They each may validly represent the Company upon being accorded a specific mandate by the Board of Directors and may sub-delegate any of the specific powers granted to them.

The co-CEOs submit Executive Management proposals to the Board of Directors or the advisory Committees, depending on the subject matter.

The Executive Management's main responsibilities are:
- Develop and implement the vision, mission, strategic objectives and direction of the Group, and advise the Board of Directors in these areas, with a focus on the Company creating long-term value;
- Assure the day-to-day and operational management of Greenyard;
- Identify opportunities and needs in terms of investments, divestments and financing, and make any appropriate proposals in that regard to the Board of Directors;
- Roll out strategic partnerships with key customers, and build and maintain strong integrated customer relationships;
- Organize and monitor internal controls (to identify, assess, manage and monitor financial and other risks), without prejudice to the supervisory role of the Board of Directors;
- Supervise the complete, timely, reliable and accurate preparation of the annual accounts, in accordance with Greenyard's accounting principles and policies;
- Follow up the mandatory publication by Greenyard of annual accounts, annual reports and other material financial and non-financial information;
- Assess Greenyard's financial situation, budget and business plan and submit this assessment to the Board of Directors;
- Lead Greenyard's Leadership Team;
- Report to the Board of Directors;
- Report to and prepare correspondence with the FSMA;
- Generally advise and implement decisions taken by the Board of Directors and exercise the powers the Board of Directors delegates to them.

The Executive Management also provides all the information necessary, in a timely manner, for the Board of Directors to carry out its duties.

Reporting to the Board of Directors

At each meeting of the Board of Directors, except in exceptional circumstances, the Executive Management provides the Board of Directors with relevant information on the progress of matters falling within the competence of the Board, as well as on key aspects of the Company's day-to-day and operational management.

During AY 21/22 the Executive Management reported to the Board *inter alia* on the following matters:
- Update on the progress of the integrated customer relationships and commercial discussions with key customers;
- Inform on developments (potentially) affecting the business, including updates on the impact thereof on the business and forecasts, and the measures taken in this respect;
- Identify opportunities and needs in terms of investments, divestments, business developments and financing, and make any appropriate proposals in that regard when the valuation of these exceed the amounts provided in the delegation of powers by the Board of Directors to the Executive Management;
- Report on the Company's financial results and forecasts, and the press releases prepared in this respect, and on the assessment of its financial position;
- Report on the budget status and submit the Budget for AY 22/23 to the Board of Directors;
- Define Greenyard's strategy and strategic direction, and present and implement the 2030 Strategy Plan;
- Report on the position of financial stakeholders and investors;
- Update on operational results per division as well as management performance and changes at country and divisional level;
- Update on communications with the FSMA;
- Update on current or potential major litigations or claims;
- Report on the main decisions of the Executive Management, including, amongst others, decisions on the variable remuneration granted to the other Leadership Team members in line with the remuneration policy;
- Regular follow-up on all questions within the competence of the Board of Directors.

The Executive Management must inform the Board of Directors, in a timely manner, of relevant information in relation to pending judicial litigations, comments by the statutory auditor, planned reorganizations, and any matters which could have a significant influence on the financial situation of Greenyard, to allow the Board of Directors to implement an effective risk management policy.

The Executive Management also reports periodically on the Leadership Team's activities and on the performance of individual Leadership Team members.

Functioning of the Executive Management

The Executive Management is a collegial body which, in principle, is convened every week and can be convened at any time, as necessary, to ensure the Company's smooth operation. The Group Legal & HR Director has been appointed to act as secretary at the meetings. During AY 21/22, the Executive Management met once a week on average and, at each meeting, a report was drawn-up to reflect the deliberations and decisions taken.

4.3. The Leadership Team

The Leadership Team provides advice and assistance to the Executive Management in carrying out the Company's day-to-day management and operational direction.

Composition

The members of the Leadership Team are appointed by the Board of Directors, based on proposals from the Nomination and Remuneration Committee and after consultation with and on the recommendation of the Executive Management. The remuneration and the conditions for dismissal of a member of the Leadership Team are governed by an agreement between the member and the Company.

The members of the Executive Management are part of the Leadership Team.

As at 31 March 2022 the Leadership Team consists of:

Hein Deprez (as permanent representative of Deprez Invest NV)	co-Chief Executive Officer
Marc Zwaaneveld (as permanent representative of MZ-B BV)	co-Chief Executive Officer
Geert Peeters (as permanent representative of Chilibri BV)	Chief Financial Officer
Alexander Verbist (as permanent representative of Qualexco BV)	Group Legal & HR Director
Charles-Henri Deprez (as permanent representative of Alvear International BV)	Managing Director of Fresh division
Dominiek Stinckens	Managing Director of Prepared division
Francis Kint (as permanent representative of Argalix BV)	Managing Director of Frozen division
Maarten van Hamburg	Managing Director of Bakker division
Yannick Peeters (as permanent representative of Gemini Consulting BV)	Managing Director of Fresh Belgium

Changes to the composition of the Leadership Team during AY 21/22

Mr Francis Kint (as permanent representative of Argalix BV), former CEO of Univeg, which later became the Greenyard Fresh segment, (re)joined Greenyard on 1 July 2021. He was appointed as Managing Director of the Frozen division as of 1 November 2021, succeeding Mr Erwin Wuyts (as permanent representative of Dinobryon BV), who held this position temporarily on an ad-interim basis. Mr Francis Kint has over 25 years of international senior leadership experience, including at the former Univeg, where he held various positions from 2009 onwards and was CEO from 2013 to 2015. For more information reference is made to Greenyard's press release of 28 June 2021.

Role and responsibilities of the Leadership Team

The Leadership Team's role is to supervise and manage the Group's global operations, under the direction of the Executive Management and taking into account the overall Company strategy. The Leadership Team's main responsibilities include supporting the Executive Management in day-to-day management of the Group, developing strategic guidelines, analysing budgets and operational objectives, and supervising local management teams.

Individual members of the Leadership Team have powers and responsibilities assigned to them by the Board of Directors, based on the proposals of the Nomination and Remuneration Committee, and after consultation with and on the recommendation of the co-CEOs.

Depending on the subject matter or the decision proposed to the Board of Directors, a member of the Leadership Team may, at the request of the Executive Management and with the consent of the Chairman of the Board of Directors, be invited to a Board meeting to provide the necessary explanations or advice. The Board may also request, through one of the co-CEOs, special written or oral reports from members of the Leadership Team individually.

In exercising its responsibilities, the Leadership Team is assisted by a team of key personnel drawn from the different divisions of the Group.

Functioning of the Leadership Team

The Leadership Team holds weekly update meetings, and once a month an in-depth and comprehensive meeting is organized where specific topics are thoroughly analyzed and discussed. Any member may request that an additional meeting be convened.

Diversity in the Executive Management and Leadership Team

As at 31 March 2022, the Leadership Team is composed of nine members in total and represents two different nationalities and different age categories. As their function within Greenyard indicates, there are differences in educational background, professional experience and career paths between members, ensuring a complementary set of knowledge and skills within the Leadership Team. The members of the Executive Management also represent a balanced team in its knowledge and experience, as reflected in their biographies (see above). The Leadership Team is assisted by management teams on country level as well as dedicated corporate teams, in which diversity in terms of gender, nationality and age are well reflected.

5. Procedures for preventing conflicts of interest

5.1. Principles

To prevent conflicts of interest, Greenyard is governed by:

- the applicable legal provisions for listed companies: articles 7:96 and 7:97 BCAC (see 5.2 and 5.3, below), and
- the additional rules specified in Greenyard's Corporate Governance Charter (see 5.4, below).

5.2. Mandatory disclosures pursuant to article 7:96 BCAC: Conflicts of interest involving directors

Pursuant to article 7:96 BCAC, if a director has a direct or indirect financial interest that conflicts with a decision or transaction that falls under the competence of the Board of Directors, the director must notify the other members of the Board of Directors of such an interest at the start of the meeting and will act in accordance with article 7:96 BCAC. The director may not take part in the discussions of the Board of Directors relating to the transaction or decision, nor take part in the vote.

In AY 21/22, the procedure laid down in article 7:96 BCAC has been applied in respect of two directors at the Board of Directors' meeting on 17 February 2022. The Company Secretary has informed the statutory auditor of the application of the conflict of interest procedures by making the minutes of this meeting available to the statutory auditor for consultation.

5.2.1 Prior to the start of deliberations, Mr Hein Deprez (as permanent representative of Deprez Invest NV) declared that in his capacity as director of Greenyard, he has a conflicting financial interest within the meaning of article 7:96 BCAC, with respect to the proposed adjustment on the advice of the Nomination and Remuneration Committee, to the amount of fixed management fee he receives as co-CEO of Greenyard pursuant to its independent consultancy agreement with Greenyard, as recorded in the minutes as follows (freely translated):

"Mr Hein Deprez, as permanent representative of Deprez Invest NV, declared that he, in his capacity as managing executive director of the Company, has a conflicting financial interest within the meaning of article 7:96 BCAC, with the proposal to be submitted to the Board of Directors, on the advice of the Nomination and Remuneration Committee, regarding an adjustment to the fixed management fee [which he receives] in his capacity as co-CEO of Greenyard, taking into account the increased inflation. This proposal will be discussed when the Committee reports on its activities. Mr Hein Deprez declared to leave the meeting when discussing and voting on this proposal."

After deliberation and discussion, the Board of Directors decided to take the following decision (freely translated):

"The Board of Directors decided, on the advice of the Nomination and Remuneration Committee, to increase the fixed management fee that Mr Hein Deprez (as permanent representative of Deprez Invest NV) receives as co-CEO, with 2,5% to compensate for inflation. In this respect it was pointed out that Deprez Invest NV in its capacity as managing executive director of Greenyard, does not receive any additional remuneration. Consequently, Mr Hein Deprez (as permanent representative of Deprez Invest NV) will be granted a fixed management fee of € 615 000 per year as of 1 April 2022, which implies an increase of € 15 000 [on an annual basis]."

The Board of Directors made the following considerations regarding the financial impact of the Board of Directors' decision for the Company (freely translated):

"In this regard, the Board of Directors considers that the financial impact of this decision for the Company is equal to € 15 000. [] Given that the worldwide high inflation has caused all costs in general to increase significantly, the Board of Directors considers it justified that also the management fee of Deprez Invest NV is corrected and adjusted. Furthermore, the Board of Directors notes that the inflation adjustment approved for Deprez Invest NV is lower than the corresponding national inflation adjustments for the personnel."

5.2.2 Prior to the start of deliberations, the Board of Directors' meeting on 17 February 2022 was informed by Mr Koen Hoffman (as permanent representative of Ahok BV) that in his capacity as director and Chairman of the Board of Directors of Greenyard, he should be considered to have a conflicting financial interest within the meaning of article 7:96 BCAC, with respect to the following proposal to be submitted to the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, as recorded in the minutes as follows (freely translated):

"He has a conflicting interest with respect to the proposal regarding his reappointment as independent director of Greenyard given that his director's mandate ends immediately after the Annual Shareholders' Meeting of 16 September 2022. This proposal will be submitted to the Board of Directors".

Mr. Koen Hoffman left the meeting at the start of the discussion and deliberation on the proposal for his reappointment. Subsequently, the following decision was taken by the Board of Directors (freely translated):

"The mandate of Mr Koen Hoffman (as permanent representative of Ahok BV) as independent director expires at the end of the Annual Shareholders' Meeting of 16 September 2022. Given that his reappointment as director is submitted to the Board of Directors for decision, and the Nomination and Remuneration Committee is requested to give its advice in this regard, Mr Koen Hoffman leaves the meeting. Within the framework of its recommendation on the renewal of the director's mandate of Ahok BV, the Committee assessed, among others, the commitment and constructive involvement of the director concerned in the discussions and decision-making of the Board of Directors, and the extent to which the qualitative requirements set out in the Corporate Governance Charter are met, as well as the independence criteria of article 7:87 (§1) BCAC juncto provision 3.5 of the 2020 Code.

*Following the positive advice of the Nomination and Remuneration Committee, the Board of Directors decided to propose for approval to the Annual Shareholders' Meeting of 16 September 2022, the re*appointment of Ahok BV (*permanently represented by Mr Koen Hoffman) as independent director for a term of four years, immediately ending after the Annual Shareholders' Meeting in 2026. As he has been appointed Chairman of the Board of Directors for the duration of this term of office as a director, in the event of his reappointment by the 2022 Annual Shareholders' Meeting, he will automatically remain as Chairman of the Board of Directors."*

As regards the financial impact of the decision of the Board of Directors for Greenyard, it will be proposed by the Board of Directors - as decided on 17 February 2022 – to continue to remunerate Ahok BV in his capacity as director and Chairman of the Board of Directors in the same way and grant the same remuneration as set forth in the present remuneration report AY 21/22 (see 7., below), which is in accordance with the approved remuneration policy. Consequently, the financial impact of the Board of Directors' decision, which is subject to approval by the 2022 Annual Shareholders' Meeting, will be equal to the current compensation received by Ahok BV as director and Chairman of the Board of Directors amounting to € 142 500 fixed remuneration on an annual basis, which also includes the attendance fees which he would be entitled to as a director and member of the Nomination and Remuneration Committee.

5.3. Mandatory disclosures pursuant to article 7:97 BCAC: Conflicts of interest involving transactions with affiliates

The Company must also comply with the procedure set out in article 7:97 BCAC where the Company, or a subsidiary, is contemplating a transaction with an affiliated company (subject to certain exceptions). Such a decision or transaction must be reviewed and assessed in advance by a committee of three independent directors, assisted by one or more independent experts of their choice. Pursuant to article 7:97 BCAC, after having taken note of the advice of the committee, the Board of Directors shall deliberate on the proposed decision or transaction. The statutory auditor must deliver an opinion as to the accuracy of the information contained in the committee's advice and the Board minutes.

This procedure was not applied in AY 21/22.

5.4. Policy concerning transactions with directors or Leadership Team members not covered by article 7:96 BCAC

Greenyard's Corporate Governance Charter contains a procedure applying to any transaction contemplated between the following parties:

- Greenyard or one of its subsidiaries, and
- Directors, members of the Leadership Team (including the members of the Executive Management), their respective permanent representatives, or companies that do not belong to the Group, and where the director or the Leadership Team member concerned holds a board or management position.

All such transactions must be notified to the Board of Directors which has the sole authority to decide whether Greenyard or the subsidiary concerned may enter into such a transaction. The Board of Directors must justify its decision in its meeting minutes and ensure that any such transaction is at arm's length. The Company Secretary will notify the statutory auditor by making the minutes available to the statutory auditor for consultation. This prior approval by the Board is not required if the contemplated transaction concerns a customary transaction for the Company or its subsidiary and is carried out under conditions in accordance with general market practice for comparable transactions.

During AY 21/22, pursuant to the rules of prevention of conflicts of interest contained in Greenyard's Corporate Governance Charter, Mr Marc Zwaaneveld (as permanent representative of MZ-B BV), Mr Geert Peeters (as permanent representative of Chilibri BV) and Mr Alexander Verbist (as permanent representative of Qualexco BV), who were invited to participate in an advisory capacity in the Board of Directors' meeting of 17 February 2022, left the meeting when the Nomination and Remuneration Committee reported on its activities to the Board of Directors, and in this context made recommendations on the fixed and variable remuneration of members of the Executive Management and Leadership Team, including the remuneration of the above-mentioned persons.

6. Compliance: Internal governance rules

6.1. Dealing Code: Rules to prevent market abuse

The legal framework of the market abuse rules applicable to Greenyard consists of Regulation (EU) No. 596/2014 of 16 April 2014 on market abuse, together with its implementing European and Belgian regulations and ESMA and FSMA guidelines (together referred to as *the Market Abuse Framework*). The Dealing Code was most recently modified on 23 August 2018.

Greenyard has implemented the Market Abuse Framework by adopting a Dealing Code which is made available to all employees, temporary staff, members of the Board of Directors, Leadership Team members, managers, consultants and advisors of the Group through the Company's website (see below). The Dealing Code is intended to ensure that any persons in possession of inside information do not misuse it, do not place themselves under suspicion of misuse, and that such persons maintain the confidentiality of such information and refrain from market manipulation. This specifically relates to precise information about the Group or Greenyard securities that is not public and that would, if it were made public, be likely to have a significant effect on the price of these securities. The Dealing Code further also includes specific rules applicable to members of the Board of Directors and the Leadership Team and their closely associated persons and legal entities.

The Dealing Code may be consulted on the Company's website (www.greenyard.group).

Any dealings in Greenyard securities by persons discharging managerial responsibilities and persons closely associated to them are reported to the FSMA, as well as the Company Secretary who holds the position of Compliance Officer responsible for supervising compliance with the market abuse rules and the Dealing Code.

In AY 21/22, the above-mentioned rules were applied without giving rise to any difficulties.

6.2. Code of Conduct & Whistleblowing policy: Ethics

In addition, every individual working within the Group is subject to the Code of Conduct and is expected to understand and follow this Code and all legal requirements currently in force in their daily work. The Code of Conduct aims to build a strong and sustainable business by upholding Greenyard's ethical values and giving guidance to all employees, directors and managers of Greenyard in making ethical and legal conduct a vital part of their daily business activities. For that reason, these persons are expected to complete an online training course specifically designed for Greenyard in this regard. The Code of Conduct was most recently modified on 10 February 2022.

Given that Greenyard is committed to the highest standards of business ethics and legal compliance, relevant procedures and internal whistleblowing channels have been implemented enabling the reporting of any concern about actual or suspected misconduct within Greenyard's operations in a responsible, effective and confidential manner, whilst remaining protected from retaliation and with the option to remain anonymous.

The Code of Conduct and the Whistleblowing Policy may be consulted on the Company's website (www.greenyard.group).

In AY 21/22, the above-mentioned rules were applied without giving rise to any difficulties.

7. Remuneration report

This remuneration report provides in accordance with the provisions of 3:6 (§3) BCAC an overview of the remuneration of and the application of the remuneration policy to the directors, the co-CEO's and the other Leadership Team members (including the CFO).

7.1. Statement on the remuneration policy for directors and members of the Leadership Team with respect to AY 21/22

On 17 September 2021, the Annual Shareholders' Meeting approved the current remuneration policy by a large majority 98,67% of those present or represented. This remuneration policy went into effect on 1 April 2021. If any material changes are made to the remuneration policy and, in any event, at least every four years, it will be submitted to the Annual Shareholders' Meeting for approval.

Greenyard's remuneration policy is available on the Company's website (www.greenyard.group).

The current remuneration policy is rather similar to the policy that was applicable in AY 20/21, except for changes in the relative weighting of the bonus criteria for the Leadership Team members. The remuneration report for AY 20/21 which sets out the directors' and Leadership Team members' remuneration in accordance with the formerly applicable policy, was also approved with a broad majority of 98,68%, and there were no specific comments to be taken into account in this respect for AY 21/22.

The remuneration policy and the remuneration granted pursuant thereto contribute to the long-term performance of the Company since they aim at and focus on delivering Greenyard's long-term ambitions and strategic targets, pursuing an organic growth trajectory in both the Fresh segment and the Long Fresh segment of Greenyard over a five-year period, as set forth in the 2020-2025 long-range plan (*LRP or Long-Range Plan*).

In this respect, qualitative and quantitative performance criteria for the members of the Executive Management and the Leadership Team have been aligned to the strategic targets of the Company. In addition, the long-term incentive plan for the members of the Leadership Team is spread over a vesting period which parallels the duration of the LRP.

7.2. Remuneration of the non-executive directors

7.2.1. Introduction

In line with Greenyard's remuneration policy, the remuneration of non-executive directors consists of a fixed remuneration of € 30 000 per annum, plus an attendance fee of € 2 500 per meeting of the Board of Directors or an advisory Committee (including attendance through video or telephone conferencing), payable semi-annually. The directors are not entitled to an attendance fee for meetings held by video or telephone conference if the meeting is convened solely for the purpose of a status update or exclusively to make an urgent decision requiring immediate action. This remuneration covers all expenses in the exercise of their mandate, except for international travel expenses incurred by directors domiciled outside Belgium. All remuneration is paid on a pro-rata basis according to the duration of the director's term of office.

These amounts, applicable since AY 17/18, are based on a benchmark analysis of directors' remuneration conducted against comparable and relevant peer companies of a similar size or listed on the same stock index as Greenyard (*i.e.* Euronext Brussels).

The remuneration of the non-executive directors complies with Greenyard's vision, takes into account the non-executive directors' responsibilities and the time allocated to their director's mandate, and is deemed sufficient for attracting the right profiles to contribute to Greenyard's strategy as set forth in the LRP.

By derogation to the foregoing and in accordance with the remuneration policy, the fixed annual remuneration of the Chairman of the Board of Directors amounts to € 142 500. This fixed amount includes the attendance fees for participation in Board meetings and advisory Committees. This amount is justified in view of the additional time expenditure and specific responsibilities related to his role as Chairman of the Board of Directors.

Non-executive directors are not entitled to performance-related variable remuneration. They do not receive any benefits in kind or benefits related to pension plans. For AY 21/22, no proposal has been formulated, subject to approval by the Annual Shareholders' Meeting, to grant a one-off additional payment to non-executive directors for supplemental work carried out by these directors.

Considering the input received from the directors in the framework of the self-assessment exercise of the Board of Directors' performance, the Board of Directors decided, following the advice of the Nomination and Remuneration Committee, to deviate from provision 7.6 of the 2020 Code and not to provide Greenyard shares to its non-executive directors, as part of their remuneration. Greenyard is currently of the view that its directors are already acting and taking decisions with respect to the Company based on a long-term vision. Ownership of Greenyard shares by all the non-executive directors may make alignment and consensus in the Board of Directors more difficult since more conflicts of interest may be involved. Moreover, it cannot be excluded that the independence of the independent directors will be compromised as a result. This independence is considered to contribute to balanced decision-making in the Company's interest.

7.2.2. Remuneration in AY 21/22

The table below lists the individual remunerations paid to each non-executive director with respect to AY 21/22. These amounts are calculated based on seven meetings of the Board of Directors, two of which took place on the same day and therefore only entitled to a one-time attendance fee. One meeting was a short update call for which no attendance fee was granted.

In AY 21/22, both the Audit Committee and the Nomination and Remuneration Committee met on four occasions.

The total annual remuneration paid to the non-executive directors for the performance of their mandate during AY 21/22 amounts to € 490 381,82 (VAT exclusive). This is in line with the total annual remuneration paid for AY 20/21 (€ 482k), which represented a decrease of € 64 127 compared to AY 19/20.

Table: Individual directors' remuneration in AY 21/22

Directors' remuneration	Fixed remuneration	Board meeting attendance fee	Committee meeting attendance fee	Expenses	Total
Deprez Invest NV, rep. by Hein Deprez*	-	-	-	-	-
Ahok BV, rep. by Koen Hoffman[(1)]	€ 142 500	-	-	-	€ 142 500
Aalt Dijkhuizen B.V., rep. by Aalt Dijkhuizen[(2)]	€ 30 000	€ 12 500	€ 10 000	€ 382	€ 52 882
Alychlo NV, rep. by Marc Coucke	€ 30 000	€ 12 500	-	-	€ 42 500
Bonem Beheer BV, rep. by Marc Ooms	€ 30 000	€ 12 500	-	-	€ 42 500
Galuciel BV, rep. by Valentine Deprez	€ 30 000	€ 12 500	-	-	€ 42 500
Gescon BV, rep. by Dirk Van Vlaenderen	€ 30 000	€ 12 500	€ 10 000	-	€ 52 500
Hilde Laga	€ 30 000	€ 12 500	€ 10 000	-	€ 52 500
Management Deprez BV, rep. by Veerle Deprez	€ 30 000	€ 12 500	€ 20 000	-	€ 62 500
TOTAL	**€ 352 500**	**€ 87 500**	**€ 50 000**	**€ 382**	**€ 490 382**

* Executive directors receive no additional compensation for the execution of their mandate as director.

(1) In his capacity as Chairman of the Board of Directors, Mr Koen Hoffman (as permanent representative of Ahok BV) receives a fixed annual remuneration of € 142 500, which includes his attendance fees as director and member of the Nomination and Remuneration Committee as well as any additional fee to be paid to any non-executive and/or independent director(s) for additional work carried out.

(2) The total director's remuneration of Aalt Dijkhuizen B.V., a company incorporated and having its registered office in the Netherlands, and its permanent representative Mr Aalt Dijkhuizen, residing in the Netherlands, includes travel expenses of € 381,82 that are made to physically attend Board of Directors' and Nomination and Remuneration Committee's meetings organized (at the Company's registered office) in Belgium.

7.3. Remuneration of the members of the Leadership Team

7.3.1. Introduction

The remuneration of members of the Leadership Team (including members of the Executive Management) consists of a fixed remuneration and a variable remuneration in the form of a short-term incentive (annual cash bonus) and, in some cases, long-term incentives (performance share units and/or stock options).

Short-term incentive

The short-term incentive takes the form of an annual cash bonus which is performance-related and is based on individual performance combined with performance at Group and/or divisional level (depending on the function of the respective Leadership Team member), including financial and corporate objectives which are determined annually.

The variable remuneration in the form of a cash bonus always relates to performance over the previous financial year and is based on both quantitative and qualitative parameters. When meeting the objectives set forward (*i.e. performance on target*), the variable remuneration of the members of the Leadership Team (excluding the Executive Management members) varies between 25% and 35% of the fixed annual remuneration, depending on the function of the respective Leadership Team member. During AY 21/22, the variable remuneration of the members of the Leadership Team (excluding the Executive Management members) could amount to up to maximum 50% of the fixed annual remuneration in case of outperformance of both financial and personal targets. For the members of the Executive Management, the variable remuneration is equal to 50% of their fixed annual remuneration when the objectives set for the annual bonus are achieved. During AY 21/22, the variable remuneration of the members of the Executive Management could amount to up to maximum 65% of the fixed annual remuneration in case of outperformance of both financial and personal targets. The Annual Shareholders' Meeting of 17 September 2021 approved a dispensation with the application of article 7:91, second paragraph BCAC for AY 21/22 (which dispensation also applies to the LTIs insofar applicable).

The Nomination and Remuneration Committee annually evaluates the performance of the Executive Management members against the objectives set. The performance of other members of the Leadership Team is assessed based on the recommendation of the co-CEOs.

For AY 21/22, the Board of Directors has decided, upon advice of the Nomination and Remuneration Committee, to exceptionally deviate from section 4.3 of the remuneration policy[2] and to assess the Executive Management members' individual performance with respect to AY 21/22 for 50% based on each member's overall individual performance and added value to the achievement of the strategic objectives set forth in the LRP. This is considered justified in the interest of the Company in view of the main goal of accomplishing

2 Section 4.3 of the remuneration policy relating to the short-term incentive remuneration of the Leadership Team members (including the Executive Management members).

the further deleveraging of Greenyard in an exceptional market situation (due to amongst others COVID-19) and given their broad responsibilities in this respect in the context of operational and day-to-day management.

Long-term incentives

Long-term incentives are paid in the form of stock options granted under:

- the 2019 stock option plan (*2019 SOP*) approved and ratified on 20 September 2019 by the Annual Shareholders' Meeting, and
- the 2021 stock option plan (*2021 SOP*) which is part of the remuneration policy applicable since 1 April 2021.

Under these stock option plans, certain stock options are granted through block awards, free of charge, to selected staff members, including Leadership Team members. Each option grants its owner the right to acquire a Greenyard share under the exercise conditions and against payment of the exercise price.

These long-term incentives are based solely on quantitative parameters. Vesting is conditional on the continued employment with Greenyard at the time of vesting, upon realisation of which, the options will be vested and definitively acquired.

With respect to the stock options granted under the 2019 SOP, a vesting period of three years applies. With respect to the stock options granted under the 2021 SOP, a vesting scheme over four years applies, with a predetermined percentage of stock options vesting progressively at the anniversary of the offer date. At the end of this scheme, 100% of the granted stock options are vested, conditional on the continued employment. In the vesting scheme the most significant proportion will vest at the end of the four-year period, aligned with the timings set for the achievement of the strategic business objectives in the LRP.

When the options are vested, they may be exercised against payment of the exercise price, which equals the average closing price of the Greenyard share for thirty days preceding the grant date, as a result of which an equal number of Greenyard shares will be transferred to the beneficiary (it being understood that one option gives the right to one Greenyard share). However, the stock options that are gradually vested under the 2021 SOP will not be exercisable, irrespective of any vesting, until the end of the four-year vesting scheme.

The options under the 2019 SOP expire after six years after the grant date. Under the 2021 SOP, the options expire after five years after the grant date. Any option which has not been exercised at its expiration date shall become null and void.

Prior to the 2019 SOP, a Performance Share Units plan (*PSU Plan*) was in place for AY 18/19. Under the PSU Plan a target number of Performance Share Units (*PSUs*) with a notional value was granted, depending on the position level of the Leadership Team member concerned. The realisation of the performance condition was measured on the basis of the total shareholder return (TSR), calculated using the average Greenyard share price, at the end of the performance period, which was 15 June 2021. The vesting of performance shares granted under the PSU Plan depended on the performance of Greenyard shares over a period of three years. The realisation of the performance condition determined the fraction or the multiple (if any) of performance shares the PSUs effectively entitled. The number of performance shares to which a beneficiary was entitled varied depending on whether the performance condition was exceeded or not reached, as follows:

Table: Performance Share Units Plan AY 18/19

Performance condition (cumulative annual average increase during the performance period)	% of performance shares one PSU entitles to
Maximum: TSR increase ≥ 10%	200%
Above target: 5% ≥ TSR increase < 10%	150%
On target: 0% ≥ TSR increase < 5%	100%
Below threshold: TSR increase < 0%	0%

The outstanding performance shares under the PSU Plan for AY 18/19 vested on 15 June 2021 subject to realisation of the performance condition, after which date, all performance shares expired.

As a result of the applicable long-term incentive plans within Greenyard, Leadership Team members can build up their shareholdings in Greenyard over time through the opportunity given under these plans to acquire shares. Greenyard deviates from provision 7.9 of the 2020 Code, which recommends that the Board of Directors sets a minimum threshold for the holding of Greenyard shares by the Executive Management and Leadership Team members. Currently, the Board of Directors has not formally set any explicit minimum thresholds for Greenyard shareholdings for Executive Management and Leadership Team members, since it wants to allow a degree of flexibility to the persons concerned. The long-term incentive plans demonstrate that the Company wishes to stimulate the long-term vision of the Executive Management and Leadership Team members by allowing them to participate financially in Greenyard's growth.

Executive directors
Executive directors, who hold executive positions in the Company or one of its subsidiaries, do not receive any additional compensation for their work on the Board of Directors or advisory Committees, since this is part of the total remuneration package they receive in their executive function.

The Board of Directors has one executive director, Mr Hein Deprez (as permanent representative of Deprez Invest NV) who received a management fee for AY 21/22 in his co-CEO capacity.

7.3.2. Annual short-term incentive components and targets for AY 21/22

For AY 21/22, the variable remuneration in the form of an annual cash bonus is based on personal objectives and individual contributions (up to a maximum of 50%) in combination with financial objectives (up to a maximum of 50%) at Group and/or divisional level, depending on the function of the Leadership Team member.

The financial objectives for AY 21/22 consist of an adjusted EBITDA component, in combination with, depending on the Leadership Team member's position, a Net Financial Debt component to be achieved at Group level or a Cash Conversion Cycle component on divisional level. The personal objectives for AY 21/22 reflect the corporate goals and strategy and include elements of business development and strategic partnerships roll out, as well as transformation and cost savings, but are also related to the efficiency of certain processes and the delivery of certain projects by the member concerned.

Key Performance Metrics for AY 21/22	Relative Weight
Financial objectives	**50%**
Adjusted EBITDA	30%
Net Financial Debt Cash Conversion Cycle	20%
Personal objectives & Individual contributions	**50%**

The evaluation period coincides with AY 21/22, starting on 1 April 2021 and ending on 31 March 2022. In accordance with the remuneration policy, the level of achievement of the objectives by the Executive Management members is reviewed and assessed in the first quarter of the following AY 22/23 by the Nomination and Remuneration Committee, before being discussed and finally determined by the Board of Directors. Decisions on the variable remuneration of the other Leadership Team members are taken by the Executive Management, in line with the remuneration policy. The quantitative calculation is carried out based on audited figures.

As set forth in the remuneration policy, the relative weighting of the bonus criteria for the Leadership Team members will be redistributed with 50% financial objectives, 25% personal objectives and 25% individual performance and behavioural competences.

7.3.3. Remuneration of the co-CEOs in AY 21/22

In their capacity as co-CEOs, (i) Mr Hein Deprez (as permanent representative of Deprez Invest NV) was paid a fixed management fee of € 600 000 and (ii) Mr Marc Zwaaneveld (as permanent representative of MZ-B BV) was paid a fixed management fee of € 750 000, for AY 21/22. The difference in fixed management fee can be explained by the fact that Mr Hein Deprez has decided to waive any increase of his management fee effective as of AY 20/21.

Mr Marc Zwaaneveld (as permanent representative of MZ-B BV) received a cash bonus payment of € 432 034 for AY 21/22, based upon the level of achievement of the financial objectives set for AY 21/22 (adjusted EBITDA and Net Financial Debt) and his overall individual performance in AY 21/22, which varied between "on target" and outperformance. The proportion between the fixed and variable remuneration of Mr Marc Zwaaneveld is therefore respectively 63% and 37%. The decision-making process and the relative weight of the key performance metrics (with an exceptional deviation from the remuneration policy mentioned in section 7.3.1. above) as set out in section 7.3.2. were applied in this respect.

Mr Hein Deprez (as permanent representative of Deprez Invest NV) decided to waive the bonus that would have been paid to him in his capacity as co-CEO for AY 21/22 and agreed not to be granted stock options in order to contribute to Greenyard's further growth. Accordingly, 100% of his remuneration is fixed remuneration.

The co-CEOs are entitled to customary fringe benefits. Mr Hein Deprez (as permanent representative of Deprez Invest NV) has a company car, the costs of which amounted in AY 21/22 to € 3 145. Mr Zwaaneveld waived as of AY 21/22 the previously agreed reimbursement for his housing expenses. No pension contributions were made.

As per 31 March 2022, the stock options granted to Mr Marc Zwaaneveld (as permanent representative of MZ-B BV) under the 2019 and 2021 SOP have vested. In AY 21/22, it was agreed between Mr Marc Zwaaneveld and the Company that the unvested stock options, granted to Mr Marc Zwaaneveld under the 2021 SOP, in deviation from its terms and conditions and section 4.3 of the remuneration policy[3], vest on 31 March 2022. For purposes of valuing these vested stock options, the difference between the value of the underlying shares at the market price, being the closing price of the Greenyard share on the relevant vesting date, and the value of the underlying shares at the exercise price as indicated in the table on the stock option plans (see below), is to be considered. The theoretical value with respect to 2019 SOP and 2021 SOP equals respectively, € 2 071 800 and € 335 400. However, this concerns a theoretical valuation given the exercise period which applies under the 2021 SOP (see below), and given that on the date of publication of this Financial Report, no stock options were exercised by Mr Marc Zwaaneveld. Taking into account such theoretical valuation, the proportion between the fixed and variable remuneration is respectively 21% and 79%.

7.3.4. Remuneration of the other members of the Leadership Team in AY 21/22

For AY 21/22, the total annual remuneration paid to the other members of the Leadership Team (excluding the co-CEOs) was € 3 260 273. All remuneration is paid on a pro-rata basis according to the length of the term of office of the members of the Leadership Team. For the members who are employees, defined contributions were made within the framework of pension schemes and gross amounts have been taken into account.

For AY 21/22, the short-term variable remuneration granted to the members of the Leadership Team other than the co-CEOs amounted to € 847 782. This amount results from the level of achievement of the financial objectives on Group level (adjusted EBITDA and Net Financial Debt) or divisional level (adjusted EBITDA and Cash Conversion Cycle), depending on the position of the Leadership Team member, as well as personal objectives and individual contributions, ranging from “on target” to outperformance by the other Leadership Team members. The decision-making process and the relative weight of the key performance metrics as set out in section 7.3.2. (see above) were applied in this respect.

Fixed remuneration	**€ 2 412 491**
Base Salary	€ 2 361 689
Benefits in kind & Pensions	€ 50 802
One-year variable[(1)]	**€ 847 782**
TOTAL[(2)]	**€ 3 260 273**

(1) The one-year variable remuneration consists of the short-term bonus awarded in respect of AY 21/22 and paid in the beginning of AY 22/23.

(2) The total annual remuneration includes the management fee and bonus paid with respect to AY 21/22 to Mr Erwin Wuyts (as permanent representative of Dinobryon BV) on a pro-rata basis according to the duration of his agreement until its termination on 30 November 2021.

For purposes of valuing the vested stock options which were granted to the other Leadership Team members under the 2019 and 2021 SOP, as indicated in the table on the stock option plans (see below), the difference between the value of the underlying shares at the market price, being the closing price of the Greenyard share on the relevant vesting date, and the value of the underlying shares at the exercise price under the applicable SOP, is to be considered. The theoretical value with respect to 2019 SOP and 2021 SOP equals respectively, € 1 841 600 and € 95 940. However, this concerns a theoretical valuation given the exercise period which applies under the 2021 SOP (see below), and given that on the date of publication of this Financial Report, no stock options were exercised by the other Leadership Team members. Taking into account such theoretical valuation, the proportion between the fixed and variable remuneration is respectively 46% and 54% (excluding such vested stock options the proportion is 74% and 26%).

3 Section 4.3 of the remuneration policy relating to the long-term incentive remuneration of the Leadership Team members (including the Executive Management members).

7.3.5. Long-term incentive plans

Performance Share Units Plan (replaced by Stock Option Plan as from AY 19/20)

Table: Performance Share Units held by persons who are member of the Leadership Team in AY 21/22

PSU AY 18/19	15 June 2018 Granted	15 June 2021 Vested[1]
Exercise Price	**€ 14,78**	
Hein Deprez (as permanent representative of Deprez Invest NV)	25 219	-
Marc Zwaaneveld (as permanent representative of MZ-B BV)[2]	-	-
Geert Peeters (as permanent representative of Chilibri BV)	4 707	-
Alexander Verbist (as permanent representative of Qualexco BV)	2 354	-
Charles-Henri Deprez (as permanent representative of Alvear International BV)	2 354	-
Dominiek Stinckens[3]	2 354	-
Francis Kint (as permanent representative of Argalix BV)[2]	-	-
Maarten van Hamburg[3]	672	-
Yannick Peeters (as permanent representative of Gemini Consulting BV)[3]	403	-

(1) Given that the TSR increase with respect to PSUs which were granted on 15 June 2018 was less than 0% on the vesting date, 15 June 2021, the performance condition was deemed not to have been reached. Therefore, the PSUs granted in AY 18/19 have not vested and have not given any entitlement to performance shares.

(2) Not yet working for Greenyard on the respective grant date.

(3) PSUs have not been granted in relation to their capacity as a Leadership Team member, but in the framework of the long-term incentive scheme for Managing Directors at country and divisional level and for selected key management personnel in the Group.

Stock Option Plans (applicable as from AY 19/20)

Table: Stock options granted to or held by persons who are member of the Leadership Team in AY 21/22[1]

		Main conditions of the share option plan				Information regarding AY 21/22		
Beneficiary	**Plan**	**Grant date**	**Vesting date**	**Exercise period**	**Exercise price**	**Share options granted**	**Share options vested**	**Share options granted and unvested**
Marc Zwaaneveld	2019 SOP	15/03/2019	31/03/2022	01/04/2022 - 31/03/2025	€ 3,436	-	450 000	-
	2021 SOP	19/02/2021	19/02/2022 (10%) 31/03/2022 (90%)	20/02/2025 - 18/02/2026	€ 6,450	-	200 000	-
Geert Peeters	2019 SOP	15/03/2019	31/03/2022	01/04/2022 - 31/03/2025	€ 3,436	-	250 000	-
	2021 SOP	19/02/2021	19/02/2022 (15%) 19/02/2023 (50%) 19/02/2024 (35%)	20/02/2024 - 18/02/2025	€ 6,450	-	15 000	85 000
Alexander Verbist	2019 SOP	15/03/2019	31/03/2022	01/04/2022 - 31/03/2025	€ 3,436	-	50 000	-
	2021 SOP	19/02/2021	19/02/2022 (10%) 19/02/2023 (15%) 19/02/2024 (25%) 19/02/2025 (50%)	20/02/2025 - 18/02/2026	€ 6,450	-	6 000	54 000
Charles-Henri Deprez	2019 SOP	15/03/2019	31/03/2022	01/04/2022 - 31/03/2025	€ 3,436	-	50 000	-
	2021 SOP	19/02/2021	19/02/2022 (10%) 19/02/2023 (15%) 19/02/2024 (25%) 19/02/2025 (50%)	20/02/2025 - 18/02/2026	€ 6,450	-	6 000	54 000
Francis Kint	2019 SOP[2]	-	-	-	-	-	-	-
	2021 SOP[3]	27/05/2021	27/05/2022 (10%) 27/05/2023 (15%) 27/05/2024 (25%) 27/05/2025 (50%)	28/05/2025 - 26/05/2026	€ 8,540	60 000	-	60 000
Maarten van Hamburg	2019 SOP[4]	-	-	-	-	-	-	-
	2021 SOP	19/02/2021	19/02/2022 (10%) 19/02/2023 (15%) 19/02/2024 (25%) 19/02/2025 (50%)	20/02/2025 - 18/02/2026	€ 6,450	-	6 000	54 000
Yannick Peeters	2019 SOP	15/03/2019	31/03/2022	01/04/2022 - 31/03/2025	€ 3,436	-	50 000	-
	2021 SOP	19/02/2021	19/02/2022 (10%) 19/02/2023 (15%) 19/02/2024 (25%) 19/02/2025 (50%)	20/02/2025 - 18/02/2026	€ 6,450	-	6 000	54 000

(1) The applicable 2019 SOP and 2021 SOP do not contain any additional retention provision following exercise.
(2) Not yet working for Greenyard on the grant date.
(3) The stock options granted to Mr Francis Kint under the 2021 SOP have been granted on 27 May 2021, when he joined Greenyard.
(4) No member of the Leadership Team on the grant date.

7.4. Evolution of the remuneration and pay-gap information

The below table contains information on the annual evolution of (i) the remuneration of the non-executive directors, the co-CEOs, and the members of the Leadership Team, (ii) the performance of the Company and (iii) the average remuneration on a full-time equivalent basis of employees of the Company (other than the persons under item (i)), over the five most recent financial years, including AY 21/22.

Total remuneration of the members of the Board of Directors

Annual change on average remuneration[1]	AY 17/18	AY 18/19 vs. AY 17/18	AY 18/19	AY 19/20 vs. AY 18/19	AY 19/20	AY 20/21 vs. AY 19/20	AY 20/21	AY21/22 vs. AY 20/21	AY 21/22
Board of Directors (excl. executive director(s))	€ 481 320	29,3%	€ 622 500	-4,0%	€ 538 032	-10,4%	€ 482 000	1,7%	€ 490 382

Total remuneration of the members of the Leadership Team

Annual change	AY 17/18[2]	AY 18/19 vs. AY 17/18	AY 18/19[5]	AY 19/20 vs. AY 18/19	AY 19/20[6]	AY 20/21 vs. AY 19/20	AY 20/21	AY21/22 vs. AY 20/21	AY 21/22
CEO I Deprez Invest NV (represented by Hein Deprez)	N/A[3]		€ 750 000	-20,0%	€ 600 000	0,0%	€ 600 000	0,0%	€ 600 000
CEO I MZ-B BV (represented by Marc Zwaaneveld)	N/A		N/A[4]		€ 1 435 500	-13,8%	€ 1 237 500	-4,5%[7]	€1 182 034[7]
Other members	€ 3 319 723	-24,3%	€ 2 512 000	32,7%	€ 3 333 000	7,2%	€ 3 572 758	-9,0%[8]	€ 3 260 273[8]

Greenyard Group performance

Annual change	2018	AY 18/19 vs. AY 17/18	2019	AY 19/20 vs. AY 18/19	2020	AY 20/21 vs. AY 19/20	2021	AY21/22 vs. AY 20/21	2022
Adjusted EBITDA[12]		-54,0%		48,4%		64,0%		6,1%	
Sales (reported)		-6,3%		3,8%		8,7%		-0,3%	
ESG rating - CDP[9]									
Climate change	F		F		B-		B-		-
Water security	F		F		B-		B		-

Average remuneration on a FTE basis of employees

Annual change		AY 18/19 vs. AY 17/18		AY 19/20 vs. AY 18/19		AY 20/21 vs. AY 19/20		AY21/22 vs. AY 20/21[11]	
Employees of Greenyard NV[10]		5%		8%		-7%		-10%	

(1) Average remuneration of Board members for a given financial year calculated on the basis of the total remuneration of the non-executive directors paid during the relevant year, divided by the number of directors as per the end of that year.

(2) For AY 17/18, the total remuneration of the former CEO amounted to € 1 014 644, who was replaced as CEO by Deprez Invest NV, who received in the position of CEO for AY 17/18 € 125 000.

(3) Mr Hein Deprez (as permanent representative of Deprez Invest NV) has been appointed as CEO as from 1 February 2018.

(4) Mr Marc Zwaaneveld (as permanent representative of MZ-B BV) has been appointed as co-CEO, alongside Mr Hein Deprez, as from 9 February 2019.

(5) No bonus was paid out for AY 18/19.

(6) Mr Marc Zwaaneveld (as permanent representative of MZ-B BV) received an exceptional bonus of € 600 000, paid in two instalments, for the achievement of specific personal objectives set for AY 19/20 linked to certain milestones in the framework of the Transformation Plan implemented in view of the further deleveraging of Greenyard. Mr Hein Deprez (as permanent representative of Deprez Invest NV) decided to waive the bonus that would have been paid to him in his capacity as co-CEO for AY 19/20 in order to contribute to Greenyard's accelerated recovery.

(7) The total remuneration is composed of the fixed remuneration and one-year variable remuneration paid to Mr Marc Zwaaneveld for AY 21/22, excluding the stock options vested under the applicable 2019 SOP and 2021 SOP in AY 21/22 in order to compare on a like for like basis with previous AYs. Including the vested (and, at the date of publication of the Financial Report, unexercised) stock options, based on a theoretical valuation, the annual change would be 190% and the amount for AY 21/22 would be € 3 589 234.

(8) The total remuneration is composed of the fixed remuneration and one-year variable remuneration paid to the other members of the Leadership Team for AY 21/22, excluding the stock options vested under the applicable 2019 SOP and 2021 SOP in AY 21/22 in order to compare on a like for like basis with previous AYs. Including the vested (and, at the date of publication of the Financial Report, unexercised) stock options, based on a theoretical valuation, the annual change would be 45,3% and the amount for AY 21/22 would be € 5 189 480.

(9) CDP climate change and water security scores, A-F (A= topmark), last updated on 8 December 2021.

(10) The average remuneration (on a FTE basis) of the employees of Greenyard NV is calculated on a Belgian GAAP basis (the sum of line items 620 and 622 of the statutory annual accounts divided by the number of FTE of Greenyard NV set forth in line item 1003 in the social balance annex).

(11) New personnel members were hired, however given that in AY 20/21 senior personnel left Greenyard the average remuneration did not increase exponentially vs. AY 20/21.

(12) The figures for AY 20/21 and AY 21/22 are reported post-IFRS16.

For AY 21/22, the pay gap between the remuneration of the highest paid member of the Leadership Team and the lowest paid employee of Greenyard corresponded to a ratio of 21,81: 1 (excluding the vested stock options, which represents a decrease vs. AY 20/21 (23,25:1)) respectively 65,92:1 (including the vested stock options based on a theoretical valuation (see above)).

7.5. Severance pay for members of the Leadership Team

In accordance with article 7:92 BCAC, the agreements concluded with the members of the Leadership Team provide for severance pay not exceeding twelve months' remuneration. More specifically, the agreements concluded with the members of the Executive Management provide for severance pay of twelve months' remuneration. For the other members of the Leadership Team, the severance pay is in principle equal to six months' remuneration or, if the member is an employee, this is calculated in accordance with the applicable legal provisions under the employment contract.

In the event of early termination, the Board of Directors justifies and decides, on the recommendation of the Nomination and Remuneration Committee, whether the Leadership Team member concerned qualifies for severance pay, and the basis on which it is calculated.

Mr Erwin Wuyts (as permanent representative of Dinobryon BV) agreed with the Company to terminate his independent consultancy agreement taking into account a three months' notice period in order to enable a smooth handover to his successor for the position of Managing Director of the Frozen division. In addition, a prorated bonus has been paid for AY 21/22, taking into account the duration of his agreement until its termination on 30 November 2021.

7.6. Claw-back

Greenyard implemented during AY 21/22 a claw-back mechanism for the members of the Executive Management and Leadership Team, applicable as from 1 April 2022, which enables Greenyard in certain cases of criminal offence or breach of Greenyard's Code of Conduct to require a member to repay to the Company variable remuneration that has already been paid out. Long-term incentive plans within Greenyard provide for a 'bad leaver' clause stipulating that, in certain cases (such as termination for cause), the holder or beneficiary concerned loses the stock options previously granted, which will be automatically annulled and will no longer vest, with no compensation of any kind being due from the Company.

Under the 2019 SOP and 2021 SOP, the stock options will in such cases be lost, regardless of whether they have already vested. The Company considers such bad leaver clause being equivalent to a claw-back clause.

During AY 21/22, no claw-back and no bad leaver clause were exercised.

7.7. Information on shareholder vote

The Annual Shareholders' Meeting of 17 September 2021 approved the remuneration report with respect to AY 20/21 with a majority of 98,68% shareholder votes in favor. Greenyard is committed to enduring engagement with all its stakeholders and will always actively consider their feedback to shape its remuneration practices.

7.8. Deviations from the Remuneration Policy

Greenyard's Remuneration Policy sets out that in exceptional circumstances, to be assessed on a case-by-case basis, and only if this serves the long-term interests and sustainability of Greenyard or guarantees its viability, the Board of Directors may, subject to a reasoned recommendation by the Nomination and Remuneration Committee, allow certain deviations from the applicable Remuneration Policy.

During AY 21/22, the Board of Directors decided to deviate from the Remuneration Policy, upon substantiated advice of the Nomination and Remuneration Committee, on two such occasions, which are described in more detail in the relevant sections 7.3.1. and 7.3.3. (see above) of this Remuneration Report.

8. Additional information

This section contains the information not included in other parts of this Report and is required to be disclosed in accordance with article 3:6 (§1) and (§2), 4° BCAC[4].

Shareholders' structure

Reference is made to the section Information for Shareholders of the Financial Report.

Special rights of control

Special rights of control are not granted to any shareholders of Greenyard.

Restrictions on transfers of shares

The transfer of Greenyard's shares is not subject to any legal or statutory restrictions.

System of control of any employee share scheme where the control rights are not exercised directly by the employees

No employee shareholding system has been put in place.

Limitations by law or the articles of association on the exercise of voting rights

Article 8 of the Company's articles of association states that if a shareholder fails to pay a call on his shares within the time set by the Board of Directors, exercise of the voting rights attaching to the relevant shares is suspended *ipso jure* until such time as the call is satisfied. On 31 March 2022, the capital was fully paid up.

In accordance with article 10 of the Company's articles of association, the Board of Directors may suspend exercise of the rights attaching to a share if the rights attaching thereto are divided among several persons until such time as a single person is designated as the shareholder vis-à-vis the Company.

Rules on amendments to the articles of association

Pursuant to article 7:153 BCAC, any amendment to the Company's articles of association may only be authorised with the approval of at least 75% of the votes validly cast at an Extraordinary Shareholders' Meeting where at least 50% of the Company's share capital is present or represented. Abstentions shall not be included in the numerator or denominator for the purpose of calculating votes. If the attendance quorum of 50% is not met, a new Extraordinary Shareholders' Meeting must be convened at which the shareholders may decide on the agenda items, irrespective of the percentage of share capital present or represented at such meeting.

Rules on appointment and replacement of directors

The directors are appointed by the Shareholders' Meeting. The Chairman of the Nomination and Remuneration Committee is in charge of the appointment process. The Nomination and Remuneration Committee recommends suitable candidates to the Board of Directors. The Board then makes a proposal to the Shareholders' Meeting for the appointment as director. The Nomination and Remuneration Committee determines the requirements regarding the independence, competencies, and other qualifications of the members of the Board of Directors. After consultation with the Chairman of the Board of Directors, the Nomination and Remuneration Committee takes all the initiatives necessary for the best composition of the Board of Directors.

Before each new appointment, an assessment of the skills, know-how and experience already available and required at the Board level is carried out. A profile of the required role is determined when proposing candidates for director, whereby special attention is paid to diversity and complementarity with regard to varied backgrounds and competences.

In the case of the appointment of a new director, the Chairman of the Nomination and Remuneration Committee ascertains that the Board of Directors, prior to taking into consideration the candidate, has sufficient information on the candidate (such as a curriculum

[4] Respectively referring to article 34 of the Royal Decree of 14 November 2007 and article 14 of the Act of 2 May 2007.

vitae, the assessment based on a first interview, a list of mandates the candidate already holds and, if required, the information necessary to assess the independence of the director). After consultation with the Nomination and Remuneration Committee, the Board determines the profile of each new independent director, taking into account the applicable independence requirements set out in Greenyard's Corporate Governance Charter. The Nomination and Remuneration Committee initiates the search for suitable candidates for each vacant position as independent director and can engage an external consultant to assist with the selection procedure.

The Nomination and Remuneration Committee's candidate proposal to the Board of Directors for a vacant position as independent director includes the following information: (i) overview of all persons contacted and all candidatures received, (ii) detailed curriculum vitae of the proposed candidate, (iii) detailed written advice from the Committee in respect of the proposed candidate, including the proposed remuneration, and (iv) any report submitted to the Committee by an external consultant (if appointed).

The decision of the Board of Directors to propose a candidate for independent director for nomination to the Shareholders' Meeting requires a special two-thirds majority. The proposal is accompanied by a recommendation by the Board of Directors and by relevant information on the professional qualifications of the candidate director, including a list of the positions already held. This procedure also applies to the reappointment of a director.

The Company's articles of association provide that directors are appointed for a maximum term of six years. The Board of Directors will propose to the Shareholders' Meeting to appoint directors only for a duration of four years. The mandate ends at the closure of the Annual Shareholders' Meeting which was determined to be the end date of the appointment. Retiring directors are eligible for reappointment. The mandate of a director may be revoked at any time by simple majority at the Shareholders' Meeting. The Board of Directors will propose to the Shareholders' Meeting that the mandate of the directors will end at the Annual Shareholders' Meeting of the calendar year in which he or she reaches the age of seventy, unless the Board, on the recommendation of the Nomination and Remuneration Committee, decides otherwise.

In accordance with article 16 of the Company's articles of association, in the event of an early vacancy on the Board of Directors, the remaining directors will manage the Company and are entitled to temporarily fill the vacancy until the Shareholders' Meeting appoints a new director. The appointment is placed on the agenda of the next Shareholders' Meeting.

Authority of the Board of Directors to issue or purchase own shares

In accordance with article 12 of the Company's articles of association, the Board of Directors is authorized, during a five-year period counting from the date of the Extraordinary Shareholders' Meeting of 17 September 2021, and within the limits determined by law, whether on or outside of the stock exchange, directly or indirectly, to acquire by way of purchase or exchange, contribution or any other way of acquisition, the maximum number of Company's shares permitted by law, without requiring further Shareholders' Meetings' approval or resolution, at a price or a consideration per share not higher than 20% above the highest closing price of the share on Euronext Brussels during the last 20 trading days preceding the acquisition, with a minimum of € 1 per share. The Board of Directors is also authorized to dispose of the acquired shares on or outside of the stock exchange by way of sale, exchange, contribution, conversion of bonds or any other way of transfer, to offer these shares to the personnel, to otherwise dispose of or cancel these shares, without requiring further Shareholders' Meetings' approval or resolution and without limitation in time. These authorizations also apply for any acquisitions and disposals of Company's shares, directly or indirectly, by direct subsidiaries of the Company in accordance with article 7:221 BCAC.

In addition, the Board of Directors is authorized during a three-year period counting from the publication of the authorization in the annexes of the Belgian Official Gazette (*i.e.* on 4 October 2021), whether on or outside of the stock exchange, directly or indirectly, to acquire (by way of purchase or exchange, contribution or any other way of acquisition) or to dispose of (by way of sale, exchange, contribution, conversion of bonds or any other way of transfer) Company's shares, if such acquisition or disposal is necessary to prevent an imminent serious disadvantage to the Company. This authorization also applies for the acquisition or disposal of Company's shares, directly or indirectly, by direct subsidiaries of the Company in accordance with article 7:221 BCAC.

Shareholders' agreements that are known to the issuer and that could give rise to share transfer restrictions and/or limitations to the exercise of the voting rights

The Board of Directors has no knowledge of the existence during AY 21/22 of shareholders' agreements that could give rise to share transfer restrictions and/or limitations to the exercise of voting rights.

Material agreements containing change of control clauses

The following financing agreements entered into by the Company and certain of its subsidiaries contain a change of control provision, that has been approved by or will be submitted for approval to the Annual Shareholders' Meeting in accordance with article 7:151 BCAC:

- The Multi-Country Factoring Syndication Agreement originally dated on 1 March 2016, as amended and/or restated from time to time and most recently on 31 January 2022, between the Company, Greenyard Fresh NV, Greenyard Prepared UK Ltd. and certain other subsidiaries of the Company jointly referred to as *the Clients*, of the one part, and ING Commercial Finance Belux NV as *the Agent*, BNP Paribas Fortis Factor NV, KBC Commercial Finance NV and Belfius Commercial Finance NV as the *Factors*, of the other part; and
- The Senior Facilities Agreement originally dated 22 December 2016, as amended and/or restated from time to time and most recently on 29 March 2021, between, among others, Greenyard and certain of its subsidiaries named therein as *original borrowers* and/ or *original guarantors*, BNP Paribas Fortis SA/NV, KBC Bank NV, ING Belgium SA/NV, Belfius Bank NV/SA, ABN AMRO Bank NV and Coöperatieve Rabobank U.A. as *arrangers*, the financial institutions named therein as *original lenders* and ING Bank NV as *agent* and *security agent*;
- The Intercreditor Agreement originally dated 22 December 2016, as amended from time to time, between, of the one part, ING Bank N.V. as *senior agent* and *security agent*, the financial institutions listed therein as *senior lenders*, ING Belgium NV/SA, BNP Paribas Fortis NV/SA and KBC Bank NV as *senior arrangers*, Greenyard as *company*, the companies listed therein as *intra-group lenders* and certain of Greenyard's subsidiaries as original *debtors*.

Any agreements between the issuer and its directors or employees providing for compensation in the case of a takeover bid

The Company has not concluded an agreement with its directors or employees which would allow the disbursement of any special severance pay in the case of termination of employment as a result of a public takeover bid.

9. Internal control and risk management

The Board of Directors is responsible for monitoring the risks that are specific to the Group and for the evaluation of the effectiveness of the internal control system.

The Board of Directors has approved an internal control system based on the Committee of Sponsoring Organisations of the Treadway Commission ('COSO') model. The following pillars are discussed below: control environment, risk management systems and internal control, financial reporting and communication, and, to conclude, oversight and monitoring.

Management has implemented a variety of controls to manage the risks that could undermine the achievement of the strategic objectives.

9.1. Control environment

9.1.1. General

The Group performs a conscious risk management based on the implementation of an internal control system and achieved by encouraging a company culture in which all personnel are empowered to fulfil their roles and responsibilities in accordance with the highest standards of integrity and professionalism.

9.1.2. Audit Committee

Without prejudice to the responsibilities of the Board of Directors as a whole, the Audit Committee monitors the effectiveness of the internal control and risk management systems set up by the management of the Group in order to confirm that the principle risks (including those related to compliance with legislation and regulations) are identified, managed and brought to the notice of the responsible individuals, in accordance with the framework established by the Board of Directors.

At least twice per year, the Audit Committee meets the statutory auditor to discuss the subjects that fall under his remit and all matters that arise from the auditing process.

In addition, the management team gives a regular update to the Audit Committee on pending disputes. In that respect, a quantified risk assessment and classification is carried out.

9.1.3. Internal audit

The Group has a professional internal audit department. The Audit Committee reviews the internal audit's risk assessment, the internal audit charter and annual internal audit plan and regularly receives internal audit reports for review and discussion. The mission of the internal audit department is to provide independent, objective quality assurance and support, designed to add value and improve the Group's operations and systems of internal controls.

The internal audit department assists the Group with accomplishing its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Internal control deficiencies identified by internal audit are communicated in a timely manner to management and periodic follow-up is performed to ensure corrective action has been taken.

9.2. Risk management systems and internal control

The most important aspects of the risk management and internal control process can be summarised as follows:
- The risk position of the Company, the possible financial impact and the required action points are evaluated regularly by management and the Board of Directors, advised by the Audit Committee; hereby risks are prioritised and action plans are implemented;
- The Board of Directors discusses the strategy and investment projects; an evaluation is also made of the associated risks. Where needed, appropriate measures are taken;
- The internal audit reports are always discussed with local management and a summary is discussed with the Audit Committee on a regular basis.

For a discussion of the principal risks and the associated control activities, please see note 6.18. *Risk management policy*.

9.3. Financial reporting and communication

The financial reporting and communication process of the Group can be summarised as follows:

A closing plan with checklist is drawn up with the tasks that must be accomplished by the quarterly, semi-annually and year-end closing of the Company and its subsidiaries. The financial department provides the accounting figures under the supervision of the chief accountant or financial director of each subsidiary. The controllers verify the validity of those figures and issue a report. Both coherence testing by making comparisons with historical or budgetary figures and transaction controls using random samples are performed. As part of the closing process, an extensive reporting set with financial and operational data must also be provided in each case.

The Audit Committee supports the Board of Directors in overseeing the integrity of the financial information provided by Greenyard. In particular, it reviews the relevance and the consistency of the application of the accounting standards used within the Group and the criteria for the consolidation of the accounts of the companies of the Group. The oversight covers the periodic information before it is published and is based on the audit program used by the Audit Committee. Management informs the Audit Committee about the methods that are used to account for significant and unusual transactions of which the accounting treatment could be open to a variety of interpretations. The Audit Committee discusses the financial reporting methods with both the Leadership Team and the external auditor.

9.4. Oversight and monitoring

Oversight of internal controls is exercised by the Board of Directors, supported by the activities of the Audit Committee and the internal audit department.

The external auditor carries out an annual evaluation of the internal controls related to the risk associated with the financial statements of the Group. In that regard, the external auditor makes recommendations concerning the internal control and risk management systems when appropriate, which are formalised in a management letter that is already issued. Management undertakes actions to handle the findings and thereby achieve an even better control environment. Those measures are followed up and the Audit Committee is monitoring if the Leadership Team is fulfilling the recommendations presented by the external auditor.

Information for shareholders

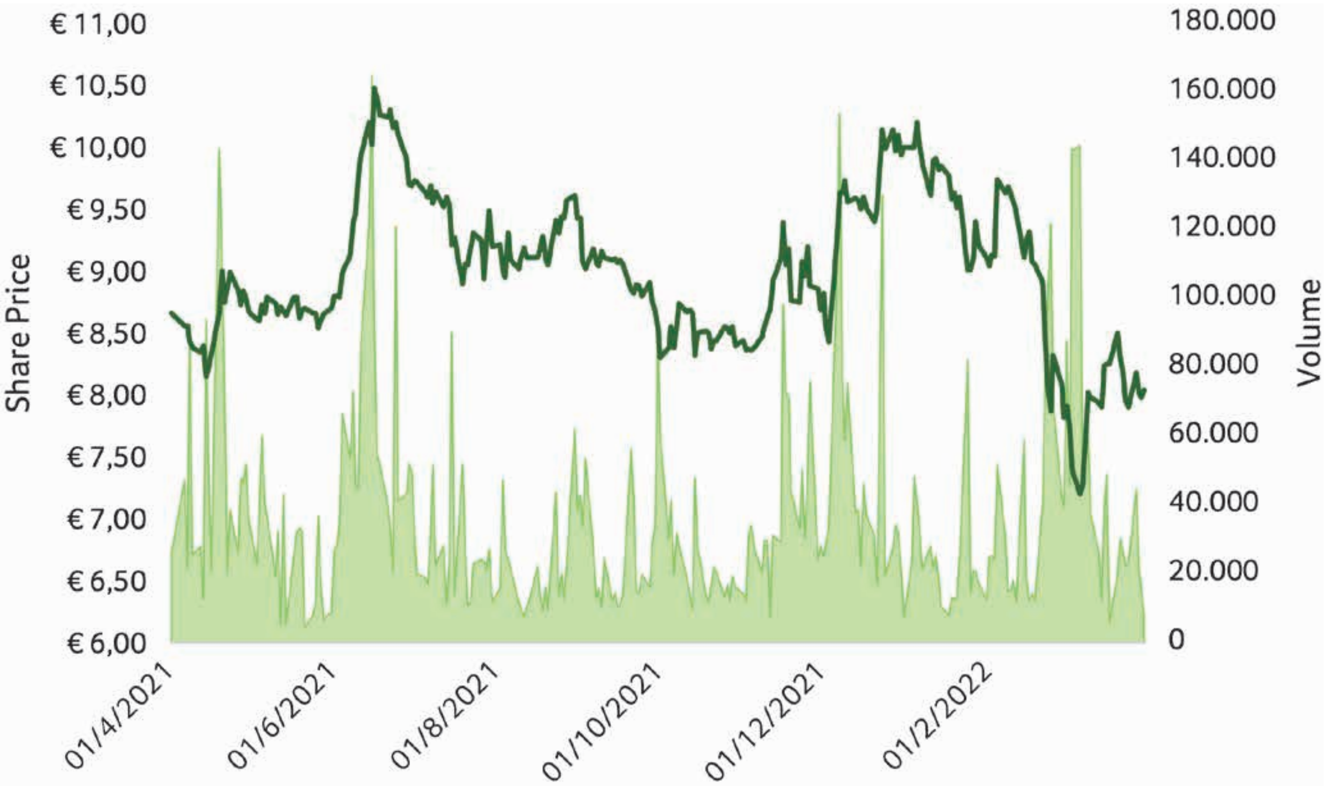
1. Shares

The Company's shares are listed on the continuous market of Euronext Brussels (ticker: GREEN), more specifically in the compartment B (mid-caps) of this market, since 1 March 2005. The Greenyard share was introduced to the Brussels Stock Exchange in June 1999. Greenyard NV has a liquidity contract with ABN AMRO Bank. As per 31 March 2022, the Company holds 1 942 854 treasury shares.

2. Share trading evolution

	AY 21/22	Date	AY 20/21	Date
Highest price	€ 10,48	16/6/2021	€ 9,00	29/3/2021
Lowest Price	€ 7,20	3/7/2022	€ 3,70	2/4/2020
Opening Price	€ 8,44	8/4/2021	€ 3,71	1/4/2020
Closing Price	€ 8,04	31/3/2022	€ 8,69	31/3/2021
Average daily trading volume	36 032		68 326	
Turnover	€ 84 070 101		€ 104 470 994	
Total number of shares (incl. treasury shares)	51 515 443		51 515 443	
Market capitalisation	€ 414 184 162		€ 447 669 200	

The average daily trading volume in AY 21/22 was 36 032 shares, compared with 68 326 shares the year before, or a -47,3% decrease. Due to a decreasing liquidity, total turnover has decreased from € 104 470 994 to € 84 070 101.



3. Capital structure

Authorised capital

In accordance with article 7 of the Company's articles of association, the Board of Directors is authorised to increase the capital of the Company in one or more instalments by an amount equal to the share capital amounting to € 293 851 765. This authorisation is valid for a period of five years as from 17 October 2019, the date the resolutions of the Extraordinary Shareholders' Meeting of 20 September 2019 were published in the Belgian Official Gazette. This authorisation to the Board of Directors is renewable. Pursuant to this authorisation, the Board of Directors is authorised to increase the share capital by means of a contribution in cash or in kind within the limits set forth by the BCAC, by conversion of reserves into share capital, whether or not available or unavailable for distribution, with or without the issuance of new shares. The Board of Directors may also use this authorisation for the issuance of convertible bonds, subscription rights, bonds which other securities are attached to and other securities. In addition, the Board of Directors is authorised, when it increases the share capital or issues convertible bonds, subscription rights, bonds which other securities are attached to or other securities, to limit or exclude the preferential subscription right, also for the benefit of one or more specific persons, other than members of the personnel. If an issue premium is paid as a result of a capital increase decided upon within the framework of the authorised capital, it will automatically be booked to the 'issue premiums' account, which will constitute a guarantee for third parties to the same extent as the share capital and which, subject to the possibility of converting this reserve into share capital, can only be reduced or written off by a new decision of an Extraordinary Shareholders' Meeting taken in accordance with the conditions for amending articles of association.

In addition, the Board of Directors is expressly authorised to increase the share capital in one or more instalments after the Company has received a notification from the FSMA that it has been notified of a public takeover bid on the Company's securities by means of a contribution in kind or in cash with the cancellation or exclusion of the preferential subscription right of the shareholders, and/or by the issue of voting securities, whether or not representing the share capital, or securities giving the right to subscribe to or acquire such securities, even if such securities or rights are not offered to the shareholders in preference to others in proportion to the share capital represented by their shares, under the conditions provided for in the BCAC. This authorisation is granted for a period of three years as from the date of the resolutions of the Extraordinary Shareholders' Meeting of 20 September 2019.

On 26 March 2021, the Board of Directors increased the share capital by € 50,0m within the framework of the authorized capital, through the issuance of 7 142 858 shares, which were fully paid up. Transaction costs of € 0,7m were recorded as a reduction in share capital.

As a result of the Board of Directors' decision of 26 March 2021, the amount remaining available for a capital increase within the framework of the authorized capital is equal to € 243 851 759.

Issuance of convertible bonds

On 7 December 2016, the Board of Directors approved the issuance by Greenyard Fresh NV of senior unsecured convertible bonds for an aggregate amount of € 125,0m, guaranteed by the Company and convertible into ordinary shares of the Company, due 22 December 2021. These convertible bonds carry a coupon of 3.75% per annum and are listed on the Open Market segment of the Frankfurt Stock Exchange (*Freiverkehr*). The Board of Directors considered it in the Company's interest to suspend the preferential subscription rights of the existing shareholders, in accordance with Articles 596 and subsequent articles of the Company Code, in order to benefit from the current market opportunities and to involve the capital markets in time and efficiently, taking into account the formalities which need to be complied with in the case of offering convertible bonds with preferential subscription rights.

The Board of Directors made use of its powers under the authorised capital when, on 15 December 2016, it approved the capital increase in kind, within the limits of its authorised capital, by means of the contribution by the holders of convertible bonds in Greenyard Fresh NV of their receivable against Greenyard Fresh NV into the Company, subject to the effective exercise of their conversion right. On 22 December 2016, the Board of Directors enacted the implementation of the convertible bonds' issuance. On 23 November 2017, the Issuer unilaterally, irrevocably and unconditionally waived its right to make a Cash Alternative Election as provided in clause 6(m) of the terms and conditions.

The senior unsecured convertible bond was fully repaid at maturity on 22 December 2021.

Acquisition of own shares

In accordance with article 12 of the Company's articles of association, the Board of Directors is authorised to acquire own shares up to the maximum number of shares as permitted under article 7:215 BCAC, without a preliminary resolution of the General Shareholders' Meeting being required. The Board of Directors was authorised for a period of five years as from 10 October 2014. This authorisation was renewed for an additional period of five years by decision of the Extraordinary Shareholders' Meeting held on 17 September 2021.

Share buyback programme

On 14 March 2017, the Board of Directors approved, within the authority granted by the General Shareholders' Meeting, the launch of a share buyback programme of up to 1 750 000 shares. The programme is designed to mitigate the potential dilution from the convertible bond and to create a pool of own shares to finance potential future acquisitions and/or long- term incentive plans. By the end of August 2017, the Company had repurchased all 1 750 000 shares or almost 3,94% of the total issued share capital. The total consideration amounted to € 30,0m or € 17,17 per share.

On 28 August 2021, the Board of Directors approved, within the authority granted by the General Shareholders' Meeting, the launch of a second share buyback programme of 600 000 shares. The programme was designed to create a pool of assets for long-term incentive plans only. By January 2022, the company had repurchased all 600 000 shares or 1,16% of the total shares outstanding. The total consideration amounted to € 5,5m or €9,08 per share.

As of 31 March 2022, Greenyard NV, holds 1 942 854 treasury shares, representing 3,8% of the shares.

4. Shareholder structure

Every shareholder with at least 3,0% of voting rights is required to comply with the Act of 2 May 2007, the Royal Decree of 14 February 2008 concerning the disclosure of the major holdings and the Company Code. The shareholders concerned are required to send a notification to the Financial Services and Market Authority (FSMA) and to the Company.

Pursuant to the capital increase of 26 March 2021 for a total amount of € 50 000 006, the new total number of shares is 51 515 443.

Shareholder structure	Number of shares	%
Deprez Holding NV	15 327 254	29,8%
Food Invest International NV	6 534 173	12,7%
Alychlo	6 928 572	13,4%
Sujajo Inv.	3 657 145	7,1%
Mr Joris Ide	1 547 286	3,0%
Treasury shares	1 942 854	3,8%
Public	15 578 159	30,2%
TOTAL	**51 515 443**	**100,0%**

An actual overview of the shareholder structure can be consulted on our website www.greenyard.group under the heading

Investor relations > Share Information.

5. Major changes in shareholder structure

No major changes in the shareholding structure were notified to Greenyard during AY 21/22

6. Contacts

The Investor Relations team is available to answer shareholder and investor questions about the Group's activities, shares and other information requests:

For the attention of Mr Dennis Duinslaeger, Investor Relations Manager

Greenyard NV Strijbroek 10

BE – 2860 Sint-Katelijne-Waver Or by e-mail: dennis.duinslaeger@greenyard.group

7. Financial calendar

Q1 trading update AY 22/23:	29 August 2022 (before market)
General Assembly AY 21/22:	16 September 2022 (2pm)
Announcement of half-year results (01/04/2022 - 30/09/2022):	14 November 2022 (before market)
Q3 trading update AY 22/23:	20 February 2023 (before market)

Consolidated financial statements

Consolidated income statement

Consolidated income statement	Note	AY 21/22 €'000	AY 20/21 €'000
CONTINUING OPERATIONS			
Sales	5.1.	4 400 537	4 416 227
Cost of sales	5.2.	-4 105 703	-4 118 950
Gross profit/loss (-)		**294 834**	**297 277**
Selling, marketing and distribution expenses	5.2.	-98 797	-97 048
General and administrative expenses	5.2.	-152 721	-158 991
Impairment property, plant & equipment	5.2.	-	-1 413
Other operating income/expense (-)	5.4.	14 475	11 153
Share of profit/loss (-) of equity accounted investments	6.6.	492	507
EBIT		**58 283**	**51 485**
Interest expense	5.5.	-30 696	-42 579
Interest income	5.5.	221	260
Other finance result	5.5.	-3 947	-4 845
Net finance income/cost (-)		**-34 422**	**-47 164**
Profit/loss (-) before income tax		**23 861**	**4 321**
Income tax expense (-)/income	5.6.	-6 984	-3 119
Profit/loss (-) for the period from continuing operations		**16 877**	**1 201**
DISCONTINUED OPERATIONS			
Profit/loss (-) for the period from discontinued operations		-	-
PROFIT/LOSS (-) FOR THE PERIOD		**16 877**	**1 201**
Attributable to:			
The shareholders of the Group		16 018	536
Non-controlling interests		859	666

Earnings per share from continuing and discontinuing operations (in € per share)	Note	AY 21/22	AY 20/21
Basic	5.7.	0,32	0,01
Diluted	5.7.	0,32	0,01

Earnings per share from continuing operations (in € per share)	Note	AY 21/22	AY 20/21
Basic	5.7.	0,32	0,01
Diluted	5.7.	0,32	0,01

The attached notes form an integral part of this income statement.

Consolidated statement of comprehensive income

Consolidated statement of comprehensive income	Note	AY 21/22 €'000	AY 20/21 €'000
Profit/loss (-) for the period		**16 877**	**1 201**
Remeasurements on post employment benefit obligations, gross	6.14.	1 785	-2 497
Deferred tax on remeasurements on post employment benefit obligations		-118	427
Items that will not be reclassified to profit or loss		**1 667**	**-2 070**
Cash flow hedges, gross	6.18.	1 838	-3 191
Deferred tax on cash flow hedges		-478	798
Currency translation differences on foreign operations		4 113	-1 608
Reclassification adjustment currency translation differences to profit or loss	7.1.	6	-
Items that may be reclassified to profit or loss		**5 479**	**-4 001**
Other comprehensive income		**7 146**	**-6 071**
TOTAL		**24 023**	**-4 870**
Attributable to:			
The shareholders of the Group		22 891	-5 477
Non-controlling interests		1 132	607

The attached notes form an integral part of this statement of comprehensive income.

Consolidated statement of financial position

Assets	Note	31 March 2022 €'000	31 March 2021 €'000
NON-CURRENT ASSETS		1 217 842	1 255 142
Property, plant & equipment	6.1.	312 830	328 738
Goodwill	6.2.	477 504	477 504
Other intangible assets	6.3.	184 348	198 797
Right-of-use assets	6.4.	212 206	220 286
Investments accounted for using equity method	6.5.	8 206	7 679
Other financial assets	6.6.	-	5
Deferred tax assets	6.7.	21 152	18 061
Trade and other receivables	6.9.	1 596	4 071
CURRENT ASSETS		679 697	686 991
Inventories	6.8.	341 197	309 447
Trade and other receivables	6.9.	239 674	295 774
Other financial assets	6.6.	322	519
Cash and cash equivalents	6.10.	98 504	81 250
TOTAL ASSETS		1 897 538	1 942 133

Equity and liabilities	Note	31 March 2022 €'000	31 March 2021 €'000
EQUITY		469 324	451 118
Issued capital	6.12.	337 692	337 696
Share premium and other capital instruments	6.12.	317 882	317 882
Consolidated reserves		-198 227	-213 177
Cumulative translation adjustments		-2 651	-6 498
Non-controlling interests		14 629	15 214
NON-CURRENT LIABILITIES		614 905	553 972
Employee benefit liabilities	6.14.	16 676	19 131
Provisions	6.15.	10 428	10 310
Interest-bearing loans	6.16.	350 610	281 661
Lease liabilities	6.4.	202 612	206 949
Trade and other payables	6.17.	4 143	3 653
Deferred tax liabilities	6.7.	30 437	32 268
CURRENT LIABILITIES		813 309	937 043
Provisions	6.15.	5 106	4 417
Interest-bearing loans	6.16.	44 628	132 131
Lease liabilities	6.4.	29 386	28 496
Other financial liabilities	6.6.	370	2 408
Trade and other payables	6.17.	733 819	769 591
TOTAL EQUITY AND LIABILITIES		1 897 538	1 942 133

The attached notes form an integral part of this statement of financial position.

Consolidated statement of changes in equity

AY 21/22	Note	Attributable to shareholders of the Group									Non-controlling interests	Total equity
		Share capital	Share premiums	Treasury shares	Retained earnings	Cash flow hedge reserve	Foreign currency translation reserve	Fair value reserve	Defined benefit liability	Total		
		€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Balance at 31 March 2021		**337 696**	**317 882**	**-22 439**	**-184 787**	**-2 009**	**-6 498**	**51**	**-3 993**	**435 903**	**15 214**	**451 118**
Profit/loss (-) for the period		-	-	-	16 018	-	-	-	-	16 018	859	16 877
Other comprehensive income		-	-	-	-	1 360	3 846	-	1 667	6 873	273	7 146
Total comprehensive income for the period		**-**	**-**	**-**	**16 018**	**1 360**	**3 846**	**-**	**1 667**	**22 891**	**1 132**	**24 023**
Transaction costs	6.12.	-4	-	-	-	-	-	-	-	-4	-	-4
Dividend payment		-	-	-	-	-	-	-	-	-	-84	-84
Disposal Bardsley Farms		-	-	-	-	-	-	-	-	-	-1 633	-1 633
Share based payments, gross	6.13.	-	-	-	1 330	-	-	-	-	1 330	-	1 330
Deferred tax on share based payments		-	-	-	-423	-	-	-	-	-423	-	-423
Acquisition treasury shares		-	-	-5 456	-	-	-	-	-	-5 456	-	-5 456
Sale of treasury shares upon exercise of employee stock options		-	-	72	-	-	-	-	-	72	-	72
Other		-	-	-	380	-	-	-	-	380	-	380
Balance at 31 March 2022		**337 692**	**317 882**	**-27 823**	**-167 481**	**-649**	**-2 651**	**51**	**-2 326**	**454 695**	**14 629**	**469 324**

AY 20/21	Note	Attributable to shareholders of the Group									Non-controlling interests	Total equity
		Share capital	Share premiums	Treasury shares	Retained earnings	Cash flow hedge reserve	Foreign currency translation reserve	Fair value reserve	Defined benefit liability	Total		
		€'000	€'000		€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Balance at 31 March 2020		**288 392**	**317 882**	**-22 439**	**-186 034**	**384**	**-4 948**	**51**	**-1 923**	**391 365**	**14 745**	**406 109**
Profit/loss (-) for the period		-	-	-	536	-	-	-	-	536	666	1 201
Other comprehensive income		-	-	-	-	-2 393	-1 549	-	-2 070	-6 012	-59	-6 071
Total comprehensive income for the period		**-**	**-**	**-**	**536**	**-2 393**	**-1 549**	**-**	**-2 070**	**-5 477**	**607**	**-4 870**
Capital increase	6.12.	50 000	-	-	-	-	-	-	-	50 000	-	50 000
Transaction costs	6.12.	-696	-	-	-	-	-	-	-	-696	-	-696
Dividend payment		-	-	-	-	-	-	-	-	-	-137	-137
Share based payments, gross	6.13.	-	-	-	569	-	-	-	-	569	-	569
Deferred tax on share based payments		-	-	-	-237	-	-	-	-	-237	-	-237
Other		-	-	-	380	-	-	-	-	380	-	380
Balance at 31 March 2021		**337 696**	**317 882**	**-22 439**	**-184 787**	**-2 009**	**-6 498**	**51**	**-3 993**	**435 903**	**15 214**	**451 118**

The attached notes form an integral part of this statement of changes in equity.

Consolidated statement of cash flows

Consolidated statement of cash flows	Note	AY 21/22 €'000	AY 20/21 €'000
CASH, CASH EQUIVALENTS AND BANK OVERDRAFTS, OPENING BALANCE		**79 341**	**131 632**
CASH FLOW FROM OPERATING ACTIVITIES (A)		**132 201**	**158 848**
EBIT from continuing operations		**58 283**	**51 485**
EBIT from discontinued operations		-	-
Income taxes paid		**-16 384**	**-3 376**
Adjustments		**102 712**	**100 101**
Amortisation of intangible assets	6.3.	21 098	20 665
Depreciation of property, plant & equipment and right-of-use assets	6.1., 6.4.	79 160	76 926
Impairment on property, plant & equipment	6.1.	-	1 413
Write-off on stock/trade receivables		3 377	3 846
Increase/decrease (-) in provisions and employee benefit liabilities	6.14., 6.15.	1 065	1 025
Gain (-)/loss on disposal of property, plant & equipment		-555	-1 201
Result on change in control of subsidiaries and equity accounted investments		-2 653	-3 014
Share based payments and other	6.13.	1 710	949
Share of profit/loss (-) of equity accounted investments	6.5.	-492	-507
Increase (-) /decrease in working capital		**-12 410**	**10 638**
Increase (-)/decrease in inventories	6.8.	-55 685	-50 200
Increase (-)/decrease in trade and other receivables	6.9.	60 362	2 885
Increase/decrease (-) in trade and other payables	6.17.	-17 087	57 952
CASH FLOW FROM INVESTING ACTIVITIES (B)		**-27 938**	**-41 598**
Acquisitions (-)		**-48 485**	**-48 268**
Acquisition of intangible assets and property, plant & equipment	6.1., 6.3.	-48 485	-48 268
Disposals		**20 547**	**6 671**
Disposal of intangible assets and property, plant & equipment	6.1., 6.3.	1 200	1 834
Disposal of subsidiaries	7.1.	19 347	4 836
CASH FLOW FROM FINANCING ACTIVITIES (C)		**-86 722**	**-169 168**
Capital increase, net of transaction costs	6.12.	-4	49 304
Dividend payment		-	-129
Acquisition treasury shares		-5 456	-
Proceeds from borrowings, net of transaction costs	6.16.	135 763	290 821
Repayment of borrowings	6.16.	-153 371	-432 035
Payment of principal portion of lease liabilities	6.4.	-31 845	-30 777
Net interests paid		-29 463	-41 273
Other financial expenses		-2 346	-5 079
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		**17 542**	**-51 918**
Effect of exchange rate fluctuations		1 144	-373
CASH, CASH EQUIVALENTS AND BANK OVERDRAFTS, CLOSING BALANCE		**98 026**	**79 341**
Of which:			
Cash and cash equivalents	6.10.	98 504	81 250
Bank overdrafts	6.10.	478	1 909

The attached note form an integral part of this statement of cash flows.

Notes to the consolidated financial statements

1. General information

Greenyard (Euronext Brussels: GREEN), domiciled in Belgium in Sint-Katelijne-Waver, is one of the largest suppliers of fruit and vegetables in the world. We offer healthy food products for any lifestyle, age group or consumption. Fresh, frozen or prepared. Traditional or new varieties. Exotic or local. Pre-packaged or in bulk. The Group has approximately 8 455 employees in 23 countries around the world.

The consolidated financial statements of Greenyard NV ('the Company') and its subsidiaries (together, 'the Group') for the year ending 31 March 2022 were authorised for issue by the Board of Directors on 10 June 2022.

2. Significant accounting policies

2.1. Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and with the legal and regulatory requirements applicable in Belgium. The consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments, quoted equity investments and pensions that have been valued at fair value.

2.2. Changes in accounting policies and disclosures

The accounting policies adopted in preparing the AY 21/22 consolidated financial statements as of 31 March 2022 are consistent with those applied when preparing the AY 20/21 consolidated financial statements ending on 31 March 2021, except for the items below.

Amendments to IFRS mandatory for the current year

- Amendments to IFRS 16 *Leases* - COVID-19 related rent concessions beyond 30 June 2021;
- Amendments to IAS 39 Financial Instruments Recognition and Measurement, IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures; IFRS 16 Leases; IFRS 4 Insurance Contracts: Interest Rate Benchmark Reform Phase 2.

With regard to the standards and interpretations which became applicable during AY 21/22, the Group believes that these have little or no impact on its consolidated financial statements.

New and revised IFRS issued but not yet effective

In AY 21/22, the Group did not prospectively apply the following new or revised standards and interpretations, which have been issued but are not effective at the date of approval of the consolidated financial statements:

Texts endorsed by EFRAG:

- Amendments to IFRS 3 Business Combinations; IAS 16 Property, Plant and Equipment; IAS 37 Provisions, Contingent Liabilities and Contingent Assets; and Annual Improvements 2018-2020 (applicable as from 1 January 2022);
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies (applicable as from 1 January 2023);
- IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (applicable as from 1 January 2023);
- IFRS 17 Insurance Contracts (applicable as from 1 January 2023).

Texts not yet endorsed by EFRAG:

- Amendments to IAS 1 *Presentation of financial statements* (applicable as from 1 January 2023): Classification of liabilities as current or non-current.
- Amendments to IAS 12 *Income Taxes* (applicable as from 1 January 2023): Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to IFRS 17 *Insurance contracts* (applicable as from 1 January 2023): Initial Application of IFRS 17 and IFRS 9 – Comparative Information.

At the present time the Group does not expect that the amended standards will significantly affect the financial statements of the Group during their first-time application.

2.3. Basis of consolidation

Subsidiaries

The consolidated financial statements comprise the financial statements of the Company and entities controlled by the Company and their subsidiaries. The Group controls an investee if the Group:
- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group considers all relevant facts and circumstances in assessing whether it has power over an investee.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Profit and loss, and each component of other comprehensive income, are attributed to the shareholders of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with Group accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full in the consolidation.

Changes in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. The carrying amounts of the Group's net interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the shareholders of the Group.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non- controlling interests and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is initially recognised at fair value.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition-date fair value, and the amount of any non- controlling interests in the acquiree.

Acquisition-related costs are expensed as incurred. When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions, as at the acquisition date.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Changes in the fair value of the contingent consideration, qualifying as measurement period adjustments, are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the measurement period (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date. Subsequent changes to the fair value of the contingent consideration that do not qualify as measurement period adjustments and are deemed to be an asset or liability are recognised either in profit and loss or as a change to other comprehensive income. A contingent consideration classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re- assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss as a bargain purchase gain.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition date fair value and the resulting gain or loss is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if those interests were disposed of.

Investments in joint ventures and associated companies

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group’s investments in its associates and joint ventures are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group’s share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment.

The income statement reflects the Group’s share of the results of operations of the associate or joint venture. Any change in other comprehensive income of those investees is presented as part of the Group’s other comprehensive income. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The aggregate of the Group’s share of profit or loss of equity accounted investments is shown on the face of the income statement within EBIT, which represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

When the Group’s share of losses of an associate or a joint venture exceeds the Group’s interests in that associate or joint venture, the Group discontinues recognising its share of losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence, or joint control and the fair value of the retained investment and proceeds from disposal, is recognised in profit or loss.

2.4. Summary of significant accounting policies

Foreign currencies

A. Foreign currency transactions

Foreign currency transactions are accounted for at exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the reporting date rate. Gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Non-monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rate prevailing at the date of the transaction.

Foreign exchange gains and losses that relate to borrowings, and cash and cash equivalents, are presented in the income statement within the finance result. All other foreign exchange gains and losses are presented in the income statement within EBIT.

B. Translation of the results and financial position of foreign operations

Assets and liabilities of foreign operations are translated to euro at foreign exchange rates prevailing at the reporting date. Income statements of foreign operations are translated to euro at exchange rates for the year approximating the foreign exchange rates prevailing at the dates of the transactions. The components of shareholders' equity are translated at historical rates. In cases where the operation is not fully owned, the relevant proportionate share of the translation adjustment is allocated to the non-controlling interests. On the disposal of a foreign operation, all of the exchange differences accumulated in equity in respect of that operation attributable to the Group's shareholders are reclassified to profit and loss.

C. Exchange rates

The main exchange rates used in preparing the financial statements are:

	Closing rate		Average rate	
	31 March 2022	31 March 2021	AY 21/22	AY 20/21
1 USD =	€ 0,9008	€ 0,8529	€ 0,8604	€ 0,8565
1 GBP =	€ 1,1821	€ 1,1736	€ 1,1759	€ 1,1202
1 PLN =	€ 0,2149	€ 0,2150	€ 0,2181	€ 0,2223
1 BRL =	€ 0,1886	€ 0,1483	€ 0,1613	€ 0,1584
1 CZK =	€ 0,0410	€ 0,0383	€ 0,0395	€ 0,0376
1 CLP =	€ 0,0011	€ 0,0012	€ 0,0011	€ 0,0011

Goodwill

In conformity with IFRS 3 Business Combinations, goodwill is stated at cost and not amortised but tested for impairment on an annual basis and whenever there is an indication that the cash generating unit to which goodwill has been allocated may be impaired. The carrying amount of the goodwill is compared with the recoverable amount, which is the higher of the value-in-use and the fair value, less cost to sell.

Other intangible assets

A. Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the income statement as an expense as incurred. Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised if the product or process is technically and commercially feasible, future economic benefits are probable and the company has sufficient resources to complete development. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads. Other development expenditure is recognised in the income statement as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses.

B. Software and licences

Purchased software and licences are measured at cost less accumulated amortisation and impairments. Expenditure on internally developed software is capitalised when the expenditure qualifies as development activity; otherwise, it is recognised in the income statement when incurred. Software and licences are amortised using the straight-line method over their estimated useful life.

C. Customer relationships

The customer relationships acquired in a business combination are initially measured at fair value at the date of the acquisition. Fair value is determined based on an external valuation report. Following their initial recognition, customer relationships are carried at cost less any accumulated amortization and impairment losses.

D. Useful lives

The useful lives of the intangible assets can be summarized as follows:

Item	Years	Method
Software and licences	3 - 7	Straight-line
Customer relationships	15 - 20	Straight-line
Other intangible assets	3 - 5	Straight-line

The carrying amount of intangible assets is reviewed at each reporting date to determine whether there is any indication of impairment. If there is any such indication, the asset's recoverable amount is estimated so that the amount of the impairment loss may be determined.

Property, plant & equipment

The Group has opted for the historical cost model rather than the revaluation model. Items falling within the property, plant and equipment category, separately acquired, are initially measured at cost. Property, plant and equipment acquired in a business combination is initially measured at fair value, which thus becomes its deemed cost. After initial recognition, property, plant and equipment is measured at cost less accumulated depreciation and impairment losses. The cost includes all direct costs and all expenditure incurred to bring the asset to its working condition and location for its intended use. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. Depreciation is provided over the estimated useful lives of the various classes of property, plant and equipment on a straight-line basis.

The useful life, residual value and depreciation methods are reviewed at least at each financial year-end.

Item	Years	Method
Owned buildings	18 - 40	Straight-line
Owned buildings - refurbishments	5 - 25	Straight-line
Leased buildings - structural refurbishments	18 - 40	Straight-line
Leased buildings - refurbishments	5 - 25	Straight-line
Land improvements	3 - 13	Straight-line
Plant, machinery and equipment	3 - 15	Straight-line
Vehicles	3 - 10	Straight-line

Government grants relating to the purchase of property, plant and equipment are deducted from the cost of those assets. They are recognised in the statement of financial position at their expected value at the time of initial government approval and corrected, if necessary, after final approval. The grant is amortised over the depreciation period of the underlying asset.

The carrying amount of property, plant and equipment is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated so that the amount of the impairment loss may be determined.

Accounting for leases as lessee

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group recognised a right-of-use asset and a corresponding lease liability with respect to all lease agreements, except for short- term leases (defined as a lease with a lease term less than 12 months) and leases of low-value assets. The lease payments of such leases are recognized as an operating expense on a straight-line basis over the term of the lease and payments are presented in cash flow from operating activities.

A. Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, including the period of renewable options, in case it is probably that the option will be exercised.

The right-of-use assets are also subject to impairment.

B. Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and purchase options if the Group is reasonably certain to exercise these options. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

A lease liability is remeasured upon a change in the lease term, changes in an index or rate used to determine the lease payments or reassessment of exercise of a purchase option. The corresponding adjustment is made to the related right- of-use asset.

Financial assets

The Group classifies its financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI), and fair value through profit or loss (FVTPL). Management determines the classification of its financial assets at initial recognition, which is based on two criteria: the objective of the company's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding (the 'SPPI criterion').

The classification and measurement of the company's financial assets is as follows:

A. Financial assets at amortised cost

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market, are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interests. The Group's financial assets at amortised cost, less any impairment comprise, unless stated otherwise, trade and other receivables, bills of exchange received, short-term deposits and cash and cash equivalents in the statement of financial position. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

An estimate of impairment losses for doubtful receivables is made based on a review of all outstanding amounts at the reporting date. An allowance for impairment of trade and other receivables is established if the collection of a receivable becomes doubtful. Such a receivable becomes doubtful when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the allowance is the difference between the asset's carrying amount and the present value of the estimated future cash flows. An impairment loss is recognised in the income statement, as are subsequent recoveries of previous impairments.

B. Financial assets at FVOCI

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis. Assets classified in this category are stated at fair value, with any resultant gains or losses recognised directly in equity with no recycling through profit or loss upon disposal. The Group elected not to apply FVOCI for equity instruments that do not have a quoted price in an active market and for which their fair value cannot be reliably measured by alternative valuation methods. In this case, the instrument is stated at cost.

C. Financial assets at fair value through profit or loss (FVTPL)

This category includes derivative instruments and equity investments held for trading or for which the Group had not irrevocably elected to classify them at FVOCI.

Inventories

Inventories are valued at the lower of cost and net realisable value. The cost includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. The FIFO (first-in, first-out) method is used in assigning the cost of inventories.

The cost of finished products and work in progress comprises raw material, other production material, direct labour, other direct costs and an allocation of fixed and variable overhead based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated completion and selling costs. In the case of contracted sales, the average contract price is used to calculate the net realisable value.

Inventories are written down on a case-by-case basis if the anticipated net realisable value declines below the carrying amount of the inventories. The calculation of the net realisable value takes into consideration specific characteristics of each inventory category, such as expiry date, remaining shelf life and slow-moving indicators.

Cash and cash equivalents

Cash and cash equivalents include all cash balances and short-term highly liquid investments with a maturity of three months or less from the date of acquisition that are readily convertible into cash. They are stated at face value, which approximates their fair value. In the cash flow statement, cash and cash equivalents are presented net of bank overdrafts.

Equity

A. Repurchase of share capital

When the Group buys back its own shares, the amount of the consideration paid, including directly attributable costs, is recognised as a deduction from equity under treasury shares. The result on the disposal of treasury shares sold or cancelled is recognised in retained earnings.

B. Dividends

Dividends are recognised in the consolidated financial statements on the date that the dividends are declared.

C. Share issuance costs

Incremental costs directly attributable to the issue of new shares or options are shown in equity (share capital) as a deduction, net of tax, from the proceeds.

Provisions

Provisions are recognised where (i) the company has a present legal or constructive obligation as a result of past events, (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and (iii) a reliable estimate of the amount of the obligation can be made. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A. Restructuring

A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring has either commenced or has been announced publicly. Costs relating to the ongoing activities of the company are not provided for.

B. Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived from a contract by the Group are lower than the unavoidable cost of meeting its obligations under the contract. Such provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

C. Disputes and litigations

A provision for disputes and litigations is recognised when it is more likely than not that the Group will be required to make future payments as a result of past events. Such items may include but are not limited to several claims, environmental matters, employment related disputes and claims from tax authorities.

D. Decommissioning

A provision for decommissioning is recognised when the Group has the obligation to decommission a building at the end of the lease agreement.

Employee benefits

A. Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the income statement when incurred. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a fund. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

B. Belgian defined contribution plans with guaranteed return

By law, defined contribution pension plans in Belgium are subject to minimum guaranteed rates of return and therefor classify as defined benefit plans. IASB and IFRIC acknowledge that accounting for these plans in accordance with IAS 19 can be problematic. Considering the uncertainty of the future minimum guaranteed rates of return in Belgium, the Group calculates the net liability as the sum of any individual differences between the mathematical reserves and the minimum guarantee as determined by the Belgian law enforcing the minimum guaranteed rates of return, being the intrinsic value approach.

C. Defined benefit plans

A defined benefit plan is a pension plan that is not a defined contribution plan. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

For defined benefit plans, the pension expenses are assessed separately for each plan using the projected unit credit method. The projected unit credit method considers each period of service as giving rise to an additional unit of benefit entitlement. Under this method, the cost of providing pensions is charged to the income statement so as to spread the regular cost over the service lives of employees in accordance with the advice of qualified actuaries who carry out a full valuation of the plans at least every three years. The amounts charged to the income statement include current service costs, net interest expense (income), past service costs and the effect of any curtailments or settlements. Past service costs are recognised at the earlier of when the amendment / curtailment occurs or when the Group recognises related restructuring or termination costs.

The pension obligations recognised in the statement of financial position are measured at the present value of the estimated future cash outflows using interest rates based on high quality corporate bond yields, which have terms to maturity approximating the terms of the related liability, less the fair value of any plan assets. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling (excluding net interest) and the return on plan assets (excluding net interest) are recognised in full in the period in which they occur in the statement of comprehensive income. Re-measurements are not reclassified to profit or loss in subsequent periods.

D. Other long-term employee benefits

Other long-term employee benefits, such as jubilee awards, are accounted for using the projected unit credit method. However, the accounting method differs from the method applied for defined benefit plans, as actuarial gains and losses are recognised immediately through profit or loss.

Interest-bearing loans

Interest-bearing loans are recognised initially at fair value, less attributable transaction costs. Subsequent to initial recognition, interest-bearing loans are stated at amortised cost with any difference between the initial amount and the maturity amount being recognised in the income statement (as interest expense) over the expected life of the instrument on an effective interest rate basis.

Loans are derecognized when the obligation is discharged, cancelled or expires. When an existing loan is replaced by another from the same lender on substantially different terms, or the terms of the existing loan are substantially modified, such an exchange or modification is treated as the derecognition of the original loan and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

When a refinancing is done, an assessment is made whether it concerns a debt modification or a debt extinguishment. When a refinancing is considered a debt modification, an analysis is made (qualitative and if needed quantitative) whether or not the modification is substantial. When the modification is substantial, it results in the derecognition of the original loan and the recognition of a new liability. The unamortized transaction costs related to the previous loans are recognized in the statement of profit and loss. Transaction costs related to the new loans are also recognized in the statement of profit and loss except for costs which are considered a yield adjustment as in this case the amount of the loan deducted with the transaction costs is considered the fair value of the debt instrument.

Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Derivatives, hedging and hedging reserves

The Group uses derivatives to hedge its exposure to foreign exchange and interest rate risks arising from operating, financing and investing activities. The net exposure of all subsidiaries is managed on a centralised basis by Corporate Treasury in accordance with the aims and principles laid down by general management. As a matter of policy, the Group does not engage in speculative or leveraged transactions.

Derivatives are initially and subsequently measured and carried at fair value. The fair value of traded derivatives is equal to their market value. If no market value is available, the fair value is calculated using standard financial valuation models, based on the relevant market rates at the reporting date.

The Group applies hedge accounting in accordance with IFRS 9 to reduce income statement volatility. Depending on the nature of the hedged risk, a distinction is made between fair value hedges, cash flow hedges and hedges of a net investment in a foreign entity.

Fair value hedges are hedges of the exposure to variability in the fair value of recognised assets and liabilities. The derivatives classified as fair value hedges are carried at fair value and the related hedged items (assets or liabilities) are re- measured for fair value changes due to the hedged risk. The corresponding changes in fair value are recognised in the income statement. When a hedge ceases to be highly effective, hedge accounting is discontinued and the adjustment to the carrying amount of a hedged interest-bearing financial instrument is recognised as income or expense and will be fully amortised over the remaining period to maturity of the hedged item.

Cash flow hedges are hedges of the exposure to variability in future cash flows related to recognised assets or liabilities, highly probable forecast transactions or currency risk on unrecognised firm commitments. Changes in the fair value of a hedging instrument that qualifies as a highly effective cash flow hedge are recognised directly in shareholders' equity. The ineffective portion is recognised immediately in the income statement. If the hedged cash flow results in the recognition of a non-financial asset or liability, all gains and losses previously recognised directly in equity are transferred from equity and included in the initial measurement of the cost or carrying amount of the asset or liability. For all other cash flow hedges, gains and losses initially recognised in equity are transferred from the hedging reserve to the income statement when the hedged firm commitment or forecast transaction results in the recognition of a profit or loss. When the hedge ceases to be highly effective, hedge accounting is discontinued prospectively, and the accumulated gain or loss is retained in equity until the committed or forecast transaction occurs. If the forecast transaction is no longer expected to occur, any net cumulative gain or loss previously reported in equity is transferred to the income statement.

If a net investment in a foreign entity is hedged, all gains or losses on the effective portion of the hedging instrument, together with any gains or losses on the foreign currency translation of the hedged investment, are taken directly to equity. Any gains or losses on the ineffective portion are recognised immediately in the income statement. The cumulative remeasurement gains and losses on the hedging instrument, that had previously been recognised directly in equity, and the gains and losses on the currency translation of the hedged item are recognised in the income statement only on disposal of the investment.

To comply with the requirements of IFRS 9 regarding the use of hedge accounting, the strategy and purpose of the hedge, the relationship between the financial instrument used as the hedging instrument and the hedged item, and the estimated (prospective) effectiveness are documented by the Group at the inception of the hedge. The effectiveness of existing hedges is monitored quarterly. Hedge accounting for ineffective hedges is discontinued immediately.

The Group also uses derivatives that do not satisfy the hedge accounting criteria of IFRS 9 but provide effective economic hedges under the Group's risk management policies. Changes in the fair value of any such derivatives are recognised immediately in the income statement.

Income tax

Income tax comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case the tax effect is also recognised directly in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantively enacted, at the reporting date, and any adjustments to tax payables in respect of previous years. In accordance with IAS 12 Income Taxes, deferred taxes are provided using the so-called comprehensive balance sheet method. This means that, for all taxable and deductible differences between the tax bases of assets and liabilities and their carrying amounts in the statement of financial position a deferred tax liability or asset is recognised. Under this method a provision for deferred taxes is also made for differences between the fair values of assets and liabilities acquired in a business combination and their tax base. IAS 12 prescribes that no deferred taxes are recognised on i) the initial recognition of goodwill, ii) the initial recognition of assets or liabilities in a transaction that is not a business combination and affects neither accounting nor taxable profit and iii) differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future and to the extent that the company is able to control the timing of the reversal. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using currently or substantively enacted tax rates.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

The Group recognises deferred tax assets, including assets arising from losses carried forward, to the extent that future probable taxable profit will be available against which the deferred tax asset can be utilised, or the extent of the recognised deferred tax liability. A deferred tax asset is reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Tax claims are recorded within provisions on the statement of financial position.

Revenue

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the Group and the amount of revenue can be measured reliably.

Revenue is measured at the fair value of the consideration received or receivable.

Fresh operates using three different business models:
- Trading model: Fresh generates revenues through programmed sourcing or spot buying transactions, whereby the margin is determined based on the purchase pricing structure of the respective transaction, i.e. a sales-based purchase price (majority), a fixed price, a minimum guaranteed price or an agreed price range.
- Production model: Fresh generates revenues from own-produced fresh convenience and flowers.
- Service model: Fresh operates some or all of the fresh supply chain of some of its customers, with the added-value services remunerated on a cost-plus basis. For the sale of goods where added-value services, such as ripening or packing, are provided, Fresh is the primary entity responsible for fulfilling the promise to provide the goods to the customer. Some Fresh entities also enter into specific logistics agreements with customers whereby a fixed price per serviced item is agreed.

For all transactions, except some logistical services, the Group acts as a principal since the main risks related to the purchase and sale of goods are borne by the Group. For the sale of goods for which added-value services, such as ripening or packing, have been delivered, the Group is the primary entity responsible for fulfilling the promise to provide the goods to the customer. The Group checks the quality of purchased goods and bears the inventory risk and the added-value services are not all in response to customer requests. As a consequence, the gross inflows received from the customers are recognised as revenue.

For all operating models, the revenue is recognised when performance obligations are satisfied by transferring control of the goods or services to the customer. Recognition of revenue typically takes place at a point in time upon delivery of the goods to the customer in accordance with the incoterm. At the time of delivery, risk and rewards are transferred, Greenyard has a right to payment and the customer has taken physical possession of the goods. Customer acceptance occurs in a very short period (maximum three days) after the goods are delivered to the customer's premises. In the case of service contracts, revenue is recognised over time to the extent that the performance obligation has been satisfied, which in practice is a very short period of time for all services, such as transport, provided by Fresh.

The sale of frozen and prepared fruit and vegetables is mainly based on contractually agreed prices, while the volumes sold are mostly order-based. Fresh vegetable supplies are mainly subject to annual contracts negotiated with the suppliers, determining volumes and prices, whereas the supply of fresh fruit is mainly negotiated on an order by order basis, each of which determines volumes and prices.

In general, the goods and added value services are invoiced as they are delivered or carried out. The amounts are directly recognised in the income statement and do not require the measurement of the stage of completion.

Government grants are recognised where there is a reasonable assurance that the Group will comply with the conditions attached to the grants and the grants will be received. Grants compensating the Group for expenses incurred are systematically recognised as other operating income in the same period in which the expenses are incurred.

Rental income is recognised in other operating income on a straight-line basis over the term of the lease.

Finance result

Interest income comprises interest received or receivables on funds invested and is recognised as it accrues (taking into account the effective yield on the asset) unless collectability is in doubt.

Interest expense comprises interests on interest-bearing loans, calculated using the effective interest rate method, factoring interests and net interests on interest rate swaps settlements. All interest expenses incurred in connection with interest-bearing loans or financial transactions are expensed as incurred as part of interest expense. Any difference between the initial amount and the maturity amount of interest-bearing loans, such as transaction costs and fair value adjustments, are recognised in the income statement over the expected life of the instrument on an effective interest rate basis. The interest expense component of financial lease payments is also recognised in the income statement using the effective interest rate method.

Other finance result comprises dividend income, net gains or losses in the areas of foreign exchange and arising from interest rate swaps that are not part of a hedge accounting relationship, financial assets classified as trading, net fair value on the conversion option, as well as losses resulting from ineffective hedges.

Events after balance sheet date

Events after the balance sheet date which provide additional information about the Group's position as at the reporting date (adjusting events) are reflected in the financial statements. Events after the balance sheet date which are not adjusting events are disclosed in the notes, if material.

3. Critical accounting judgements and key sources of estimation uncertainty

3.1. Critical judgments in applying the entity's accounting policies

The following are the critical judgments made by management, apart from those involving estimations (see note 3.2. *Key sources of estimation uncertainty*), that have a significant effect on the amounts reported in the consolidated financial statements.

In conformity with IFRS 9:3.2.2. which states that before evaluating whether, and to what extent, derecognition of a financial asset is appropriate, an entity should assess whether to apply the analysis of the transfer of risks and rewards to a part of a financial asset (or part of a group of similar financial assets) or to a financial asset (or group of similar financial assets) in its entirety. In our assessment of the derecognition of financial assets with regard to our factoring program (see 6.9 and 7.3.2) i.e. the factored receivables, we determined that it is appropriate to separately consider the derecognition of the factored receivables and of the related credit insurance. This means that the appropriateness of derecognising the receivables should be analysed without considering the effect of the credit insurance that was covering them before they were transferred. In our view, a trade receivable and the related acquired credit insurance are not similar financial assets because they are separately contracted with different counterparties, where the counterparty as well as the contractual rights and obligations are of a fundamentally different nature, and therefore not comparable.

3.2. Key sources of estimation uncertainty

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in any future years affected.

In applying the Group's accounting policies described above, the Directors have identified that the following areas are the key estimates that have a significant risk of resulting in a material adjustment to the carrying value of assets and liabilities within the next financial year:

- **Goodwill impairment:** The Group determines whether goodwill is impaired at least once a year. This requires an estimate of the value in use of the CGUs to which the goodwill is allocated. To estimate the value in use, the Group estimates the expected future cash flows from the CGUs and discounts them to their present value at a given discount rate, which is appropriate for the territory to which the goodwill is allocated. Forecasting expected cash flows and selecting an appropriate discount rate inherently requires estimation. The resulting calculation is sensitive to the assumptions in respect of sales growth rate, adjusted EBITDA growth rate and the discount rate applied. A sensitivity analysis has been performed on the estimates (see note 6.2. *Goodwill*). The Directors consider that the assumptions made represent their best estimate of the future cash flows generated by the CGUs, and that the discount rate used is appropriate given the risks associated with the specific cash flows involved. Budgets comprise forecasts based on current and anticipated market conditions that have been considered and approved by the Board of Directors. Although based on the sensitivity analysis performed, there is no impairment charge to goodwill of the Fresh segment, it is considered appropriate to disclose this as an area of significant estimation due to the size of the balance and the fact that it could change as a result of future events within the next five years.

- **Current tax provisions**: In determining the income tax assets and liabilities recognised in the consolidated statement of the financial position, the Group is required to estimate the outcome of multiple tax years remaining open to tax authority audit in each of the jurisdictions in which it has companies. In making estimates for tax provisioning purposes, management makes use of in-house tax expertise, third-party studies prepared by professional advisors and any other information available. In the event of an audit, the Group may liaise with the relevant taxation authorities to agree an outcome. The tax liability provided for each tax year and jurisdiction is reassessed in each period to reflect our best estimate of the probable outcome in light of all the information available. A final position agreed with a tax authority or through expiry of a tax audit period could differ from the estimates made by us which would impact the current tax liability recognised in the consolidated statement of financial position. Several tax audit discussions are ongoing in different countries and entities. Should a tax audit commence, this would give additional visibility over maximum potential exposures as the tax authorities' own position becomes clearer. Such developments would then further inform our best estimate in line with the approach above. Conversely, should tax audit windows close without audits commencing, this would enable tax provisions to be released.

- **Deferred tax assessment**: Deferred taxes are recognised in respect of temporary differences between the tax treatment and the treatment within the financial statements for assets and liabilities. Deferred tax assets are only recognised to the extent they are expected to be recovered. Recoverability is assessed on an ongoing basis. Deferred tax is calculated at the substantively enacted rate which is expected to apply in the period the asset or liability is expected to be realised. The Corporate Tax team, which has the overview of the Group's deferred tax positions, is involved in assessing deferred tax assets. Deferred tax assets for tax losses carried forward are based on five-year revenue forecasts. The Group has taken into account advice provided by internal as well as external experts to determine the deferred tax asset positions relating to the tax losses carried forward. Deferred tax assets relating to tax losses carried forward, unused tax credits and temporary differences are recognised only to the extent that it is probable that sufficient taxable profit will exist in the foreseeable future. In estimating this, the Group takes into account aspects such as tax laws, regulations budgets and long-term business strategies (disregarding potential tax planning opportunities). Further details are provided in note 5.6. *Income tax expense/income* and note 6.7. *Deferred tax assets and liabilities*. There is also estimation involved for those potential tax assets that remain unrecognised. The nature and amounts of unrecognised potential tax assets are disclosed in note 6.7. *Deferred tax assets and liabilities*. Although the Group does not believe that there is significant risk of a material adjustment to deferred tax assets within the next financial year, there is significant uncertainty at each year end and therefore the Group's overall tax position could change within the next 12 months. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

- **Employee benefit obligations**: the determination of the defined benefit obligations is based on actuarial assumptions such as discount rate, salary increases, inflation and average duration of plans which are detailed in note 6.14. *Pension and other employee benefit liabilities*. These assumptions are considered to be a key source of estimation uncertainty as relatively small changes in the assumptions used may have a significant effect on the Group's financial statements within the next year. Further information on the carrying amounts of the Group's defined benefit obligation and the sensitivity of those amounts to changes in discount rate are provided in note 6.14. *Pension and other employee benefit liabilities*.

- **Leases**: Determining the lease term requires judgement. Elements that are considered include assessing the probability that early termination option or extension options will be exercised. All facts and circumstances relevant to the assessment are considered.

4. Segment information

For management purposes, the Group is organised into two operating segments based on the Group's activities.

The Fresh segment is a worldwide market leader and supplier of fresh fruit and vegetables, flowers and plants, and fresh produce logistics. Segment Long Fresh includes the Frozen and Prepared activities. Frozen is a pioneer and market leader that processes freshly harvested fruits and vegetables into frozen food products that are easy to store and take little or no time to prepare. Prepared is a global player in freshly preserved fruit, vegetables and other ambient food products that are easy to store and ready to eat.

An overview of the companies included in the different segments is provided in note 7.1. *Subsidiaries, associates, joint ventures and investments recorded at cost.*

Management assesses segment performance and allocates resources based on adjusted EBITDA and sales.

The segment's assets are assets belonging directly to it. Segment assets and segment sales are presented before elimination of intersegment transactions. Sales between segments are on an arm's length basis in a manner similar to transactions with third parties.

Segment information AY 21/22	Continuing operations				
	Fresh	Long Fresh	Eliminations (1)	Unallocated (2)	Consolidated
	€'000	€'000	€'000	€'000	€'000
Sales	**3 610 027**	**793 431**	**-2 921**	**-**	**4 400 537**
Third party sales	3 607 390	793 148	-	-	4 400 537
Intersegment sales	2 638	284	-2 921	-	-
Adjusted EBITDA	**101 894**	**65 759**	**-**	**-1 116**	**166 537**
Total assets at 31 March 2022	**1 210 320**	**583 500**	**-24 295**	**128 013**	**1 897 538**

Segment information AY 20/21					Continuing operations
	Fresh	Long Fresh	Eliminations (1)	Unallocated (2)	Consolidated
	€'000	€'000	€'000	€'000	€'000
Sales	**3 593 362**	**823 892**	**-1 027**	**-**	**4 416 227**
Third party sales	3 592 680	823 547	-	-	4 416 227
Intersegment sales	682	346	-1 027	-	-
Adjusted EBITDA	**95 064**	**62 562**	**-**	**-706**	**156 919**
Total assets at 31 March 2021	**1 279 702**	**571 153**	**-31 039**	**122 316**	**1 942 133**

(1) Long-term intersegment receivables and intersegment participations are not included in the segment assets and therefore not included in the eliminations.

(2) Unallocated adjusted EBITDA includes adjusted EBITDA allocated to corporate. Unallocated assets include derivative financial instruments, cash and cash equivalents and other assets allocated to corporate.

We refer to the section Key Financial Information for the reconciliation from EBIT to adjusted EBITDA.

4.1. Information about major customers

The segments have built an elaborated and diversified client portfolio, both in type of clients and geographical spread.

Sales to the three major customers increased slightly and amounted to 59,9% of total sales in AY 21/22 (AY 20/21 57,2%). Besides the top two customers, no other individual customers represent more than 10% of total sales (for current and previous accounting year). Sales to the ten major customers amount to 76,0% of total sales in AY 21/22 (AY 20/21 74,0%).

4.2. Geographical information

The Group sells its products in more than 100 countries across the world. The table below gives an overview of sales by customer location.

Sales	AY 21/22	AY 20/21
Germany	30,3%	27,9%
The Netherlands	27,9%	27,6%
Belgium	14,5%	14,7%
The United Kingdom	5,9%	6,6%
France	4,2%	4,3%
Other - Europe	11,9%	13,6%
Other - non-Europe	5,3%	5,3%
TOTAL	**100%**	**100%**

The table below shows the geographical spread of non-current assets. Non-current assets as shown below do not include goodwill, other financial assets and deferred tax assets.

Geographical spread of non-current assets	31 March 2022 €'000	31 March 2021 €'000
Belgium	228 126	243 760
The Netherlands	153 981	173 567
The United Kingdom	67 926	72 599
Germany	83 806	91 231
Poland	71 405	60 053
France	58 034	60 310
Other	55 908	58 053
TOTAL	**719 186**	**759 572**

5. Notes to the consolidated income statement

5.1. Sales

Sales fully relate to contracts with customers and can be disaggregated based on the type of goods and services delivered, being sales related to fresh, frozen and prepared goods. The sales of both frozen and prepared goods are allocated to the Long Fresh segment.

Fresh sales, which increased with 0,4% in AY 21/22, comprise the sale of high-quality top, tropical, citrus and stone fruit, vegetables, salads, fresh-cut flower products and related services.

Frozen sales, which increased with 7,9% in AY 21/22, are based on the processing of freshly-harvested vegetables and fruits into frozen food products that are easy to store, conserve and consume. Greenyard offers a wide range of innovative and high-quality frozen vegetables, fruits, vegetable mixes, convenience products and herbs.

Prepared sales decreased with 21,1% in AY 21/22 which is entirely due to the sale of Prepared Netherlands in June 2021. Prepared sales comprise the sale of freshly-preserved fruit, vegetables and other ambient food products that are easy to store and ready to eat. Greenyard offers customers an extensive product portfolio, from classic preserved products in cans or jars to ready-made soups, sauces, dips and pasta dishes in a variety of packaging.

Sales	AY 21/22 €'000	AY 20/21 €'000
Fresh	**3 607 390**	**3 592 680**
Frozen	533 954	494 932
Prepared	259 194	328 615
Long Fresh	**793 148**	**823 547**
TOTAL	**4 400 537**	**4 416 227**

The performance obligations relating to the sales are satisfied at a point in time determined by the incoterms. For sales of fresh goods, the performance obligation is predominantly satisfied at the moment the customer accepts the goods at its premises. For frozen and prepared sales, the incoterms vary from 'ex-work' to 'delivered duty paid'. In the event of quality issues, the goods are not accepted or can be returned.

5.2. Operating expenses

Operating expenses	AY 21/22 €'000	AY 20/21 €'000
Cost of goods	3 145 042	3 160 332
Transport	287 628	276 465
Packing, warehousing and farming	351 073	354 412
Personnel and temporary workforce costs	278 746	280 872
Other	43 214	46 869
Cost of sales (*)	**4 105 703**	**4 118 950**
Impairment goodwill	-	-
Impairment property, plant & equipment	-	**1 413**
Rentals	12	63
Maintenance and repair	4 071	3 633
Personnel expenses	155 269	149 387
Utilities	3 865	3 469
Travel and representation	3 759	3 353
Office expenses	2 370	2 807
Fees	16 869	20 454
Insurance	4 748	3 595
Information and communication technology	10 395	11 909
Depreciation	37 197	36 408
Quality	279	290
Indirect tax	4 679	5 759
Other	8 005	14 912
Selling, marketing and distribution & general and administrative expenses	**251 517**	**256 039**
TOTAL	**4 357 221**	**4 376 402**

(*) Contain personnel expenses, depreciation and other direct operating expenses.

Depreciation and amortisation expenses included in the cost of sales amount to € 62,6m (AY 20/21 € 61,2m) of which € 22,6m is related to right-of-use assets. The depreciation expenses in selling, marketing and distribution and general and administrative expenses amount to € 37,2m (AY 20/21 € 36,4m) of which € 11,3m is related to right-of-use assets. On the contrary to the depreciations and amortisations, IFRS 16 had a positive impact on the rent expenses for an amount of € 40,7m (AY 20/21 € 40,4m).

Impairment property, plant & equipment in AY 20/21 entirely related to the impairment on Greenyard Prepared Netherlands to bring the equipment to its fair value. For further detail on the personnel expenses, we refer to note 5.3. *Personnel expenses*.

5.3. Personnel expenses

Personnel expenses	AY 21/22 €'000	AY 20/21 €'000
Wages and salaries	246 580	245 931
Social security costs	43 735	43 663
Pension costs - defined benefit plans	402	(574)
Pension costs - defined contribution plans	5 843	5 608
Termination benefits	438	372
Temporary workforce	117 701	115 776
Other employee benefit expenses	19 317	19 482
TOTAL	**434 015**	**430 259**
Included within cost of sales	**278 746**	**280 872**
Included within selling, marketing and distribution & general and administrative expenses	**155 269**	**149 387**

The total number of full-time equivalents (FTEs) as of 31 March 2022 amounted to 8 455 (including temporary staff), compared to 9 279 as of 31 March 2021. This decrease is mainly due to the sale of the Bardsley Fruit Enterprises and Greenyard Prepared Netherlands during the course of AY 21/22. The average number of FTEs during AY 21/22 amounted to 8 773, which is a decrease of 258 FTE compared to AY 20/21.

5.4. Other operating income/expense

Other operating income/expenses (-)	AY 21/22 €'000	AY 20/21 €'000
Income from rentals	3 058	1 994
Indemnities recovery	2 177	440
Grants	1 061	1 111
Sale of waste	1 326	1 152
Recharge costs	1 929	1 530
Gain/loss (-) on disposal of property, plant & equipment	555	1 066
Result on change in control of equity accounted investments	-	-115
Result on sale of subsidiaries	2 653	2 889
Other	1 717	1 085
TOTAL	**14 475**	**11 153**

During AY 21/22 Greenyard finalised the sale of Greenyard Prepared Netherlands and Bardsley Fruit Enterprises for a consideration of respectively € 17,0m and £ 4,2m. After deduction of transaction related expenses, a loss was accounted for on the sale of Prepared Netherlands ad € 0,3m while a gain was realized for an amount of € 3,0m on the sale of Bardsley Fruit Enterprises.

The increase in other operating income/expense between AY 21/22 and AY 20/21 is mainly explained by the increased income from rentals and indemnities recovery.

5.5. Net finance income/cost

Net finance income/cost (-)	AY 21/22 €'000	AY 20/21 €'000
Interest expense - convertible bond	-3 404	-4 688
Interest expense - bank borrowings	-8 977	-17 312
Amortisation transaction costs - convertible bond	-461	-599
Amortisation conversion option	-2 007	-2 605
Amortisation transaction costs - term loan / revolving credit facility	-1 037	-1 829
Interest expense - factoring	-5 119	-5 662
Interest expense - IRS	-23	-34
Interest expense - Leasing	-9 527	-9 638
Other	-139	-212
Interest expense	**-30 696**	**-42 579**
Interest income	221	260
Interest income	**221**	**260**
Foreign exchange gains/losses (-)	-1 890	-1 643
Bank and other financial income/cost (-)	-2 057	-3 202
Other finance result	**-3 947**	**-4 845**
TOTAL	**-34 422**	**-47 164**

The convertible bond has been repaid at maturity date in December 2021 while a second term loan has been drawn for the same amount (€ 125,0m) in December 2021. Interest expenses on bank borrowings have significantly decreased as a result of lower interest rates following the further declining leverage ratio. Note that the interest expenses on leasing almost entirely relate to the application of IFRS 16.

The bank and other financial costs in AY 21/22 mainly relate to write-offs of financial assets for an amount of € 0,8m (€ 1,9m in AY 20/21), agency and service fees (€ 0,5m) and miscellaneous bank charges ad €0,4m.

5.6. Income tax expense/income

Income tax expense (-)/income	AY 21/22 €'000	AY 20/21 €'000
Current tax on profits for the year	-12 181	-13 103
Adjustments in respect of prior years	-766	-787
Current tax	**-12 947**	**-13 889**
Origination and reversal of temporary differences	5 692	9 349
Deferred tax assets on tax losses and forfeited losses	270	1 422
Deferred tax	**5 963**	**10 771**
TOTAL	-6 984	-3 119

Effective tax rate reconciliation	AY 21/22 €'000	AY 20/21 €'000
Result before taxes (profit/loss (-))	**23 861**	**4 321**
Theoretical tax rate	25%	25%
Tax calculated at statutory Belgian tax rate applicable to profits	-5 965	-1 080
Tax effects of:		
Effect of different tax rates in other countries	48	2 026
Income not subject to income tax	919	330
Non-deductible items	-441	-7 222
Non-recognised deferred tax assets on tax losses and forfeited losses	-3 656	-4 957
Recognition of deferred tax assets not previously recognised	1 250	4 207
Use of deferred tax assets not previously recognised	790	1 074
Adjustments in respect of prior years	-707	-380
Nominal tax rate changes	-81	-57
Other	858	2 940
Effective income tax expense (-)/ income	**-6 984**	**-3 119**
Effective tax rate	**29,27%**	**72,19%**

For a detailed discussion please refer to note 6.7. *Deferred tax assets and liabilities.*

Income tax for AY 21/22 amounts to € 7,0m (AY 20/21 € 3,1m). This implies a consolidated effective tax rate of 29,27% (AY 20/21 72,19%). The effective tax rate for AY 20/21 was highly impacted by (non-) recognition and at the same time the use of deferred tax assets previously not recognized, as well as by the impact of IFRS16 rules and non-deductible items related to a range of items for which the most significant were non-deductible interest expenses. The current tax accruals result from the improved/increased profit before tax positions of several legal entities within the Group. In addition, tax losses have been fully utilised by a number of legal entities in several jurisdictions.

5.7. Earnings per share

AY 21/22	Basic	Diluted
Weighted average number of ordinary shares	49 921 369	49 921 369
Dilution effect of share based compensation		706 966
Dilution effect of convertible bond (issued in December 2016)	-	-
Total	**49 921 369**	**50 628 335**
Profit/loss (-) attributable to the shareholders of the Group (in €'000):		
Continuing operations	16 018	16 018
Discontinued operations	-	
Earnings per share (in € per share)	**0,32**	**0,32**

AY 20/21	Basic	Diluted
Weighted average number of ordinary shares	43 067 279	43 067 279
Dilution effect of share based compensation		331 203
Dilution effect of convertible bond (issued in December 2016)	-	-
Total	**43 067 279**	**43 398 482**
Profit/loss (-) attributable to the shareholders of the Group (in €'000):		
Continuing operations	536	536
Discontinued operations	-	
Earnings per share (in € per share)	**0,01**	**0,01**

Earnings per share (EPS) is the amount of post-tax profit attributable to each share. Basic EPS is calculated as the result for the period attributable to the shareholders of the Group divided by the weighted average number of shares outstanding during the year. The weighted average number of shares outstanding is calculated taking into account the treasury shares acquired as part of a buyback programs and distributed treasury shares following the exercise by certain beneficiaries of the share option plan of 2017 (1 942 854 as per 31 March 2022). Diluted EPS reflects any commitments the Group has made to issue shares in the future which comprise of potential share-based awards (see note 6.13. *Share based compensation*):

Dilutive share based awards affect the denominator and represent the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

6. Notes to the consolidated statement of financial position

6.1. Property, plant & equipment

Property, plant & equipment AY 21/22	Land and buildings €'000	Plant, machinery and equipment €'000	Furniture and vehicles €'000	Assets under construction €'000	TOTAL €'000
ACQUISITION VALUE					
Balance at 31 March 2021	**285 100**	**604 395**	**62 787**	**23 907**	**976 189**
Additions	1 283	15 155	5 754	22 131	44 324
Sales and disposals	-2	-3 113	-1 251	-33	-4 398
Change in scope: disposal of subsidiaries	-24 455	-44 596	-2 335	-237	-71 623
Transfer from one heading to another	3 540	22 378	325	-26 408	-165
Translation differences	320	1 021	143	115	1 598
Balance at 31 March 2022	**265 786**	**595 240**	**65 423**	**19 476**	**945 924**
DEPRECIATION AND IMPAIRMENT LOSSES					
Balance at 31 March 2021	**156 407**	**440 790**	**50 238**	**17**	**647 451**
Depreciation	8 926	31 602	4 683	-	45 211
Impairment losses	-	-	-	-	-
Reversals after sales and disposals	-2	-2 796	-1 041	-	-3 839
Change in scope: disposal of subsidiaries	-12 531	-42 190	-1 916	-	-56 636
Transfer from one heading to another	675	-598	-8	-	70
Translation differences	106	627	106	-	839
Balance at 31 March 2022	**153 580**	**427 436**	**52 062**	**17**	**633 095**
Net carrying amount at 31 March 2022	**112 205**	**167 805**	**13 361**	**19 458**	**312 830**

Property, plant & equipment AY 20/21	Land and buildings €'000	Plant, machinery and equipment €'000	Furniture and vehicles €'000	Assets under construction €'000	TOTAL €'000
ACQUISITION VALUE					
Balance at 31 March 2020	**279 704**	**579 713**	**56 268**	**16 387**	**932 072**
Additions	2 602	14 640	8 427	25 408	51 077
Sales and disposals	-308	-3 131	-810	-412	-4 661
Change in scope: disposal of subsidiaries	-1 299	-1 649	-1 898	-	-4 845
Transfer from one heading to another	3 519	13 208	760	-17 576	-89
Translation differences	882	1 614	40	99	2 635
Balance at 31 March 2021	**285 100**	**604 395**	**62 787**	**23 907**	**976 189**
DEPRECIATION AND IMPAIRMENT LOSSES					
Balance at 31 March 2020	**149 115**	**411 684**	**48 087**	**7**	**608 893**
Depreciation	9 615	28 832	4 015	-	42 462
Impairment losses	-	1 413	-	-	1 413
Reversals after sales and disposals	-212	-3 131	-730	10	-4 062
Change in scope: disposal of subsidiaries	-288	-979	-1 007	-	-2 274
Transfer from one heading to another	-2 134	2 131	-196	-	-198
Translation differences	311	838	67	-	1 216
Balance at 31 March 2021	**156 407**	**440 790**	**50 238**	**17**	**647 452**
Net carrying amount at 31 March 2021	**128 694**	**163 605**	**12 550**	**23 890**	**328 738**

Property, plant & equipment decreased by € 15,9m during AY 21/22, which is the combined effect of € 44,3m additions, offset by (i) € 45,2m depreciation, (ii) € 15,0m decrease related to the sale of Greenyard Prepared Netherlands and Bardsley Fruit Enterprises, (iii) € 0,8m increase from foreign exchange rate fluctuations and (iv) other miscellaneous movements.

The additions in AY 21/22 mainly relate to further capex in the citrus packaging line which was implemented in AY20/21 in the Fresh segment and new cooking and freezing equipment & facilities in the Long Fresh segment.

6.2. Goodwill

Goodwill	31 March 2022 €'000	31 March 2021 €'000
ACQUISITION VALUE		
Balance at the end of the preceding period	**556 414**	**556 410**
Change in scope: business combinations (note 7.1.)	-	4
Balance at the end of the period	**556 414**	**556 414**
IMPAIRMENT LOSSES		
Balance at the end of the preceding period	**78 910**	**78 910**
Impairment losses	-	-
Balance at the end of the period	**78 910**	**78 910**
Net carrying amount at the end of the period	**477 504**	**477 504**

The Group tests the goodwill for impairment annually and where there are indications that the value of goodwill has decreased. The Group's impairment test for goodwill is based on value-in-use calculations which are, in turn, based on a discounted cash flow model.

In AY 18/19, the goodwill related to the Long Fresh segment of € 78,9m was fully impaired and thus the remaining goodwill of € 477,5m relates to the Fresh segment.

At 31 March 2022, the Group performed its annual impairment test for the Fresh segment. The recoverable amount has been determined based on a value-in-use calculation of cash flow projections from the financial budget of AY 22/23 and long-range plan for the subsequent financial periods until AY 24/25 (together referred to as 'LRP'), in conjunction with a perpetuity of cash flows to determine terminal value.

The revised BUD/LRP takes into account a margin improvement resulting in an expected average yearly adjusted EBITDA margin post IFRS 16 of 2,8% (which is an increase from 2,7% to 3,0% over the period AY 21/22 - AY 24/25 and an average sales growth of 5,2% (over the period AY 21/22 - AY 24/25, with a strong growth in AY 22/23 of 7,7% of which 4% relates to sales price increases following inflation assumptions. The value in use is based on cash flow forecasts over a period of three years, in conjunction with a perpetuity of cash flows as of then with a growth rate of 1,0%. Cash flows are discounted at an after-tax discount rate of 6,8% which was benchmarked with the weighted average cost of capital (WACC) provided by the analysts. The results of this test have shown that the value in use exceeds the carrying value of the cash flow generating unit (the 'headroom') by € 281,1m.

The major sensitivities for the impairment tests are the sales growth rate, the adjusted EBITDA growth rate and the discount rate. This headroom would reduce to zero (keeping other key parameters constant) if the yearly sales growth rates applied in calculating the value in use were to fall by 295 base points (to an average yearly sales growth of 2,25% and a perpetual sales growth rate of -1,95%), or the yearly adjusted EBITDA growth rates were to fall by 773 base points (reducing the average yearly adjusted EBITDA growth to 5,64% and the perpetual adjusted EBITDA margin to 1,8%) or if the after-tax discount rate was to rise by 370 base points (or a rate of 10,53%) in all periods until AY 24/25 and thereafter. Based on the above assumptions the Group has concluded that no impairment losses need to be recorded at 31 March 2022 on the goodwill of the Fresh segment.

At 31 March 2021, the applied methodology was similar to the one discussed above.

The key parameters of the impairment test of the Fresh segment are presented below.

Goodwill impairment test - key parameters – post IFRS 16	31 March 2022	31 March 2021
Fresh		
Average sales growth rate	5,2%	2,3%
Perpetual growth rate	1,0%	1,0%
Average adjusted EBITDA margin	2,8%	2,8%
Discount rate [1]	6,8%	6,8%
Headroom (in € million)	281,1	303,6

[1] The discount rate is calculated as the Weighted Average Cost of Capital (WACC).

6.3. Other intangible assets

Other intangible assets AY 21/22	Software and licences €'000	Customer relationships €'000	Other €'000	TOTAL €'000
ACQUISITION VALUE				
Balance at 31 March 2021	**73 454**	**250 074**	**1 284**	**324 812**
Additions	6 643	-	-	6 643
Sales and disposals	-142	-	-	-142
Change in scope: disposal of subsidiaries	-450	-	-	-450
Transfer from one heading to another	232	-	-	232
Translation differences	177	-	5	182
Balance at 31 March 2022	**79 913**	**250 074**	**1 289**	**331 277**
AMORTISATION AND IMPAIRMENT LOSSES				
Balance at 31 March 2021	**48 944**	**76 133**	**938**	**126 014**
Amortisation	7 533	13 285	281	21 098
Reversals after sales and disposals	-120	-	-	-120
Change in scope: disposal of subsidiaries	-222	-	-	-222
Transfer from one heading to another	-1	-	-	-1
Translation differences	153	-	4	158
Balance at 31 March 2022	**56 287**	**89 418**	**1 224**	**146 928**
Net carrying amount at 31 March 2022	**23 626**	**160 656**	**65**	**184 348**

Other intangible assets AY 20/21	Software and licences €'000	Customer relationships €'000	Other €'000	TOTAL €'000
ACQUISITION VALUE				
Balance at 31 March 2020	**63 340**	**250 535**	**1 258**	**315 133**
Additions	10 481	-	-	10 481
Sales and disposals	-447	-	-	-447
Change in scope: disposal of subsidiaries	-43	-461	-	-504
Transfer from one heading to another	89	-	-	89
Translation differences	34	-	26	60
Balance at 31 March 2021	**73 454**	**250 074**	**1 284**	**324 812**
AMORTISATION AND IMPAIRMENT LOSSES				
Balance at 31 March 2020	**41 832**	**62 947**	**840**	**105 618**
Amortisation	7 295	13 288	81	20 665
Reversals after sales and disposals	-365	-	-	-365
Change in scope: disposal of subsidiaries	-43	-103	-	-146
Transfer from one heading to another	198	-	-	198
Translation differences	27	-	17	44
Balance at 31 March 2021	**48 944**	**76 133**	**938**	**126 014**
Net carrying amount at 31 March 2021	**24 509**	**173 941**	**345**	**198 797**

The decrease in the other intangible assets of € 14,4m mainly results from amortisations of the period (€ 21,1m), partly compensated by investments (€ 6,6m) mainly related to the roll-out of the new ERP system in the Fresh segment.

Customer relationships mainly relate to the client portfolio of the Fresh segment, acquired in the business combination in AY 15/16. The portfolio has a remaining useful life of 13 years.

6.4. Leases

The group leases many assets including land and buildings, vehicles, machinery and IT equipment.

Right-of-use assets 31 March 2022	Land and buildings €'000	Plant, machinery and equipment €'000	Furniture and vehicles €'000	TOTAL €'000
Balance at 31 March 2021	**200 669**	**8 169**	**11 448**	**220 286**
Additions	11 711	1 592	3 469	16 772
Depreciation	-24 612	-3 224	-6 114	-33 950
Other movements	9 457	92	-451	9 098
Balance at 31 March 2022	**197 225**	**6 630**	**8 351**	**212 206**

Right-of-use assets 31 March 2021	Land and buildings €'000	Plant, machinery and equipment €'000	Furniture and vehicles €'000	TOTAL €'000
Balance at 31 March 2020	**206 048**	**8 101**	**12 642**	**226 791**
Additions	21 106	3 345	5 252	29 702
Depreciation	-22 986	-4 047	-7 430	-34 463
Other movements	-3 498	770	984	-1 744
Balance at 31 March 2021	**200 669**	**8 169**	**11 448**	**220 286**

The right-of-use assets decreased by € -8,1m over AY 21/22 mainly as a result of € 16,8m additions which are offset by € -33,9m depreciation and other movements for an amount of € 9,1m. The additions in AY 21/22 mainly relate to a new warehouse and office building in Poland (€ 10,3m). Other movements almost entirely consist of remeasurements of right-of-use assets following the significant index increases in Europe.

Lease liabilities	31 March 2022 €'000	31 March 2021 €'000
Non-current	202 612	206 949
Current	29 386	28 496
TOTAL	**231 998**	**235 445**

The maturity analysis of lease liabilities is disclosed in note 6.18. *Risk management policy*.

Amounts recognised in the income statement	31 March 2022 €'000	31 March 2021 €'000
Depreciation	33 950	34 463
Interest on lease liabilities	9 527	9 638
Expenses relating to short-term leases	1 301	3 210
Expenses relating to leases of low-value assets	89	91
TOTAL	**44 866**	**47 402**

The total cash outflow for leases in AY 21/22 amounted to € 40,7m.

6.5. Investments accounted for using equity method

Name of investment	Description of interest	Type of investment	31 March 2022	31 March 2021
Grupo Yes Procurement Marketing SL	Procurement of fruit and vegetables for export purposes in Spain	Joint venture	50%	50%
Logidis Sistem SL	Bundling transport of fresh products using subcontractors in Spain	Joint venture	50%	50%
Agritalia Srl	Bio certified cooperative with growers net-work across Italy	Associate	33%	33%

The movement in the investments accounted for using the equity method can be detailed as follows:

Investments accounted for using equity method	AY 21/22	AY 20/21
	€'000	€'000
Balance at the end of the preceding period	**7,679**	**7,193**
Share of profit/loss (-)	492	507
Other changes	35	-21
Balance at the end of the period	**8,206**	**7,679**

Summarized financial information of the company's joint-ventures and associates is as follows:

Investments accounted for using equity method - at 31 March	Assets		Liabilities		Net assets	
	2022	2021	2022	2021	2022	2021
	€'000	€'000	€'000	€'000	€'000	€'000
Grupo Yes Procurement Marketing SL	12,426	12,593	1,116	2,107	11,310	10,486
Logidis Sistem SL	7,208	6,498	4,806	4,255	2,402	2,243
Agritalia Srl [(2)]	3,209	3,660	2,802	3,286	408	374

Investments accounted for using equity method	Sales		Expenses		Profit after tax	
	AY 21/22	AY 20/21	AY 21/22	AY 20/21	AY 21/22	AY 20/21
	€'000	€'000	€'000	€'000	€'000	€'000
Grupo Yes Procurement Marketing SL	20,747	24,615	19,924	23,750	823	865
Logidis Sistem SL	17,964	16,375	17,805	16,227	159	149
Mahindra Greenyard Pvt Ltd [(1)]	-	7,895	-	7,666	-	229
Agritalia Srl [(2)]	11,384	12,212	11,351	12,201	33	11

[(1)] Sold during AY 20/21

[(2)] Figures at 31 December

There are no contingent liabilities relating to the Group's interest in the associates or joint ventures incurred jointly with other investors, and none arising because the investor is severally liable for all or part of the liabilities of the associate or joint venture.

6.6. Other financial assets and liabilities

Other financial assets and liabilities	31 March 2022		31 March 2021	
	Assets	Liabilities	Assets	Liabilities
	€'000	€'000	€'000	€'000
IRS - held-for-trading	-	-	-	-
IRS - cash flow hedging	-	-	-	-
Forward agreements - held-for-trading	-	-	-	-
Forward agreements - cash flow hedges	-	-	-	-
Non-current derivatives	-	-	-	-
IRS - held-for-trading	-	-	-	-
IRS - cash flow hedging	-	-	-	-
Forward agreements -held-for-trading	16	-	14	-
Forward agreements - cash flow hedges	306	370	505	2 408
Current derivatives	**322**	**370**	**519**	**2 408**
Equity investments	-	-	**5**	-
TOTAL	**322**	**370**	**524**	**2 408**

6.7. Deferred tax assets and liabilities

Deferred taxes (net carrying amount)	31 March 2022		31 March 2021	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
	€'000	€'000	€'000	€'000
Balance at the end of the preceding period	**18 061**	**32 268**	**15 575**	**41 325**
Increase/decrease (-) via income statement	1 568	-4 395	5 037	-5 734
Increase/decrease (-) via equity	-596	423	1 225	237
Change in scope: business combinations	-	-	-	-
Change in scope: disposal of subsidiaries	-1 752	-1 890	-	-81
Translation differences	-138	23	-490	-194
Set-off of assets and liabilities	4 008	4 008	-3 285	-3 285
Balance at the end of the period	**21 152**	**30 437**	**18 061**	**32 268**

Deferred taxes (allocation)	31 March 2022		31 March 2021	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
	€'000	€'000	€'000	€'000
Intangible assets and property, plant & equipment	14 184	42 339	15 244	48 366
Derivatives	16	-	494	-
Interest-bearing loans	114	-	127	-
Inventories	-	3 093	15	2 749
Trade and other receivables	300	127	494	97
Provisions	4 400	12	3 565	206
Current liabilities	530	23	459	14
Fiscal losses and other tax credits	17 827	-	17 557	-
Tax reserves	-	1 064	333	1 064
Total deferred taxes related to temporary differences	**37 371**	**46 656**	**38 289**	**52 496**
Set-off of assets and liabilities	-16 219	-16 219	-20 228	-20 228
Net deferred tax assets/liabilities	**21 152**	**30 437**	**18 061**	**32 268**

The total amount of fiscal losses for which a deferred tax asset has been set up amounts to € 74,5m (gross) as of 31 March 2022 (31 March 2021 € 71,2m). These losses mainly relate to tax losses originated in Belgium, Austria, Germany and the UK.

Maturity date of unrecognised fiscal losses and other tax credits (gross)	AY 21/22	AY 20/21
	€'000	€'000
Within one year	3 227	-
Between one and five years	8 427	1 457
More than five years	-	-
Indefinite	155 895	168 722
TOTAL	**167 549**	**170 179**

6.8. Inventories

Inventories	31 March 2022	31 March 2021
	€'000	€'000
Raw materials and consumables	38 268	34 235
Work in progress and finished goods	302 929	275 212
TOTAL	**341 197**	**309 447**

Raw materials and consumables mainly include fresh fruit, vegetables and packing materials. Fresh fruit and vegetables are either used for trading (Fresh segment) or for processing (Long Fresh segment).

Work in progress and finished goods mainly relate to the Long Fresh segment. Work in progress includes frozen vegetables which are stored in bulk (not yet packed).

The increase in inventories, which is mainly driven by the Long Fresh segment, is a result of better harvesting which led to increased processing together with a slowdown in the UK mainly related to local supply chain disruptions and a mix effect.

A part of inventories is pledged under the Group's current financing programs. We refer to note 7.3. *Off-balance sheet commitments* for further detail hereon.

6.9. Trade and other receivables

Trade and other receivables	31 March 2022 €'000	31 March 2021 €'000
Trade receivables	99	99
Valuation allowances on trade receivables	-99	-99
Trade receivables net	-	-
Other receivables	243	2 565
Guarantee deposits	665	698
Prepayments	687	809
Other receivables net	**1 596**	**4 071**
Non-current	**1 596**	**4 071**
Trade receivables	170 633	224 447
Valuation allowances on trade receivables	-4 924	-5 797
Trade receivables net	**165 709**	**218 650**
Other receivables	46 061	52 992
Prepaid expenses and accrued income	16 343	14 981
Prepayments	11 560	9 150
Other receivables net	**73 965**	**77 123**
Current	**239 674**	**295 774**

Trade receivables relate fully to sales from contracts with customers. The payment terms for the sale of fresh goods vary but the majority are 60 days. For the sale of frozen and prepared goods, the payments terms vary to a maximum of 120 days.

The other receivables mainly relate to VAT, other recoverable taxes and deposits. Prepaid expenses and accrued income mainly relate to prepayments on maintenance contracts, rent and IT costs. Prepayments comprise prepayments to growers and suppliers.

Management believes that the fair value does not differ significantly from the carrying value.

A major part of trade and other receivables are pledged under the Group's current financing and factoring programmes. For more information, refer to note 7.3. *Off-balance sheet commitments*.

Ageing analysis of trade receivables and valuation allowances

Ageing of trade receivables	31 March 2022			31 March 2021		
	Gross €'000	Valuation allowances €'000	Net €'000	Gross €'000	Valuation allowances €'000	Net €'000
Not overdue	60 975	-154	60 821	108 194	-613	107 581
Overdue less than 30 days	88 557	-	88 557	95 241	-	95 241
Overdue between 30 and 60 days	10 048	-63	9 985	13 915	-27	13 888
Overdue more than 60 days	11 053	-4 707	6 346	7 098	-5 158	1 941
TOTAL	**170 633**	**-4 924**	**165 709**	**224 447**	**-5 797**	**218 650**

The valuation allowances on trade and other receivables are determined by management. When amounts are more than 30 days overdue, an estimation is made with regard to recoverability and, if relevant (bankruptcy, etc.), an appropriate provision is recorded. No valuation allowances are taken by the Group for overdue amounts where collection is still deemed probable, for example, because outstanding amounts are recoverable from credit insurance, tax authorities or because the Group holds sufficient securities.

The Group's exposure to credit risks is described in note 6.18. *Risk management policy*.

Valuation allowances on short-term receivables	AY 21/22 €000	AY 20/21 €000
Balance at the end of the preceding period	**-5 797**	**-10 270**
Additions	-530	-1 232
Change in scope: disposal of subsidiaries		102
Non-recoverable amounts (use)	193	3 928
Reversals	1 210	1 675
Balance at the end of the period	**-4 924**	**-5 797**

Current and non-current trade and other receivables in foreign currencies

Trade and other receivables: foreign currencies	31 March 2022 €'000	31 March 2021 €'000
GBP	17 646	18 943
USD	19 027	15 101
PLN	6 411	7 432
CZK	5 323	21 154
Other	8 068	4 015

Factoring

Most of the Group's subsidiaries benefit from a multi-country syndicated factoring agreement. In accordance with the syndicated factoring agreement, undisputed trade receivables are sold to certain commercial finance companies on a basis which is non-recourse, including the receivables of the ten largest customers, to the extent the Group is not making use of their supply chain financing program. The financing obtained through the factoring has an off-balance character (see also note 3.1. *Critical judgments in applying the entity's accounting policies*). The syndicated factoring agreement also contains a negative pledge (meaning that the receivables can only be sold to the syndicate of commercial finance companies), a maximum dilution ratio (meaning that at least 95% of the payments should be on the bank account of the syndicate of commercial finance companies), and a leverage test (the test used for the Facilities Agreement).

Subsidiaries in the United Kingdom, France, Germany, the Netherlands, Italy, Austria, Poland, Spain and Belgium participate in the syndicated factoring programme which is subject to an overall maximum program amount of € 375,0m. This maximum program amount is the maximum that can be drawn for the Group, subject to the receivables sold to the factoring syndicate.

Apart from the multi-country syndicated factoring programme mentioned earlier, only one US entity entered into a bilateral factoring agreement.

Factoring is used when the transferred receivables are subject to credit insurance through credit insurers with at least an investment grade rating, since the syndicate of commercial finance companies bears the ultimate credit risk.

As at 31 March 2022, € 294,3m of financing had been obtained through the multi-country syndicated factoring program (€ 345,5m as at 31 March 2021). The late-payment risk related to the factoring has been assessed as immaterial.

In accordance with IFRS 9 Financial instruments: Recognition and Measurement, all non-recourse trade receivables, included in these factoring programs, are derecognised for the non-continuing involvement part (also see note 3.1. *Critical judgments in applying the entity's accounting policies* and note 6.18 *Risk management policy*).

6.10. Cash & cash equivalents and bank overdrafts

Cash and cash equivalents and bank overdrafts	31 March 2022	31 March 2021
	€'000	€'000
Cash and cash equivalents	98 504	81 250
Bank overdrafts	-478	-1 909
TOTAL	**98 026**	**79 341**

The cash & cash equivalents are held at reputable banks.

6.11. Financial instruments by category

Financial assets by category at 31 March 2022	Note	Assets at amortised cost	Assets at fair value through profit and loss	Derivatives used for hedging	TOTAL
		€'000	€'000	€'000	€'000
Equity investments	6.6.	-	-	-	-
Derivatives	6.6.	-	16	306	322
Trade and other receivables excluding prepayments	6.9.	229 022	-	-	229 022
Cash and cash equivalents	6.10.	98 504	-	-	98 504
TOTAL		**327 526**	**16**	**306**	**327 847**

Financial assets by category at 31 March 2021	Note	Assets at amortised cost	Assets at fair value through profit and loss	Derivatives used for hedging	TOTAL
		€'000	€'000	€'000	€'000
Equity investments	6.6.	-	5	-	5
Derivatives	6.6.	-	14	505	519
Trade and other receivables excluding prepayments	6.9.	289 886	-	-	289 886
Cash and cash equivalents	6.10.	81 250	-	-	81 250
TOTAL		**371 137**	**19**	**505**	**371 661**

6.12. Issued capital, share premium and other capital instruments

Share capital and share premium

The Board of Directors is authorised, for a period of five years as from 17 October 2019 (the date the resolutions of the Extraordinary Shareholders' Meeting of 20 September 2019 were published in the Belgian Official Gazette) to increase the capital of the Company in one or more instalments up to a maximum amount equal to the share capital amounting to € 293 851 765. As the Board of Directors increased the share capital by € 50,0m on 26 March 2021, the amount remaining available for a capital increase within the framework of the authorized capital is equal to € 243 851 759.

Share capital	Number of shares	Statutory amount [1]	Capitalized transaction costs	Group amount
		€'000	€'000	€'000
Balance at 31 March 2021	**51 515 443**	**343 852**	**-6 156**	**337 696**
Capital increase 26 March 2021			-4	-4
Balance at 31 March 2022	**51 515 443**	**343 852**	**-6 160**	**337 692**

(1) As per the bylaws of Greenyard NV.

The only movement in the issued capital during AY 21/22 relates to transaction costs related to the capital increase on 26 March 2021. All shares are without par value.

Treasury shares

As stipulated in article 12 of Greenyard's articles of association, the Board of Directors is explicitly authorised to acquire, during a five-year period counting from the date of the Extraordinary Shareholders' Meeting of 15 September 2017, and within the limits of the law, whether on or outside the stock exchange, directly or indirectly, by way of purchase or exchange, contribution or any other way of acquisition, the maximum number of Company's shares permitted by law, without requiring shareholders' meeting's approval or resolution. In AY 17/18, the Group bought back 1 750 000 treasury shares for an amount of € 30,0m. In AY 21/22 the Group bought back 600 000 shares and granted 21 000 treasury shares in the context of the partial exercise of the 2019 SOP. As per 31 March 2022 the Group holds 1 942 854 treasury shares, representing 3,8% of the total shares (per 31 March 2021 the group held 1 363 854 treasury shares, representing 2,6% of the shares).

6.13. Share based compensation

Performance Share Units

On the recommendation of the Remuneration Committee, on 31 May 2017, the Board of Directors approved the Long Incentive (LTI) Performance Share Plan for Greenyard NV (the Plan). The Plan awarded in 2017 ("Series 2017") and 2018 ("Series 2018") the Leadership Team and other key persons at Greenyard (the Beneficiaries) performance share units (PSUs) which are optional constructions granting the beneficiaries Greenyard shares. The number of shares granted to beneficiaries depends on total shareholder return (TSR) increase over a 3-year period (the performance period) times a performance factor. The TSR at the end of the performance period is calculated as follows: average share price during the period 15 May – 14 June preceding the end date of the performance period, minus the average share price at the start of the performance period, plus the dividends per share distributed by Greenyard during the performance period. As of AY 19/20, no new Performance Share Units were granted under the existing long-term incentive Performance Share Units Plan (PSU Plan), in view of the implementation of the 2019 Stock Option Plan which replaced the PSU Plan as long-term incentive plan.

Performance condition	Number of shares granted per PSU
TSR increase >=10% per year	2,0
5% per year>= TSR increase < 10% per year	1,5
0% >= TSR increase < 5% per year	1,0
TSR increase < 0%	-

Because of the pay structure of PSUs (including averages of closing prices at the maturity of the structure), the economic value must be valued using numerical techniques. Monte-Carlo simulations using geometric Brownian motion assumptions were used to value the PSUs. The estimation for the relevant implied volatility assumption is based on benchmarking techniques considering the premium of listed equity options with comparable maturities. As a result, volatilities assumptions used were 21,3% for the Series 2017 and 20,9% for the Series 2018.

Using this valuation approach, the value per PSU for the Series 2017 was calculated at € 20,23 and for the series 2018 at € 10,49 per PSU.

The number of PSUs can be summarised as follows:

Number of PSU's	31 March 2021	Granted AY 21/22	Forfeited AY 21/22	31 March 2022
Series 2017	-	-	-	-
Series 2018	52 594	-	-52 594	-
TOTAL	**52 594**	**-**	**-52 594**	**-**

Number of PSU's	31 March 2020	Granted AY 20/21	Forfeited AY 20/21	31 March 2021
Series 2017	8 633	-	-8 633	-
Series 2018	56 695	-	-4 101	52 594
TOTAL	**65 328**	**-**	**-12 734**	**52 594**

The outstanding performance shares under the PSU Plan for 2008 vested on 15 June 2021 subject to realisation of the performance condition, after which date, all performance shares expired.

Based on the value calculated at grant date, the cost of the share-based payments affects the income statement and the equity, spread over the 3-year vesting period. In the event of PSUs being forfeited, the cost for the remainder of the vesting period impacts the income statement in the period when the PSUs are forfeited.

	AY 21/22		AY 20/21	
Impact	Income statement €'000	Equity €'000	Income statement €'000	Equity €'000
Series 2017	-	-	15	15
Series 2018	46	46	201	201
TOTAL	**46**	**46**	**216**	**216**

Stock Options

In AY 20/21 the Board of Directors approved the 2021 Stock Option Plan, enabling it to grant certain stock options to selected staff members, including Leadership Team members. Stock options under the 2021 Stock Option Plan have been granted at the end of AY 20/21 (i.e. on 19 February 2021) and were accepted by the beneficiaries within 60 days after the grant date. Upon the achievement of the vesting conditions under the Plan, the options will gradually vest over a period of four years, ending on 31 March 2025. In total 910 000 options were accepted.

On 14 March 2019, the Board of Directors approved the 2019 Stock Option Plan enabling it to grant certain stock options to selected staff members, consisting of Leadership Team members and key employees. The 2019 Stock Option Plan was applicable as from AY 19/20, upon acceptance by the beneficiaries concerned of the options granted within 60 days after the grant date. Upon the achievement of the vesting conditions under the Plan, the options were definitively acquired (vested) on 31 March 2022.

Number of options	31 March 2021	Granted AY 21/22	Forfeited AY 21/22	Exercised AY 21/22	31 March 2022
Plan 2019	955 000	-	-	-21 000	934 000
Plan 2021	910 000	60 000	-30 000	-	940 000
TOTAL	1 865 000	60 000	-30 000	-21 000	1 874 000

Number of options	31 March 2020	Granted AY 20/21	Forfeited AY 20/21	Exercised AY 20/21	31 March 2021
Plan 2019	971 000	-	-16 000	-	955 000
Plan 2021	-	910 000	-	-	910 000
	971 000	910 000	-16 000	-	1 865 000

	AY 21/22		AY 20/21	
Impact	Income statement	Equity	Income statement	Equity
	€'000	€'000	€'000	€'000
Plan 2019	336	336	352	352
Plan 2021	928	928	-	-
TOTAL	1 264	1 264	352	352

The average market price at the moment of exercise of the share options in AY 21/22 was € 8,04. The options granted are recognised at fair value at grant date in accordance with IFRS 2. The fair value of the options is determined using a Black Scholes pricing model.

Pricing model details Stock Option Plan	2021	2019
Share price at grant date (€)	7,050	3,500
Exercise price (€) [(1)]	6,450	3,436
Expected volatility	55%	62%
Expected dividend yield	5,67%	5,67%
Vesting period	4 years	3 years
Risk free interest rate	-0,401%	0,106%
Fair value (€)	2,411	1,090

(1) The exercise price for the granted options in AY21/22 is €8,54

6.14. Pension and other employee benefit liabilities

Defined contribution plans

For defined contribution plans, the Group pays contributions to pension funds or insurance companies. Once the contributions have been paid, the Group has no further payment obligation. These contributions constitute an expense in the year in which they are due. The contributions paid during AY 21/22 amounted to € 5,8m (AY 20/21 € 5,6m).

In AY 20/21, the defined benefit plan of Greenyard Fresh Netherlands was transferred into a defined contribution plan, which is now funded through a collective defined contribution arrangement with pension fund PGB. A curtailment gain of € 1,1m was recorded in AY 20/21 with regard to this transfer.

The risk of the company related to the Dutch plan is insignificant and therefore this plan is considered fully insured and treated as a defined contribution plan.

Belgian defined contribution plans – presented as defined benefit plans

By law, Belgian defined contribution pension plans are subject to minimum guaranteed rates of return and therefore must be considered as defined benefit plans. Pension legislation was amended at the end of 2015 and defines the minimum guaranteed rate of return as a variable percentage linked to government bond yields observed in the market from 1 January 2016 onwards. For contributions paid from 1 January 2016 onwards, the minimum guaranteed rate of return equals 1,75% on employer and employee contributions. The former rates (3,25% on employer contributions and 3,75% on employee contributions) continue to apply to contributions paid up to 31 December 2015. The minimum guaranteed rates of return did not lead to a material net obligation to be accounted for by the Group. The net obligation was estimated using individual information provided by the insurance companies, analysing the difference between the guaranteed rates of return and the return offered by the insurance companies.

Defined benefit plans and other employee benefits

The costs relative to IAS 19 provisions are recorded under personnel costs, whereas the interest component is recognised in finance costs.

The Group operates several defined benefit plans: two for employees in Germany and additional plans in Italy, France and Austria. As mentioned above, the defined benefit plan of Greenyard Fresh Netherlands transferred into a defined contribution plans in AY 20/21.

The actuarial valuation method used is the projected unit credit cost method. This method allocates future accruals to the year in which the benefit is earned. The sum of accruals for prior years is the liability for the present value of defined benefit obligations. The plan assets were valued using the fair value method. For the insured plans, the fair value takes into account the present value of the expected future cash flows.

One of the plans in which the Group participates is the Gustav Scipio Stiftung Fund (GUSS), a multi-employer defined- benefit pension fund in Germany. The assets and liabilities attributable to each member of the fund at the end of each accounting year are determined by an independent actuary, as are the contributions due from members. The ratio of contribution obligations is determined within the GUSS articles of association. Contributions are based upon the ratio of unfunded liabilities between members. Unfunded liabilities are determined as the fund liabilities minus assets allocated to members. If, according to the annual actuarial report, the Group has no further obligations to beneficiaries of the plan and ceases to be liable under the GUSS, it will be entitled to a reimbursement payment in cash minus any negative tax impact on the other members. According to the GUSS articles of association, entities are not liable for the liabilities of the other entities within the fund. In the event of a wind-up of the fund, all assets and liabilities will be split between the members in the proportions determined by an independent actuary. Such a wind-up would require the approval from the GUSS Board of Directors and the Bremen State Authority.

The Group has several other long-term benefit liabilities (e.g. jubilees) and post-employment benefit liabilities.

Employee benefit liabilities	**31 March 2022**	**31 March 2021**
	€'000	**€'000**
Obligations for defined benefit plans	15 467	17 610
Obligations other employee benefits	1 209	1 521
TOTAL	**16 676**	**19 131**

Defined benefits - income statement	**AY 21/22**	**AY 20/21**
	€'000	**€'000**
Employee benefit expense	402	(574)
Interest expense	163	270
TOTAL	**565**	**-304**

The net defined benefit obligation detail and movement can be summarised as follows:

Defined benefit - amounts recognised in the statement of financial position	**31 March 2022**	**31 March 2021**
	€'000	**€'000**
Present value of defined benefit obligation	28 562	29 527
Fair value of plan assets	-13 095	-11 917
Net liability	**15 467**	**17 610**

Movement in defined benefit obligation	AY 21/22 €'000	AY 20/21 €'000
Balance at the end of the preceding period	29 527	31 648
Current service cost	414	568
Interest cost	186	546
Remeasurement:		
• Experience gain (-)/loss	-609	-13
• Gain (-)/loss due to demographic assumption changes	-2	-109
• Gain (-)/loss due to financial assumption changes	-1 281	3 266
Benefits paid	-903	-943
Curtailments/plan closures	-12	-6 634
Other events	1 242	1 240
Settlements	-	-41
Balance at the end of the period	**28 562**	**29 527**

Movement in fair value of plan assets	AY 21/22 €'000	AY 20/21 €'000
Balance at the end of the preceding period	**11 917**	**15 475**
Interest income	24	276
Employer contributions	784	711
Return on plan assets (excluding interest income)	-107	646
Benefits paid from plan assets	-763	-897
Plan closure	-	-5 533
Other events	1 242	1 240
Balance at the end of the period	**13 095**	**11 917**

"Curtailments/plan closures" in AY 20/21 related to the defined benefit plan at Greenyard Fresh Netherlands that became premium free. This plan is now classified as a defined contribution plan (see supra).

The "Other events" relates to an upgross of both the pension asset and liability of the Belgian defined contribution plans meeting the definition of a defined benefit plan, but without impact on the net liability.

The following table summarises the components of the net benefit expenses recorded either directly in equity (other comprehensive income) or in the income statement:

Defined benefit – development of accumulated other comprehensive income	AY 21/22 €'000	AY 20/21 €'000
Experience gain (-)/loss	-609	-13
Gain (-)/loss due to demographic assumption changes	-2	-109
Gain (-)/loss due to financial assumption changes	-1 281	3 266
Return on plan assets (excluding interest income)	107	-646
Total movement in other comprehensive income	**-1 785**	**2 497**

Defined benefit - expense recognised in the income statement	AY 21/22 €'000	AY 20/21 €'000
Current service cost	414	568
Curtailments	-12	-1 101
Other events	-	-41
Interest cost	186	546
Interest income	-24	-276
Expense recognised in income statement	**565**	**-304**

The actuarial assumptions and average duration of the major pension plans are detailed below:

Principal actuarial assumptions	Germany		Italy	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Discount rate	1,8%	1,0%	1,8%	1,0%
General wage increases	1,8%	1,8%	2,9%	2,2%
Inflation	2,4%	1,7%	2,4%	1,7%
Average duration of pension plans	13,2	13,9	12,2	12,9

For the major plans the sensitivity of the defined benefit obligation is as follows:

Sensitivity of defined benefit obligation - major plans	31 March 2022			31 March 2021		
	DBO at discount rate	Impact increase of 0,50%	Impact decrease of 0,50%	DBO at discount rate	Impact increase of 0,50%	Impact decrease of 0,50%
Germany	13 914	-872	969	15 629	-1 060	1 185
Italy	2 104	-115	119	2 564	-161	167
TOTAL	**16 019**	**-988**	**1 088**	**18 192**	**-1 221**	**1 352**

The plan assets mainly consist of:

Detail of plan assets	Germany	
	31 March 2022	31 March 2021
Insurance contracts	-	-
Equity instruments	-	-
Corporate bonds	100%	100%
Cash	-	-

The expected employer contributions to be paid during AY 22/23 amount to € 0,7m.

6.15. Provisions

Provisions 31 March 2022	Legal claims €000	Decommis-sionning €000	Onerous contracts €000	Restructuring €000	TOTAL €000
Balance at 31 March 2021	**7 515**	**6 008**	**1 168**	**36**	**14 727**
Additions	3 717	63	80	-36	3 823
Unused amounts reversed	-207	-	-58	-	-265
Used during period	-2 013	-	0	-	-2 013
Change in scope: disposal of subsidiaries	-	-	-738	-	-738
Balance at 31 March 2022	**9 012**	**6 071**	**451**	**0**	**15 534**
Analysis of total provisions					
Non-current	4 461	6 071	-104	-	10 428
Current	4 550	-	555	0	5 106
TOTAL	**9 012**	**6 071**	**451**	**0**	**15 534**

Provisions 31 March 2021	Legal claims €000	Decommis-sionning €000	Onerous contracts €000	Restructuring €000	TOTAL €000
Balance at 31 March 2020	**4 876**	**5 984**	**1 248**	**279**	**12 389**
Additions	2 949	20	155	33	3 158
Unused amounts reversed	-277	-	-134	-113	-524
Used during period	-34	5	-102	-166	-297
Translation differences	-	-	-	2	1
Balance at 31 March 2021	**7 515**	**6 008**	**1 168**	**36**	**14 727**
Analysis of total provisions					
Non-current	4 301	6 008	-	-	10 310
Current	3 213	-	1 168	36	4 417
TOTAL	**7 515**	**6 008**	**1 168**	**36**	**14 727**

The increase in provisions of € 0,8m in AY 21/22 is mainly attributable to additions in the legal claims (€ 3,7m) which is offset by used provisions (€ -2,0m), changes in scope entirely related to Greenyard Prepared Netherlands (€ -0,7m) and reversals of amounts which were unused (€ -0,3m). For further information concerning pending disputes, refer to note 7.2. Main Disputes.

6.16. Interest-bearing loans

Interest-bearing loans at 31 March 2022	Due within 1 year €'000	Due between 1 and 5 years €'000	Due after 5 years €'000	TOTAL €'000
Term loan	35 000	263 091	-	298 091
Revolving credit facility	-	86 752	-	86 752
Other bank loans	9 150	767	-	9 917
Bank overdrafts	478	-	-	478
TOTAL	**44 628**	**350 610**	**-**	**395 238**

Interest-bearing loans at 31 March 2022	Fixed €'000	Floating €'000	TOTAL €'000
Total	-	395 238	395 238

Interest-bearing loans at 31 March 2022	Secured €'000	Non-secured €'000	TOTAL €'000
Total	384 843	10 395	395 238

Interest-bearing loans at 31 March 2021	Due within 1 year €'000	Due between 1 and 5 years €'000	Due after 5 years €'000	TOTAL €'000
Convertible bond	122 531	-	-	122 531
Term loan	7 500	181 106	-	188 606
Revolving credit facility	-	98 791	-	98 791
Other bank loans	191	1 764	-	1 955
Bank overdrafts	1 909	-	-	1 909
TOTAL	**132 131**	**281 661**	**-**	**413 791**

Interest-bearing loans at 31 March 2021	Fixed €'000	Floating €'000	TOTAL €'000
Total	124 440	289 352	413 791

Interest-bearing loans at 31 March 2021	Secured €'000	Non-secured €'000	TOTAL €'000
Total	287 397	126 394	413 791

Bank loans

By the end of the financial year AY 20/21, Greenyard had refinanced its financing through an amendment and restatement of its 2016 Facilities Agreement (as amended and modified from time to time) into a new Amended and Restated Facilities Agreement for the amount of € 467,5m. The new Amended and Restated Facilities Agreement was signed on 29 March 2021. The banks participating in the 2016 Facilities Agreement have continued their support and credit lines towards Greenyard. The Facilities Agreement comprised a € 190,0m term loan, and a € 152,5m revolving credit facility, the latter including a € 15,0m guarantee line. In addition, it was agreed that a second committed term loan of € 125,0m was available as of December 2021, intended to repay the current outstanding € 125,0m convertible bond. This € 125,0m convertible bond was repaid at maturity in December of 2021.

The new Facilities Agreement matures on 31 March 2024 (to the extent the extension option is not exercised for the continuation in the subsequent year). The Flemish Government, through its investment vehicle Gigarant, has guaranteed € 62,5m of the total loans.

Consequently, Greenyard secured sufficient financial means to finance its working capital and investment needs in line with its business plan. Also payment of instalments on the term loans (a first instalment of € 15,0m in aggregate, paid in March 2022) were foreseen. Thanks to its strong operational transformation, significant revenue growth and the new equity, Greenyard managed to further decrease its leverage ratio (on a pre-IFRS 16 basis) from 2,9x end March 2021 to 2,4x end March 2022, more than one year faster than the intention expressed in earlier announcements. Moreover, it has achieved its deleveraging ambition to evolve towards a sustainable leverage between 2,0 and 2,5x.

Considering the committed bank credit lines until March 2024, its cash flow projections and its risks and uncertainties as described in the related paragraph of this annual report, the Group has prepared its financial statements for the financial year ending on 31 March 2022 on a going concern basis.

The term loans bear / will bear a margin between 1.5% and 3.3%, based on a leverage grid. Instalments are made on a half yearly basis. A first instalment was made on 31 March 2022 for an aggregate (both term loans) amount of € 15,0m. The revolving credit facility bears a margin of between 1.3% and 3.0%, based on a leverage grid. Short-term bank debt varies in function of cash generated by operations, working capital needs and factoring drawdown. The withdrawn amount on the revolving credit facility as at 31 March 2022 amounted to € 86.8m. The fee for the Gigarant guarantee is included in the term loan and revolving credit facilities' margins.

The Group also avails of bilateral facilities with individual financial institutions outside of the syndicate banks for an amount of € 23.3m, of which € 9.9 was drawn and € 0.48m of which was used as a bank overdraft at 31 March 2022.

All interest-bearing bank liabilities at 31 March 2022 are expressed in euros and concluded at market conditions. Following contractual agreements with some financial institutions, most overdrafts are presented net of cash.

For further information on bank covenants and the rights and commitments not included in the financial statement, refer to note 7.3. *Off-balance sheet commitments*.

Reconciliation nominal to carrying amount **Bank loans at 31 March 2022**	**Term loan**	**Revolving credit facility**	**Other bank loans**	**TOTAL**
	€'000	**€'000**	**€'000**	**€'000**
Nominal amount	**300 000**	**87 500**	**10 395**	**397 895**
Transaction costs at inception	-2 572	-1 123	-	-3 694
Amortisation transaction costs	663	374	-	1 037
Carrying amount	**298 091**	**86 752**	**10 395**	**395 238**

Reconciliation nominal to carrying amount **Bank loans at 31 March 2021**	**Term loan**	**Revolving credit facility**	**Other bank loans**	**TOTAL**
	€'000	**€'000**	**€'000**	**€'000**
Nominal amount	**190 000**	**99 800**	**3 863**	**293 663**
Transaction costs at inception	-1 394	-1 009	-	-2 403
Amortisation transaction costs	-	-	-	-
Carrying amount	**188 606**	**98 791**	**3 863**	**291 260**

Bond loans

In December 2016, the Group issued a convertible bond with a nominal amount of € 125,0m, a gross coupon of 3,75% fixed interest and due in December 2021. The terms and conditions allowed Greenyard to redeem the convertible bonds in cash, new and/or treasury ordinary shares or a combination thereof at choice upon conversion of the convertible bonds by the bondholders. In November 2017, Greenyard gave notice to the bondholders it would unilaterally, irrevocably and unconditionally waive its right to make a Cash Alternative Election from the date of the notice.

At maturity, no conversion of convertible bonds into shares occurred and the convertible bond was redeemed at maturity at par plus accrued interest.

Changes in liabilities arising from financing activities

In accordance with IAS 7, a reconciliation of the net debt position (excluding lease accounting) is presented here below:

Reconciliation of net cash flow to movement in net debt (excl lease accounting)	31 March 2022 €'000	31 March 2021 €'000
Net debt, opening balance	**-339 946**	**-425 581**
Increase/(decrease) in cash, cash equivalents and bank overdrafts	17 910	-49 758
Proceeds from borrowings, net of transaction costs	-135 763	-290 821
Repayment of borrowings	153 371	432 035
Changes in scope	-259	-1 958
Effect of exchange rate fluctuations	1 037	-433
Other changes	31	-3 429
Net debt, closing balance	**-303 620**	**-339 946**

6.17. Trade and other payables

Trade and other payables	31 March 2022 €'000	31 March 2021 €'000
Other payables	**4 143**	**3 653**
Non-current	**4 143**	**3 653**
Trade payables	**637 801**	**649 628**
Tax	22 199	36 044
Remuneration and social security	35 074	38 755
Accrued charges	23 955	29 025
Other	14 790	16 139
Other payables	**96 019**	**119 964**
Current	**733 819**	**769 591**

The decrease in trade payables is mainly explained by aligning payments to suppliers with better terms from long-term customers while the decrease in other payables is largely driven by a decrease in tax payables.

The decrease in accrued charges is mainly explained by lower accrued interest charges (€ - 1,3m at 31 March 2022 compared to € - 4,3m at 31 March 2021) as the leverage ratio further declined.

The table below gives an overview of the most important current and non-current trade and other payables in foreign currency.

Trade and other payables: foreign currencies	31 March 2022 €'000	31 March 2021 €'000
GBP	36 328	37 445
USD	13 306	13 568
PLN	15 046	13 836
CZK	14 212	13 762
Other	12 526	2 608

6.18. Risk management policy

The Group's activities are exposed to a variety of financial risks: market risk (foreign exchange risk and interest rate risk), credit risk, and liquidity risk. The Group's overall risk management programme seeks to minimise potential adverse effects of the financial risks on the Group's financial performance. In order to manage certain market risks, the Group uses derivative financial instruments.

The Board of Directors has overall responsibility for the establishment and management of the Group's risk management, including financial risk management. The Audit Committee is responsible for developing and monitoring the Group's risk management policies. Internal audit, under the direction of the Audit Committee, undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

The daily financial risk management is carried out by Corporate Treasury under the corporate treasury policies. Corporate Treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units.

6.18.1. Market risk

Market risk is the risk of changes in market parameters, such as foreign exchange rates and interest rates, which can influence the Group's performance. The objective is to control and manage this market risk within the limits of acceptable parameters, while optimising the return earned by the Group.

In the normal course of business, the Group uses financial derivatives to manage the market risks. All these transactions are carried out in line with corporate treasury policy. It is Group policy not to undertake speculative transactions.

Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures. The currency exposure is partly linked to the Group's operations in the UK, the Czech Republic, the US and Poland and to non-euro transactions in eurozone entities. Foreign exchange exposure arises from future commercial transactions and recognised assets and liabilities.

Foreign exchange risk arises when future commercial transactions are denominated in a currency that is not the entity's functional currency.

The receivables and liabilities in foreign currency can give rise to a realised gain or loss depending on whether the daily exchange rate at the time of receipt or payment differs from the exchange rate at which the receivable or payable is recorded.

Management has set up guidelines to require Group entities to manage their foreign exchange risk with regard to their local currency. Subsidiaries are required to hedge their entire foreign exchange risk exposure with Corporate Treasury. To manage its foreign exchange risk arising from future commercial transactions, the Group uses foreign exchange forward contracts.

Corporate Treasury's foreign exchange risk management practice applies the following hedging ratios per currency pair:

Period	Hedging ratios
Up to 3 months	100%-75%
Over 3 months up to 6 months	75%-50%
Over 6 months and up to 1 year	50%-0%

If required for commercial reasons, a cash flow can be hedged at 100%.

Foreign exchange sensitivity

The sensitivity analysis is applied to third-party and intercompany loans and deposits and trade and other receivables and liabilities, in so far as the foreign currency differs from the functional currency of the Group. A 10% fluctuation in foreign exchange rates is taken into account when calculating the foreign exchange sensitivity below. These fluctuations would affect the profit before income tax.

The sensitivity analysis is also applied on the outstanding forward agreements for a 10% fluctuation in the foreign exchange rate. These fluctuations would affect equity.

The analysis below reflects the sensitivity for US dollar and British pound. The exposure to foreign currency changes for all other currencies is not material. A positive sign represents a gain; a negative sign represents a loss.

Foreign exchange sensitivity	31 March 2022		31 March 2021	
	Effect on profit before income tax €'000	Effect on equity €'000	Effect on profit before income tax €'000	Effect on equity €'000
GBP				
+10%	6 837	-770	2 225	3 148
-10%	-8 356	700	-2 719	-3 847
USD				
+10%	-1 478	-222	1 105	-1 880
-10%	1 806	202	-1 351	2 298

The sensitivity is based on a net receivable position per 31 March 2022 of € -75m for GBP (31 March 2021 € -24,5m) and € 16m for USD (31 March 2021 € -12,2m).

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The floating interest rate debt of the Group arises mainly from its Facilities Agreement and the financing retrieved from the multi-country factoring programme.

The Group analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration renewal of existing positions, alternative financing and hedging. Based on these scenarios, the Group calculates the impact on profit and loss of a defined interest rate shift. The scenarios are run only for liabilities that represent the major interest- bearing positions.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate interest-bearing loans. The Group kept 0.0% of its interest rate exposure at fixed rates of interest. For the financing facilities with floating interest rates, given the current low interest rate environment, substantially no financial instruments were used to hedge the risk of interest rate fluctuations.

Financial liabilities at amortised cost	31 March 2022		31 March 2021	
cost	€'000	Average effective interest rate	€'000	Average effective interest rate
Floating interest rate				
EUR	395 238	1,97%	289 352	2,82%
Fixed interest rate				
EUR	-	-	124 440	3,75%
TOTAL	**395 238**		**413 792**	

Despite the hedging strategy on the basis of financial derivatives, it cannot be excluded that the Group's future net result will be subject to interest rate fluctuations.

Interest rate sensitivity	Nominal value at 31 March 2022 €'000	Impact 20 bps increase of interest rate €'000	Impact 20 bps decrease of interest rate €'000	Nominal value at 31 March 2021 €'000	Impact 20 bps increase of interest rate €'000	Impact 20 bps decrease of interest rate €'000
Bank loans	397 895	264	-265	293 663	49	-49
IRS	277	1	-1	369	1	-1

Interest rate risk: maturity of financial assets and liabilities

Remaining terms of financial assets and liabilities at 31 March 2022	Average effective Interest Rate %	Total carrying value €'000	< 1 year €'000	1-5 year €'000	> 5 year €'000
Assets and liabilities with fixed interest rates					
Bond loans	-	-	-	-	-
Lease liabilities	4,17%	231 998	29 386	89 367	113 245
Assets and liabilities with floating interest rates					
Cash and cash equivalents		98 504	98 504	-	-
Bank loans	1,97%	394 760	44 150	350 610	-
Bank overdrafts	2,01%	478	478	-	-

Remaining terms of financial assets and liabilities at 31 March 2021	Average effective Interest Rate %	Total carrying value €'000	< 1 year €'000	1-5 year €'000	> 5 year €'000
Assets and liabilities with fixed interest rates					
Bond loans	3,75%	122 531	122 531	-	-
Lease liabilities	4,17%	235 445	28 496	81 213	125 736
Assets and liabilities with floating interest rates					
Cash and cash equivalents	-	81 250	81 250	-	-
Bank loans	2,82%	289 352	7 691	281 661	-
Bank overdrafts	2,86%	1 909	1 909	-	-

All financial assets and liabilities are classified at amortised cost at 31 March 2022 and 31 March 2021.

Foreign exchange risk and interest rate risk: derivative financial instruments

Outstanding derivatives: nominal amounts at maturity date	31 March 2022			31 March 2021		
	Due within 1 year €'000	Due between 1 and 5 years €'000	Due after 5 years €'000	Due within 1 year €'000	Due between 1 and 5 years €'000	Due after 5 years €'000
Foreign exchange risk						
Forward agreements	227 378	-	-	225 237	-	-
Interest rate risk						
IRS	-	277	-	-	369	-
TOTAL	**227 378**	**277**	**-**	**225 237**	**369**	**-**

Derivatives are reported at fair value and hedge accounting is applied for all derivatives. For financial derivatives, no offsetting has been applied.

The forward agreements expire on €'000 at the latest. The IRS was unwound in the course of last year.

The fair value of derivatives is calculated using pricing models taking into account current market rates. For IRS, this information is provided by the Group's financial institutions with which the financial instruments have been concluded. For the forward agreements, Corporate Treasury calculates the fair value.

Fair value by type of derivative	31 March 2022				
	Assets	Liabilities	Net Position	Movement through income statement	Movement through equity
	€ '000	€ '000	€ '000	€ '000	€ '000
Foreign exchange risk					
Forward agreements	322	370	-49	-	1 838
Interest rate risk					
IRS	-	-	-	-	-
TOTAL	**322**	**370**	**-49**	**-**	**1 838**

Fair value by type of derivative	31 March 2021				
	Assets	Liabilities	Net Position	Movement through income statement	Movement through equity
	€ '000	€ '000	€ '000	€ '000	€ '000
Foreign exchange risk					
Forward agreements	519	2 408	-1 889	-	-3 191
Interest rate risk					
IRS	-	-	-	-	-
TOTAL	**519**	**2 408**	**-1 889**	**-**	**-3 191**

6.18.2. Credit risk

Credit risk is the risk of financial loss to the Group through a customer or a financial counterparty being unable to fulfil its contractual obligations. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Group's exposure to credit risk on operating activities is influenced mainly by the individual characteristics of each customer. To protect itself against customer defaults and bankruptcies, the Group uses the services of international credit insurance companies, and also applies internal customer credit limits.

The Group's credit policy does not identify any material credit risk exposure on its customers. Receivables for the ten largest debtors are credit insured and the three largest customers represent 59,9% of sales, as disclosed in note 4.1. *Information about major customers*.

Non-credit insured receivables are reviewed for impairment risk, based on the ageing of the receivables.

Credit insurance is mandatory for all trade receivables sold to the factor company. Certain entities benefit also from credit insurance although their receivables are not factored.

Credit risk exposure on non-credit insured customers is continuously monitored by Corporate Treasury and any customer whose credit limit exceeds a predefined amount, is subject to a credit check. The credit check and customer rating are based upon the customers' shareholders and group structure, the balance sheet and profit and loss accounts of the last two calendar years and related audit report and the weighted average days paid late. An internal credit limit is mandatory for non-credit insured customers before confirming the order to the customer and before shipping the goods. Approval of the internal credit limits is subject to the Greenyard Authority Matrix as approved by the Audit Committee in December 2019. Impairment losses are recorded on an individual basis.

The Group also makes advances to key suppliers, generally to secure produce in key categories. Advances made are generally interest bearing and recovered through deduction from payments made in respect of produce delivered by the counterparty.

Financial investments are only allowed if the counterparties meet the minimum acceptable credit ratings at the time of initiation of the investment without exceeding a maximum concentration per counterparty. Investment counterparties must be of Western government credit (US, Canada, EC-countries) with banks and issuers with a credit rating of BBB (Standard & Poor's), Baa (Moody's Investor Service) or better.

Credit risk covers only the instrument category of 'loans and receivables' (L&R). For the other instrument categories, the credit risk is limited or non-existent, given that counterparties are banks with a high creditworthiness.

6.18.3. Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations on their due date. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stress conditions without incurring unacceptable losses or risking damage to its reputation.

The Group monitors its risk of a shortage of funds using a cash positioning tool. Short-term cash flow forecasting is performed in the operating entities of the Group and aggregated by Corporate Treasury. Corporate Treasury monitors forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

Most of the subsidiaries are part of a cash pool scheme, as such funds are collected on a daily basis on the bank accounts held by Corporate Treasury. For subsidiaries not part of a cash pool scheme, surplus cash above balances required for working capital purposes are transferred to Corporate Treasury.

The Group's policy is to have adequate facilities available at all times to cover unanticipated financing requirements. The Group has approval of committed term and revolving borrowings of up to € 452,5m per 31 March 2022 (€ 467,5m per 31 March 2021).

At 31 March 2022, the Group has € 66m of unused available lines under its Facilities Agreement (31 March 2021 € 53,7m). The total uncommitted bilateral facilities for an amount of € 23,3m were unused for € 13m at 31 March 2022 (31 March 2021 € 10,0m).

For a discussion of the existing lines and their terms and conditions, see note 6.16. *Interest-bearing loans*.

The table below categorises the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The undiscounted cash flows reflect net interest payments and principal repayments. Derivative financial assets and liabilities are included in the analysis for the residual cash flows.

Remaining terms of financial debts	Contractually agreed undiscounted cash flows			
31 March 2022	Due within 1 year	Due between 1 and 5 years	Due after 5 year	TOTAL
	€'000	€'000	€'000	€'000
Bank loans	51 897	359 982	-	411 879
Bond loans	-	-	-	-
Lease liabilities	37 006	124 093	115 488	276 587
Trade and other payables	662 664	4 143		666 807
Non-derivatives	**751 567**	**488 218**	**115 488**	**1 355 273**
IRS	-	-	-	-
Forward agreements	-536	60	-	-475
Derivatives	**-536**	**60**	-	**-475**
TOTAL	**751 031**	**488 278**	**115 488**	**1 354 797**

Remaining terms of financial debts	Contractually agreed undiscounted cash flows			
31 March 2021	Due within 1 year	Due between 1 and 5 years	Due after 5 year	TOTAL
	€'000	€'000	€'000	€'000
Bank loans	10 209	294 126	-	304 334
Bond loans	129 688	-	-	129 688
Lease liabilities	37 514	121 849	134 261	293 624
Trade and other payables	680 908	3 653		684 562
Non-derivatives	**858 318**	**419 628**	**134 261**	**1 412 208**
IRS	5	14	-	18
Forward agreements	2 114	-15	-	2 099
Derivatives	**2 119**	**-1**	-	**2 118**
TOTAL	**860 437**	**419 626**	**134 261**	**1 414 326**

All instruments held at the reporting date and for which payments had been contractually agreed are included. Forecasted data relating to future, new liabilities are not included. Amounts in foreign currencies have been translated at the closing rate. The variable interest payments arising from financial instruments were calculated using the applicable forward interest rates.

6.18.4. Transfers of financial assets

In relation to factoring, the total derecognised trade receivables amounted to € 294,3m as of 31 March 2022 (€ 345,5m as of 31 March 2021). Greenyard has transferred 95% of the credit risk to the factors. The remaining credit risk remains in its accounts as a continuing involvement in the transferred receivables and is recognised, together with the retained late payment risk of which the latter is however considered immaterial (see also note 6.9 *Trade and other receivables*).

As the legal ownership of the receivables is transferred to the factors, and the transferred receivables are credit insured for the benefit of the factors, payments by debtors and credit insurers will be done to the factors. Management of the transferred receivables is done by Greenyard as agent for the factors. There is no contractual obligation for Greenyard to fulfil a payment obligation in the event of an insolvency of credit insurers. More information can be found under note 6.9 *Trade and other receivables*.

Greenyard uses factoring arrangements as part of its liquidity management, and has a total amount of € 375m of committed factoring programme lines outstanding as of 31 March 2022 (€ 475m as of 31 March 2021). These factoring programmes are set up with a limited number of counterparties and therefore constitute a significant concentration in terms of liquidity risk for Greenyard.

6.18.5. Financial assets and liabilities – fair value

Derivative financial instruments are measured at fair value at inception and at each reporting date, with the movement recognised in the income statement unless they are designated as cash flow hedges. Where instruments are classified as cash flow hedges, they are accounted for under hedge accounting rules with gains or losses arising on the effective portion of the derivative instrument recognised in the cash flow hedge reserve, as a separate component of equity. Gains or losses on any ineffective portion of the derivative are recognised in the income statement. When the hedged transaction matures, the related gains or losses in the cash flow hedge reserve are transferred to the income statement. The net carrying amounts and respective fair values are analysed for the various classes of financial assets and liabilities. The table below only includes the financial assets and liabilities for which the fair value differs from the carrying amount. For all other financial assets and liabilities, the Group considers the carrying amounts to approximate the fair values.

The fair value of bank loans is calculated as the present value of the future cash flows (level 2 input). The fair value of the host component of the convertible bond is calculated as the present value of the future cash flows taking into account the reference swap rate and credit spread (level 3 input).

Financial assets and liabilities by class and category at 31 March 2022	Net carrying amount	Fair value
	€'000	€'000
Host component of the convertible bond	-	-
Bank loans	394 760	411 839

Financial assets and liabilities by class and category at 31 March 2021	Net carrrying amount	Fair value
	€'000	€'000
Host component of the convertible bond	122 531	125 150
Bank loans	289 352	294 273

6.18.6. Capital structure

To maintain a strong capital base and sustain market confidence, the Board of Directors regularly reviews and monitors the Group's capital structure. This involves evaluating dividend policy and return on capital (based on shareholders' equity).

The Board of Directors is authorised to acquire own shares up to a legal maximum of 20%. On 31 August 2017, the Group completed a share buyback programme started in March 2017 with a total of 1 750 000 ordinary shares repurchased at a total cost of € 30,0m, including associated costs. A second share buyback programme started in September 2021 with a total of 600 000 ordinary shares repurchased at a total cost of € 5,5m, including associated costs.

These shares are held as treasury shares unless reissued or cancelled. Currently, the Group still holds 1 942 854 treasury shares.

The Group also constantly seeks to optimise its capital structure (balance between debts and equity) to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt to equity ratio. The Group is determined to keep its leverage ratio to a level structurally below 2,5x over the coming periods.

The Group targets a flexible structure in terms of periodicity and credit type, which enables it to seize potential opportunities. Note 6.12. *Issued capital, share premium and other capital instruments* and note 6.16. *Interest-bearing loans* provide more detail on equity and debt components.

The Group has leverage ratio covenants as detailed in note 7.3. *Off-balance sheet commitments*.

6.18.7. Fair value hierarchy included in the statement of financial position

Assets and liabilities at fair value	31 March 2022				31 March 2021			
	Level 1	Level 2	Level 3	TOTAL	Level 1	Level 2	Level 3	TOTAL
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Financial assets at fair value								
Derivatives - Forward agreements, IRS and equity investments	-	322	-	322	-	519	5	524
Total	-	**322**	-	**322**	-	**519**	**5**	**524**
Financial liabilities at fair value								
Derivatives - F orward agreements and IRS	-	370	-	370	-	2 408	-	2 408
Total	-	**370**	-	**370**	-	**2 408**	-	**2 408**

The table above analyses the Group's financial instruments of initially measured at fair value, sorted by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: fair value measurement: the fair values of other financial assets and liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments. This mainly relates to derivative financial instruments.
  - Forward agreements are measured using quoted forward exchange rates and yield curves derived from quoted interest rates with matching maturities.
  - Interest rate swaps are measured at the present value of future cash flows estimated and discounted using the applicable yield curves derived from quoted interest rates.
- Level 3: fair value measurement: the fair value of the remaining financial assets and liabilities is derived from valuation techniques which include inputs that are not based on observable market data.

During the past financial year, there were no transfers of financial assets or liabilities between levels 1 and 2.

7. Other elements

7.1. Subsidiaries, associates, joint ventures and investments recorded at cost

The parent company of the Group is Greenyard NV, Sint-Katelijne-Waver, Belgium. The subsidiaries, associates, joint ventures and investments recorded at cost of the Group as per 31 March 2022 are presented below.

Long Fresh

Long Fresh: Subsidiaries	Country of incorporation	Consolidation method	% of interest 31 March 2022	31 March 2021
Greenyard Frozen Langemark NV	Belgium	Full	100%	100%
Greenyard Frozen Belgium NV	Belgium	Full	100%	100%
Pinguin Langemark NV	Belgium	Full	100%	100%
Greenyard Prepared Investments BE NV	Belgium	Full	100%	100%
Greenyard Prepared Belgium NV	Belgium	Full	100%	100%
BND CV [4]	Belgium	Full	25%	25%
Greenyard Frozen Brazil Ltda	Brazil	Full	100%	100%
Greenyard Frozen Investments FR (Moréac) SAS	France	Full	66%	66%
Greenyard Frozen Investments FR (Comines) SAS	France	Full	66%	66%
Greenyard Frozen Comines SAS	France	Full	100%	100%
Greenyard Frozen France SAS	France	Full	100%	100%
Greenyard Frozen Holding FR SAS	France	Full	100%	100%
Greenyard Frozen Investments PL Sp. Z o.o.	Poland	Full	100%	100%
Greenyard Frozen Poland Sp. Z o.o.	Poland	Full	100%	100%
LiliCo Hungary Kft. [1]	Hungary	Full	100%	100%
Greenyard Frozen UK Ltd.	UK	Full	100%	100%
Greenyard Prepared UK Ltd.	UK	Full	100%	100%
Greenyard Prepared Netherlands B.V. [3]	The Netherlands	Full	0%	100%

Long Fresh: Investments recorded at cost	Country of incorporation	Consolidation method	31 March 2022	% of interest 31 March 2021
Alberts NV	Belgium	Not consolidated	7%	7%

Fresh

Fresh: Subsidiaries	Country of incorporation	Consolidation method	31 March 2022	% of interest 31 March 2021
Bakker Belgium NV	Belgium	Full	100%	100%
Greenyard Fresh NV	Belgium	Full	100%	100%
Greenyard Fresh Belgium NV	Belgium	Full	100%	100%
Greenyard Fresh Direct Belgium NV	Belgium	Full	100%	100%
Greenyard Transport Belgium NV	Belgium	Full	100%	100%
Greenyard Logistics Belgium NV	Belgium	Full	100%	100%
Greenyard Fresh Holding NL B.V.	The Netherlands	Full	100%	100%
Greenyard Fresh Netherlands B.V.	The Netherlands	Full	100%	100%
Greenyard Fresh Investments NL B.V. (1)	The Netherlands	Full	100%	100%
Bakker Barendrecht B.V.	The Netherlands	Full	100%	100%
Bakker Barendrecht Transport B.V.	The Netherlands	Full	100%	100%
Holland Crop B.V. (2)	The Netherlands	Full	100%	100%
Bakker Centrale Inkoop B.V.	The Netherlands	Full	100%	100%
Greenyard Flowers Netherlands B.V.	The Netherlands	Full	100%	100%
Greenyard Supply Chain Services B.V.	The Netherlands	Full	100%	100%
Greenyard Fresh France SAS	France	Full	100%	100%
Delta Stocks Sarl	France	Full	100%	100%
Greenyard Fresh Beteiligungs GmbH	Germany	Full	100%	100%
Greenyard Fresh Holding DE GmbH & Co KG	Germany	Full	100%	100%
Greenyard Fresh Trade International GmbH (2)	Germany	Full	0%	100%
Greenyard Fresh Germany GmbH	Germany	Full	100%	100%
Fresh Solutions GmbH	Germany	Full	100%	100%
Greenyard Fresh Services GmbH	Germany	Full	100%	100%
Greenyard Fresh Austria GmbH	Austria	Full	100%	100%
Greenyard Fresh Spain SA	Spain	Full	100%	100%
Mor K.B. International Ltd	Israel	Full	65%	65%
Amore Srl	Italy	Full	46%	46%
Biofarm Srl	Italy	Full	100%	100%
Greenyard Fresh Italy Srl	Italy	Full	100%	100%
Bardsley Fruit Enterprises Ltd. (3)	UK	Full	0%	50%
Greenyard Fresh UK Ltd.	UK	Full	100%	100%
Pastari International Ltd (1)	Turkey	Full	60%	60%
Greenyard Logistics Poland Sp. Z o.o.	Poland	Full	100%	100%
Bakker Trans sro	Czech Republic	Full	100%	100%
Bakker sro	Czech Republic	Full	100%	100%
Greenyard USA Co	US	Full	100%	100%
Seald Sweet LLC	US	Full	90%	90%
Greenyard Logistics USA Inc	US	Full	100%	100%
Mor U.S.A. Inc	US	Full	65%	65%

DFM Brazil Ltda	Brazil	Full	100%	100%
Greenyard Fresh Brazil Ltda	Brazil	Full	100%	100%
Greenyard Fresh Peru SAC	Peru	Full	100%	100%
Greenyard Fresh Chile Ltda	Chili	Full	100%	100%
Greenyard Fresh Colombia SAS	Colombia	Full	100%	100%
M.I.S.A. Int. (Pty) Ltd	South Africa	Full	65%	65%

Fresh: Joint ventures and associates	Country of incorporation	Consolidation method	31 March 2022	% of interest 31 March 2021
Grupo Yes Procurement Marketing SL	Spain	Equity method	50%	50%
Logidis Sistem SL	Spain	Equity method	50%	50%
Agritalia Srl	Italy	Equity method	33%	33%

Fresh: Investments recorded at cost	Country of in-corporation	Consolidation method	31 March 2022	% of interest 31 March 2021
Pison Srl [(1)]	Italy	Not consolidated	0%	25%
Campoverde Spa Agricola	Italy	Not consolidated	2%	2%
Carpe Naturam Soc. Consortile ARL	Italy	Not consolidated	9%	9%
Kiwi Passion S.r.l. Consorzio	Italy	Not consolidated	7%	7%

(1) Liquidated or in liquidation
(2) Merger
(3) Divestment
(4) Greenyard has ‘de facto’ control based on certain statements in the articles of association: on the one hand they have more rights and blocking possibilites and on the other hand they are always involved in the representation in and out of court of the CV.

Significant restrictions

There are no significant restrictions (e.g. resulting from borrowing arrangements, regulatory requirements or contractual arrangements between investors with significant influence over a subsidiary) on the ability of subsidiaries to transfer funds to their parent company in the form of cash dividends, or to repay loans or advances made by the parent company, except for those mentioned in note 7.3. *Off-balance sheet commitments*, with the approval of the majority shareholder. In addition, there are no significant restrictions on the Company’s or its subsidiaries’ ability to access or use the assets and settle the liabilities of the Group, except for those mentioned in note 7.3. *Off-balance sheet commitments*.

Changes in the consolidation scope

The following major changed occurred in the consolidation scope during AY 21/22:

- On 11 June 2021, Greenyard Prepared Netherlands was sold for a consideration of € 17,0m. After deduction of transaction related expenses, a loss was accounted for on this transaction ad € 0,3m.
- The stake in Bardsley Fruit Enterprises was sold for a consideration of £ 4,2m. After deduction of transaction related expenses, a gain was realized for an amount of € 3,0m.

During AY 20/21 the following changes were noted:

- In June 2020, Greenyard finalised the sale of Greenyard Logistics Portugal for a net consideration of € 5,0m and realised a gain of €3,0m.
- In March 2021, the stake in Mahindra was sold without any gain or loss resulting from this sale.

7.2. Main disputes

To the extent the expected outcome of the disputes mentioned below would result in a potential financial impact for Greenyard, a provision has been recorded or an existing one has been revised.

Tax dispute

Greenyard Frozen Brazil Ltda. imports frozen fruit and vegetables from Europe for which the company has received an exemption from paying ICMS (tax on circulation of goods and services) from the state of São Paulo. Frozen fruit and vegetables are considered basic and natural products which are generally exempt from ICMS. However, local tax authorities do not consider frozen fruit and vegetables to be natural products and claim administrative penalties for such imports. This is general practice in the frozen vegetables business. The total litigations of Greenyard in this respect amount to R$ 22,5m (€ 6,1m) relating to the period 2010-2016 for which no amounts were paid nor accrued. A final favourable court decision was pronounced by the Supreme Court on 17 August 2017. Procedures before the courts of first instance to execute the Supreme Court judgement and cancel the total amount of fines imposed by the local tax authorities are pending.

Banana license dispute

In 2002, Greenyard Fresh Italy S.r.l. (formerly Univeg Trade Italia S.r.l. and previously Bocchi Import Italia S.r.l.) received a claim relating to allegedly unpaid customs duties on banana imports between October 1998 and November 1999. The tax authorities claimed that false licenses to trade bananas were used by the company. It appears that the company purchased the false licenses in good faith. The Greek tax authorities claim a payment of € 2,8m (including interest). However, because of new legislation which has entered into force, there is likely to be a positive outcome in favour of the company. Legal proceedings before the Greek High Court are pending.

Dispute with a large banana supplier

Greenyard Fresh Handelsgesellschaft GmbH, which was merged into Greenyard Fresh Germany GmbH, entered into a banana ripening and distribution agreement in 2013 with a large banana supplier, who unilaterally decided to partly deviate from this agreement, whereas Greenyard continued to comply with it. A writ of summons has been filed against Greenyard Fresh Germany GmbH and Greenyard NV in the amount of € 6,0m, against which an objection has been filed. The legal proceedings are pending in first instance before the commercial court.

Loan debt due by Peruvian grower

Greenyard Fresh Peru SAC and a local grape grower signed an agreement whereby the grower undertook to deliver (at least) 2k tons of grapes per season, in the period between 2014 and 2018. In order to finance the purchase of additional plantations by the grower, the company granted a long-term loan of USD 500k, repayable in annual instalments from 2015 to 2019. Since the grower remains in breach of its obligation to repay the loan, Greenyard Fresh Peru SAC has initiated proceedings to enforce its collateral.

7.3. Off-balance sheet commitments

7.3.1. Commitments concerning purchases of property, plant and equipment and fresh vegetables

Per 31 March 2022 and 31 March 2021, the Group committed for the purchase of property, plant and equipment, and fresh fruit and vegetables an amount of:

Purchase commitments	31 March 2022	31 March 2021
	€'000	€'000
Fresh fruit and vegetables	97 931	110 953
Property, plant & equipment	5 575	2 970
Other	389	725
TOTAL	**103 894**	**114 648**

The Group has concluded sowing and purchase contracts with a number of farmers for the procurement of fresh fruit and vegetables. The contracted amounts can still fluctuate as a function of climate conditions and market prices for fresh fruit and vegetables.

7.3.2. Factoring

In accordance with IFRS 9 Financial instruments: Recognition and Measurement, all non-recourse trade receivables, included in factoring programs, are derecognised for the non-continuing involvement part (see also Critical judgments in applying the entity's accounting policies).

As of 31 March 2022, total derecognised trade receivables amounted to € 294,3m (€ 345,5m as of 31 March 2021). As the claims are transferred to the factors, and the claims are credit insured, payments of claims will be done to the agent of the factors. No further payment will thereafter be due by the credit insurers. Claim management is done by Greenyard itself. There is no contractual obligation for Greenyard to fulfil a payment obligation in the event of an insolvency of its credit insurers. Greenyard has transferred 95% of the risk to the factors. The remaining risk remains in its accounts.

7.3.3. Bank and bond covenants and undertakings

The Group had a convertible bond (€ 125,0m) that matured in December 2021 and an amended Facilities Agreement (€ 467,5m) signed in March 2021.

Group convertible bond

In December 2016, Greenyard Fresh NV, a wholly-owned subsidiary of the Company, issued a senior, unsecured, guaranteed convertible bond of € 125,0m with a gross coupon of 3,75% fixed interest rate, due in December 2021. The convertible bond was guaranteed by the Company. The bond was redeemed at par plus accrued interest in December 2021.

Group Facilities Agreement

In March 2021, the Group refinanced its bank loans through an Amended and Restated Facilities Agreement for an amount of € 467,5m consisting of a € 190,0m term loan 1 facility, a € 125,0m term loan 2 facility, intended to refinance the € 125,0m convertible bond and a € 152,5m revolving credit facility with the same consortium of banks with whom it had entered into its earlier Facilities Agreement, which would mature in December 2021. The term loans are repayable in periodical instalments per half year, with an aggregated EUR 15,0m paid in March 2022 for the term loan 1 and the term loan 2 facility.

The facilities bear interest composed of EURIBOR plus a margin. The margin is not the same for the term loan as it is for the revolving credit facility. The margin is based on the Group's leverage. The term loans bear / will bear a margin between 1,5% and 3,25%, based on a leverage grid. The revolving credit facility bears a margin of between 1,25% and 3,00%, based on a leverage grid. Short-term bank debt varies in function of cash generated by operations, working capital needs and factoring drawdown.

Next to a change of control clause and customary general covenants, the Facilities Agreement includes financial covenants being an interest cover ratio and a leverage ratio which are tested on a semi-annual basis (30 September and 31 March) and reported to the lenders. The leverage ratio is calculated as the interest-bearing debt (at nominal value) before the impact of IFRS 16, less derivatives, bank deposits, cash and cash equivalents and restricted cash, divided by the last twelve month adjusted EBITDA, corrected for acquisitions. The interest cover ratio means the ratio of Adjusted EBITDA to net finance charges in respect of the relevant period. At 31 March 2022, Greenyard complied with its covenants. For the coming financial year (2022/2023), the leverage ratio covenant is set at 3,2x and 2,8x (September 2022 and March 2023 respectively), where the interest cover ratio covenant is set at 3,5x and 4,0x (September 2022 and March 2023 respectively). Greenyard intends to structurally maintain its leverage between 2,0x and 2,5x on a pre-IFRS 16 basis.

The Facilities Agreement also stipulates that a flexible pool of guarantors guarantees the amounts drawn and outstanding under the Facilities Agreement. The (size and composition of the) pool of guarantors is subject to a Guarantor Cover requirement for which the Guarantors jointly need to meet certain minimum levels on coverage of total consolidated gross assets (65%), corrected for customer relations and goodwill, total consolidated net sales (65%) and consolidated Adjusted EBITDA of the Group (78%). The most material entities in the group in terms of EBITDA contribution, net sales or assets are included in this guarantor pool. The guarantor cover test is required annually at year-end and Guarantors need to be added to the Facilities Agreement in case that the guarantor test is not met. To the extent that the ratio would not be met, Greenyard would need to add additional entities as guarantor to meet this test within 45 days. For 31 March 2022, all requirements were met.

7.3.4. Securities

In March 2021, the Group successfully refinanced its bank facilities and entered into the Facilities Agreement. These facilities are secured through different types of asset pledges. In general, main assets, mostly including shares, cash balances, property, plant and equipment, inventories, trade and other receivables of the Group's subsidiaries, located in Belgium, France, the Netherlands, Poland, UK, Spain, Germany, Czech Republic and the US, are pledged or secured through mortgages. On a consolidated basis, meaning excluding intercompany positions, total pledged assets amounted to € 2 804,4m at 31 March 2022 of which € 2 310,0m related to business assets, € 179,5m to property, plant and equipment, € 222,8m to inventories and receivables, € 92,1 to cash and cash equivalents.

The Company will issue comfort letters to some of its subsidiaries confirming financial support until their General Shareholders' Meeting in 2023.

7.3.5. Bank and corporate guarantees

On 31 March 2022, the Group has outstanding bank guarantees amounting to € 9,9m and outstanding corporate guarantees amounting to € 84,1m. The main beneficiaries are tax/customs authorities, landlords, tenants, lenders, suppliers and customers. Of these amounts, bank guarantees amounting to € 0,6m are not considered to be in the ordinary course of business.

7.3.6. Contingent liabilities

There are no contingent liabilities, other than the above-mentioned responsibilities and warranties.

7.4. Related parties

Transactions between Greenyard NV and its subsidiaries have been eliminated in the consolidation and are therefore not included in this note. Transactions with joint ventures and associates are included.

For an overview of the application of articles 7:96 and 7:97 BCAC, reference should be made to the *Corporate Governance Statement* chapter.

The Fruit Farm Group

Until December 2019, Greenyard Group had a strategic fruit sales, marketing and distribution agreement with The Fruit Farm Group. Since then, Greenyard entities only do business directly with local individual key suppliers within The Fruit Farm Group.

The Fruit Farm Group is ultimately owned by the reference shareholder of the Group.

Joint ventures

Transactions with joint ventures relate to sourcing, packing and selling of fruit and vegetables and logistic services.

Related parties	31 March 2022 €'000	31 March 2021 €'000
The Fruit Farm Group		
Purchase of products, services and other goods	23 939	19 477
Sales of services and other goods	154	84
Interest and similar revenue	-	-
Trade receivable incl advances	-	36
Trade payables	303	3 375
Other entities		
Purchase of products, services and other goods	3 692	2 938
Joint ventures		
Purchase of products, services and other goods	13 633	13 062
Sales of services and other goods	15	94
Interest and similar revenue	-	-
Trade receivable incl advances	7	10
Trade payables	2 531	2 330

Remuneration of the Board of Directors and Leadership Team

Remuneration	AY 21/22 €'000	AY 20/21 €'000
Board of Directors[(1)]	490	482
Leadership Team[(2)]	5 034	5 410

(1) Excluding Mr Hein Deprez (as permanent representative of Deprez Invest NV) who receives a management fee in his capacity of co-CEO.
(2) The Leadership Team's remuneration consists of the fixed remuneration and bonus of the Leadership Team members (including the co-CEOs).

The total annual remuneration paid to the Board of Directors for AY 21/22 remained almost stable compared with AY 20/21. While the total annual remuneration paid to the Leadership team decreased in AY21/22.

The Leadership Team's total annual remuneration includes the remuneration of both co-CEOs, Mr Hein Deprez (as permanent representative of Deprez Invest NV) and Mr Marc Zwaaneveld (as permanent representative of MZ-B BV), and the remuneration of the other Leadership Team members.

For more detailed information in this respect and with respect to disclosures relating to the 2020 Code, reference should be made to the *Corporate Governance Statement* chapter.

7.5. Events after balance sheet date

In May 2022, Greenyard reached an agreement with a real estate investor on the lease-and-lease-back of its facility of the Greenyard Prepared division in Bree, Belgium. The transaction generates around € 90m proceeds, net of tax which will be fully used to voluntarily repay bank debt.

There are no other major events subsequent to the balance sheet date which have a major impact on the further evolution of the Group.

7.6. Fees group auditor

During AY 21/22, additional services for a total amount of € 128k were provided by the statutory auditors and persons working under cooperative arrangements with them. These services mainly consist of supplementary audit and advisory services.

The audit fees charged to the Group for the accounting year ending 31 March 2022 amounted to € 1,5m.

All additional fees were presented in advance to the Audit Committee for approval. The Group's Audit Committee gave a positive decision on this extension.

Statement of responsible persons

Declaration regarding the information given in this financial report for the 12-month period ended 31 March 2022.

Sint-Katelijne-Waver, 10 June 2022

The undersigned, in the name and on behalf of Greenyard NV, declare that, as far as they are aware:

- The financial statements, established in conformity with the applicable accounting standards, give a true and fair view of the equity, the financial position and the results of Greenyard NV, including its consolidated subsidiaries;
- The financial report for the 12-month period ended 31 March 2022 contains a true and fair statement of the important events, the results and the position of Greenyard NV, including its consolidated subsidiaries, as well as a comment on the principal risks and uncertainties confronting the Group.

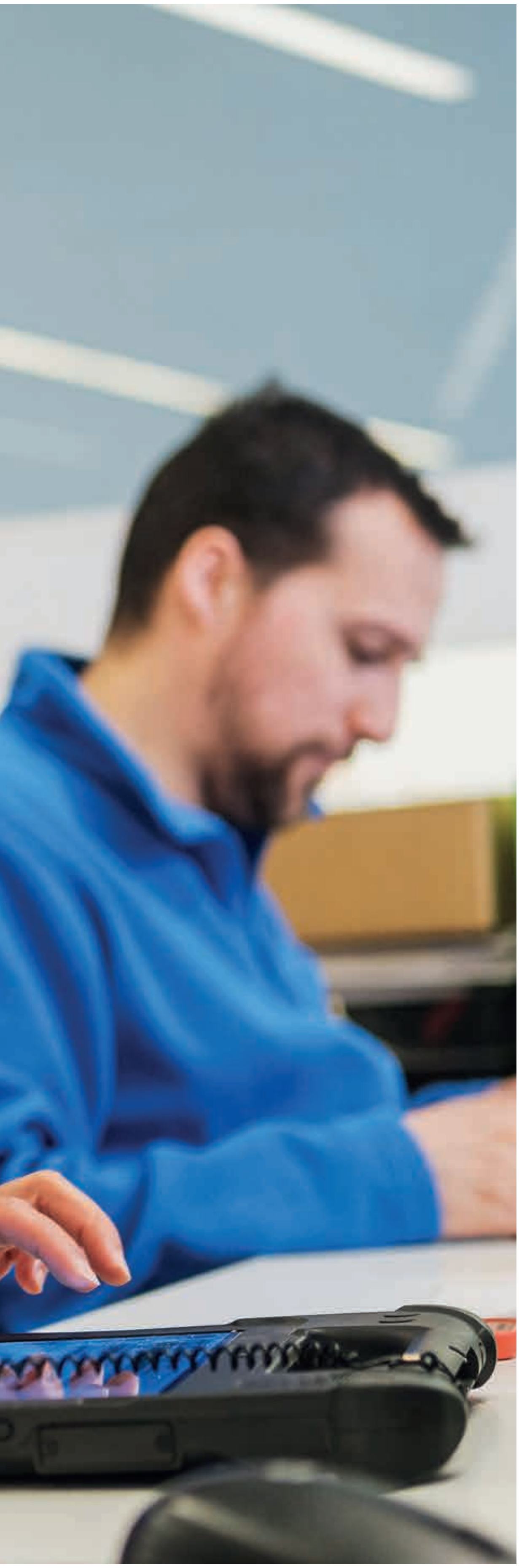
Ahok BV, represented by Mr Koen Hoffman, Chairman of the Board of Directors

Deprez Invest NV, represented by Mr Hein Deprez, co-CEO and managing director

MZ-B BV, represented by Mr Marc Zwaaneveld, co-CEO

Chilibri BV, represented by Mr Geert Peeters, CFO


GREENYARD



Statutory auditor's report on the consolidated financial statements

Statutory auditor's report to the shareholders' meeting of Greenyard NV for the year ended 31 March 2022 - Consolidated financial statements

In the context of the statutory audit of the consolidated financial statements of Greenyard NV ("the company") and its subsidiaries (jointly "the group"), we hereby submit our statutory audit report. This report includes our report on the consolidated financial statements and the other legal and regulatory requirements. These parts should be considered as integral to the report.

We were appointed in our capacity as statutory auditor by the shareholders' meeting of 17 September 2021, in accordance with the proposal of the board of directors ("bestuursorgaan" / "organe d'administration") issued upon recommendation of the audit committee and presentation of the works council. Our mandate will expire on the date of the shareholders' meeting deliberating on the financial statements for the year ending 31 March 2023 in view of Article 41 of EU Regulation nr. 537/2014 that states that as from 17 June 2020, an audit mandate can no longer be prolonged for those audit mandates running 20 years or more at the date of entry into force of the regulation. Due to a lack of online archives dating back prior to 1997, we have not been able to determine exactly the first year of our appointment. We have performed the statutory audit of the consolidated financial statements of Greenyard NV for at least 24 consecutive periods.

Report on the consolidated financial statements

Unqualified opinion

We have audited the consolidated financial statements of the group, which comprise the consolidated statement of financial position as at 31 March 2022, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flow for the year then ended, as well as the summary of significant accounting policies and other explanatory notes. The consolidated statement of financial position shows total assets of 1 897 538 (000) EUR and the consolidated income statement shows a profit for the year then ended of 16 877 (000) EUR.

In our opinion, the consolidated financial statements give a true and fair view of the group's net equity and financial position as of 31 March 2022 and of its consolidated results and its consolidated cash flow for the year then ended, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISA), as applicable in Belgium. In addition, we have applied the International Standards on Auditing approved by the IAASB applicable to the current financial year, but not yet approved at national level. Our responsibilities under those standards are further described in the "Responsibilities of the statutory auditor for the audit of the consolidated financial statements" section of our report. We have complied with all ethical requirements relevant to the statutory audit of consolidated financial statements in Belgium, including those regarding independence.

We have obtained from the board of directors and the company's officials the explanations and information necessary for performing our audit.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matters
Goodwill impairment assessment	
The group's goodwill is relative to the Cash Generating Unit 'Fresh' and amounts to 477 MEUR. We focused on this area due to the size of the goodwill balance (477 MEUR as at 31 March 2022) and because the directors' assessment of the "value in use" of the Group's CGUs involves judgements about the future results of the business and the discount rates applied to future cash flow forecasts. The group disclosed the nature and the value of the assumptions used in the impairment test in note 6.2 to the consolidated financial statements. The key estimates embedded in the impairment test are disclosed in note 3.2 to the consolidated financial statements.	In response to this matter, we obtained an understanding of the impairment assessment process and tested the design and implementation of the relevant internal control procedures. Our substantive audit procedures included amongst others the challenge of the methodology and management's assumptions. Key assumptions relate to forecasted revenue growth, average EBITDA margin and discount rate applied. We involved internal valuation experts to assist us in this challenge especially in respect of assessing the reasonableness of the discount rate. We critically challenged management's assumptions with reference to historical data, and where applicable, to external benchmarks. We carried out audit procedures on management's sensitivity calculations and related available information. We critically assessed the historical accuracy of management's budgets and forecasts. We compared current performance with forecasts and corroborated previous forecasts with actual data. We assessed the adequacy of the disclosures with respect to the impairment test and the sensitivity analyses.

Changes in finance systems and processes	
The IT systems within the Group form a critical component of the Group's financial reporting activities and impact all account balances. In the past year the group commenced its finance transformation in the Fresh division with the implementation of a new ERP Platform in the German subsidiary Fresh Solutions GmbH. We focused on this area because during a period of finance operational and systems changes there is an increased risk to the internal financial control environment. Deficiencies in controls surrounding key business processes lead to an increased risk of material misstatement in the financial statements. The group disclosed the potential risk as part of its general Risks & Uncertainties and in Note 3.2 to the consolidated financial statements.	We performed the following procedures in respect of the new ERP implementation: • walkthroughs of new processes and review of the Design & Implementation of relevant controls identified in processes that are relevant to the preparation of the financial statements; • obtained an understanding of the data cleaning that occurred prior to the migration and tested data migration with associated reconciliations; • Discussed and assessed IT access and segregation of duties for all users; Whilst our audit strategy did not seek to rely on controls over the processes impacted by the changes in finance operations and the ERP implementation, in performing our audit procedures we evaluated the robustness of the financial statements closing process. Such evaluation, as well as an assessment of the impact of all unremediated control deficiencies, served as a basis for our risk assessment and determination of our audit plan. Where relevant, the audit plan was adjusted to include the testing of additional manual business process controls and additional substantive procedures to mitigate the unaddressed risk mainly situated in the Cost of Sales. We considered the appropriateness of the disclosure provided in the Group financial statements in respect of the potential risks resulting from the change in finance and operational systems.

Responsibilities of the board of directors for the preparation of the consolidated financial statements

The board of directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the board of directors is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters to be considered for going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the group or to cease operations, or has no other realistic alternative but to do so.

Responsibilities of the statutory auditor for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a statutory auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

During the performance of our audit, we comply with the legal, regulatory and normative framework as applicable to the audit of consolidated financial statements in Belgium. The scope of the audit does not comprise any assurance regarding the future viability of the company nor regarding the efficiency or effectiveness demonstrated by the board of directors in the way that the company's business has been conducted or will be conducted.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;
- conclude on the appropriateness of the use of the going concern basis of accounting by the board of directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and we communicate with them about all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes any public disclosure about the matter.

Other legal and regulatory requirements

Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the directors' report on the consolidated financial statements, the statement of non-financial information attached to the directors' report on the consolidated financial statements and other matters disclosed in the annual report on the consolidated financial statements.

Responsibilities of the statutory auditor

As part of our mandate and in accordance with the Belgian standard complementary to the International Standards on Auditing (ISA) as applicable in Belgium, our responsibility is to verify, in all material respects, the director's report on the consolidated financial statements, the statement of non-financial information attached to the directors' report on the consolidated financial statements and other matters disclosed in the annual report on the consolidated financial statements, as well as to report on these matters.

Aspects regarding the directors' report on the consolidated financial statements and other information disclosed in the annual report on the consolidated financial statements

In our opinion, after performing the specific procedures on the directors' report on the consolidated financial statements, this report is consistent with the consolidated financial statements for that same year and has been established in accordance with the requirements of article 3:32 of the Code of companies and associations.

In the context of our statutory audit of the consolidated financial statements we are responsible to consider, in particular based on information that we became aware of during the audit, if the directors' report on the consolidated financial statements and other information disclosed in the annual report on the consolidated financial statements are free of material misstatements, either by information that is incorrectly stated or otherwise misleading. In the context of the procedures performed, we are not aware of such a material misstatement.

The non-financial information as required by article 3:32, § 2 of the Code of companies and associations, has been disclosed in the directors' report on the consolidated financial statements. This non-financial information has been established by the company in accordance with the GRI standards. In accordance with article 3:80 § 1, 5° of the Code of companies and associations we do not express any opinion on the question whether this non-financial information has been established in accordance with these standards.

Statements regarding independence

- Our audit firm and our network have not performed any prohibited services and our audit firm has remained independent from the group during the performance of our mandate.
- The fees for the additional non-audit services compatible with the statutory audit, as defined in article 3:65 of the Code of companies and associations, have been properly disclosed and disaggregated in the notes to the consolidated financial statements.

Single European Electronic Format (ESEF)

In accordance with the draft standard on the audit of the compliance of the financial statements with the Single European Electronic Format ("ESEF"), we have also performed the audit of the compliance of the ESEF format and of the tagging with the technical regulatory standards as defined by the European Delegated Regulation No. 2019/815 of 17 December 2018 ("Delegated Regulation").

The board of directors is responsible for the preparation, in accordance with the ESEF requirements, of the consolidated financial statements in the form of an electronic file in ESEF format ("digital consolidated financial statements") included in the annual financial report.

Our responsibility is to obtain sufficient and appropriate evidence to conclude that the format and the tagging of the digital consolidated financial statements comply, in all material respects, with the ESEF requirements as stipulated by the Delegated Regulation.

Based on our work, in our opinion, the format and the tagging of information in the digital consolidated financial statements included in the annual financial report of Greenyard NV as of 31 March 2022 are, in all material respects, prepared in accordance with the ESEF requirements as stipulated by the Delegated Regulation.

Other statements

- This report is consistent with our additional report to the audit committee referred to in article 11 of Regulation (EU) No 537/2014.

Signed at Ghent.

The statutory auditor

Digitally signed by
Kurt Dehoorne
DocuSign
Signed By: Kurt Dehoorne (Signature)
Signing Time: 14-Jun-2022 | 08:48 CEST
C: BE
Issuer: Citizen CA
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Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises BV/SRL
Represented by Kurt Dehoorne


JUNGHEINRICH
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Condensed statutory accounts of the parent company greenyard nv, according to belgian accounting standards

The statutory financial statements of the parent company, Greenyard NV, are presented below in a condensed form. The statutory auditor issued an unqualified report on the financial statements of Greenyard NV. In accordance with Belgian company law, the directors' report and financial statements of the parent company, Greenyard NV, together with the statutory auditor's report, will be deposited with the National Bank of Belgium.

They are available on our website www.greenyard.group and on request from:
Greenyard NV
Strijbroek 10
BE – 2860 Sint-Katelijne-Waver Belgium
www.greenyard.group

ASSETS	Codes	31 March 2022 €'000	31 March 2021 €'000
NON-CURRENT ASSETS	20/28	282 045	282 360
Formation expenses	**20**	**467**	**696**
Intangible assets	**21**	**1 675**	**1 962**
Tangible assets	**22/27**	**470**	**268**
Land and buildings	22	-	-
Plant, machinery and equipment	23	23	39
Furniture and vehicles	24	21	27
Leasing and other similar rights	25	63	91
Other tangible assets	26	-	-
Assets under construction and advance payments	27	364	111
Financial assets	**28**	**279 433**	**279 433**
Affiliated enterprises	280/1	279 233	279 233
Participating interests	280	279 233	279 233
Amounts receivable	281	-	-
Other enterprises linked by participating interests	282/3	-	-
Participating interests	282	-	-
Amounts receivable	283	-	-
Other financial assets	284/8	200	200
Shares	284	200	200
Amounts receivable and cash guarantees	285/8	-	-
CURRENT ASSETS	29/58	130 941	319 598
Amounts receivable after more than one year	**29**	**87 000**	**270 251**
Trade receivables	290	-	-
Other amounts receivable	291	87 000	270 251
Stocks and contracts in progress	3	-	-
Stocks	**30/36**	-	-
Raw materials and consumables	30/31	-	-
Work in progress	32	-	-
Finished goods	33	-	-
Goods purchased for resale	34	-	-
Immovable property acquired or constructed for resale	35	-	-
Advance payments	36	-	-
Contracts in progress	37	-	-
Amounts receivable within one year	**40/41**	**1 690**	**7 020**
Trade receivables	40	1 690	7 020
Other amounts receivable	41	-	-
Investments	**50/53**	**15 629**	-
Own shares	50	15 629	-
Other investments and deposits	51/53	-	-
Cash at bank and in hand	**54/58**	**25 776**	**31 361**
Deferred charges and accrued income	**490/1**	**847**	**10 966**
TOTAL ASSETS	20/58	412 986	601 957

LIABILITIES	Codes	31 March 2022 €'000	31 March 2021 €'000
EQUITY	**10/15**	**406 039**	**386 952**
Capital	**10**	**343 852**	**343 852**
Issued capital	100	343 852	343 852
Uncalled capital	101	-	-
Share premiums	**11**	-	-
Revaluation surplus	**12**	-	-
Reserves	**13**	**47 401**	**46 447**
Legal reserve	130	10 634	9 680
Reserves not available for distribution	131	17 584	23 930
In respect of own shares held	1310	17 559	23 905
Other	1311	25	25
Untaxed reserves	132	1 477	1 477
Reserves available for distribution	133	17 706	11 360
Profit/ loss (-) carried forward	**14**	**14 786**	**-3 346**
Investment grants	**15**	-	-
Advance to shareholders on the split of net assets	**19**	-	-
PROVISIONS AND DEFERRED TAXATION	**16**	-	-
Provisions for liabilities and charges	160/5	-	-
Pensions and similar obligations	160	-	-
Taxation	161	-	-
Major repairs and maintenance	162	-	-
Environment liabilities	163	-	-
Other liabilities and charges	164/5	-	-
Deferred taxation	168	-	-
CREDITORS	**17/49**	**6 948**	**215 005**
Amounts payable after more than one year	**17**	**943**	**206 218**
Financial debts	170/4	34	205 863
Subordinated loans	170	-	-
Unsubordinated bonds	171	-	-
Leasing and other similar obligations	172	34	63
Credit institutions	173	-	-
Other loans	174	-	205 800
Trade debts	175	909	355
Suppliers	1750	909	355
Bills of exchange payable	1751	-	-
Advances received on contracts in progress	176	-	-
Other amounts payable	178/9	-	-

Amounts payable within one year	**42/48**	**6 005**	**6 885**
Current portion of amounts payable after more than one year	42	34	34
Financial debts	43	-	58
Credit institutions	430/8	-	58
Other loans	439	-	-
Trade debts	44	4 141	5 580
Suppliers	440/4	4 141	5 580
Bills of exchange payable	441	-	-
Advances received on contracts in progress	46	-	-
Taxes, remuneration and social security	45	1 808	1 193
Taxes	450/3	714	231
Remuneration and social security	454/9	1 095	962
Other payables	47/48	21	20
Accrued charges and deferred income	492/3	-	1 902
TOTAL EQUITY AND LIABILITIES	**10/49**	**412 986**	**601 957**

INCOME STATEMENT	Codes	AY 21/22 €'000	AY 20/21 €'000
Operating income	**70/76A**	**20 422**	**21 849**
Turnover	70	20 017	19 032
Increase (+) ; Decrease (-) in stocks of finished goods and work and contracts in progress	71	-	-
Own construction capitalised	72	-	-
Other operating income	74	405	2 061
Non-recurring operating profit	76A		756
Operating charges	**60/66A**	**21 883**	**22 822**
Raw materials. consumables and goods for resale	60	-	-
Purchases	600/8	-	-
Increase (-) ; Decrease (+) in stocks	609	-	-
Services and other goods	61	16 265	12 666
Remuneration, social security costs and pensions	62	4 541	4 253
Depreciation of and other amounts written off formation expenses, intangible and tangible assets	630	1 028	1 593
Increase (+) ; Decrease (-) in amounts written off stocks, contracts in progress and trade receivables	631/4	-	-
Increase (+) ; Decrease (-) in provisions for liabilities and charges	635/8	-	-
Other operating charges	640/8	48	4 310
Operating charges capitalised as reorganisation	649	-	-
Non-recurring operating charges	66A	-	-
Operating profit/loss (-)	**9901**	**-1 461**	**-973**
Financial income	**75/76B**	**24 294**	**12 248**
Recurring financial income	75	24 294	12 248
Income from financial assets	750	31	2 000
Income from current assets	751	3 590	9 905
Other financial income	752/9	20 673	343
Non-recurring financial income	76B	-	-
Financial charges	**65/66B**	**2 940**	**7 156**
Recurring financial charges	65	2 940	7 156
Interest and other debts charges	650	845	6 618
Increase (+) ; Decrease (-) in amounts written off current assets other than stocks, contracts in progress and trade receivables	651	120	-
Other financial charges	652/9	1 975	538
Non-recurring financial charges	66B		-
Profit/loss (-) for the period before taxes	**9903**	**19 893**	**4 119**
Transfer from deferred taxation	**780**	-	-
Transfer to deferred taxation	**680**	-	-
Income taxes	67/77	806	5
Income taxes	670/3	806	5
Adjustment of income taxes and write-back of tax provisions	77	-	-
Profit/loss (-) of the period	9904	19 086	4 114
Transfer from untaxed reserves	789	-	-
Transfer to untaxed reserves	689	-	-
Profit/loss (-) for the period available for appropriation	**9905**	**19 086**	**4 114**

APPROPRIATION ACCOUNT	Codes	AY 21/22 €'000	AY 20/21 €'000
Profit/loss (-) to be appropriated	**9906**	**15 740**	**-3 141**
Profit/loss (-) for the period available for appropriation	(9905)	19 086	4 114
Profit/loss (-) brought forward	14P	-3 346	-7 254
Transfers from equity	**791/2**	**41 464**	-
From capital and share premiums	791	-	-
From reserves	792	41 464	-
Transfers to equity	**691/2**	**42 419**	**206**
To capital and share premiums	691	-	-
To legal reserve	6920	954	206
To other reserves	6921	41 464	-
Profit/loss (-) to be carried forward	**(14)**	**14 786**	**-3 346**
Shareholders' contribution in respect of losses	**794**	-	-
Distribution of profit	**694/7**	-	-
Dividends	694	-	-
Directors' emoluments	695	-	-
Employees	696	-	-
Other allocations	697	-	-

Financial definitions

CAPEX	Capital expenditures
EBIT	Operating result
EPS	Earnings per share
IRS	Interest rate swap
Liquidity	Current assets (including assets classified as held for sale)/Current liabilities (including liabilities related to assets classified as held for sale)
Leverage	NFD (for leverage) / adjusted EBITDA (for leverage)
Net financial debt (NFD)	Interest-bearing debt (at nominal value) after the impact of lease accounting (IFRS 16), less derivatives, bank deposits, cash and cash equivalents and restricted cash
Net financial debt (NFD) excl. lease accounting	Interest-bearing debt (at nominal value) before the impact of lease accounting (IFRS 16), less derivatives, bank deposits, cash and cash equivalents and restricted cash
Net result	Profit/loss (-) for the period
Adjusting items	Adjusting items are one-off expenses and income that in management's judgement need to be disclosed by virtue of their size or incidence. Such items are included in the consolidated income statement in their relevant cost category, but separately disclosed in the chapter Key financial information reconciling EBIT to adjusted EBITDA. Transactions which may give rise to adjusting items are principally restructuring and reorganisation activities, impairments, disposal of assets and investments, claims, IFRS 3 acquisition accounting and corporate finance related projects and the effect of the accelerated repayment of certain financial indebtedness.
Adjusted EBITDA	EBIT corrected for depreciation, amortisation and impairments excluding adjusting items, excluding EBIT corrected for depreciation, amortisation and impairments from minor operations that are divested or divestment is in process (not within the scope of IFRS 5).
Adjusted EBITDA (for leverage)	Adjusted EBITDA excluding the impact of lease accounting (IFRS 16)
LTM	Last twelve months
LTM adjusted EBITDA	Last twelve months adjusted EBITDA, corrected for acquisitions and disposals on a like-for-like basis
LTM adjusted EBITDA (for leverage)	Last twelve months adjusted EBITDA, corrected for acquisitions and disposals on a like-for-like basis and excluding the impact of lease accounting (IFRS 16)
Working capital	Working capital is the sum of the inventories, trade and other receivables (non-current and current) and trade and other payables (current). In this respect trade and other receivables are corrected for long-term (financing) receivables and accrued interest income and trade and other payables exclude accrued interest expenses and dividend payable.
AY 21/22	Accounting year ended 31 March 2022
AY 20/21	Accounting year ended 31 March 2021

About Greenyard

Greenyard (Euronext Brussels: GREEN) is a global market leader of fresh, frozen and prepared fruit & vegetables, flowers and plants. Counting Europe's leading retailers amongst its customer base, Greenyard provides efficient and sustainable solutions to customers and suppliers through best-in-class products, market leading innovation, operational excellence and outstanding service.

Our vision is to make lives healthier by helping people enjoy fruit & vegetables at any moment, easy, fast and pleasurable, whilst fostering nature.

With more than 9 000 employees operating in 19 countries worldwide, Greenyard identifies its people and key customer and supplier relationships as the key assets which enable it to deliver goods and services worth approx. € 4,4 billion per annum.

Greenyard NV / Strijbroek 10 / 2860 Sint-Katelijne-Waver / Belgium
www.greenyard.group

for a healthier future