

TERACT

Investor Presentation

DECEMBER 2023



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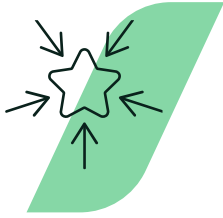
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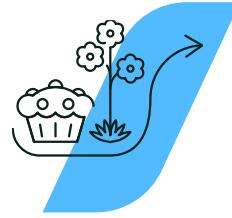
TERACT at a glance

01

Founders' vision for TERA^{CT}



Pooling of the founders' respective well-known **strengths** in **farming, retail** and **innovation** with the ambition to create a leading **specialized retail platform**, leader in **digital** and at the forefront of **sustainable consumption trends**.



Serving as an **incubator** for **high added value** and **renown gardening & food brands, concepts** and **banners**, within already more than **1,700 points of sale** in France thus offering potential for further **consolidation**.



Building a **disruptive retail model with less intermediaries** that will benefit from the **verticality** of a larger organisation and a **direct access to farmers**.

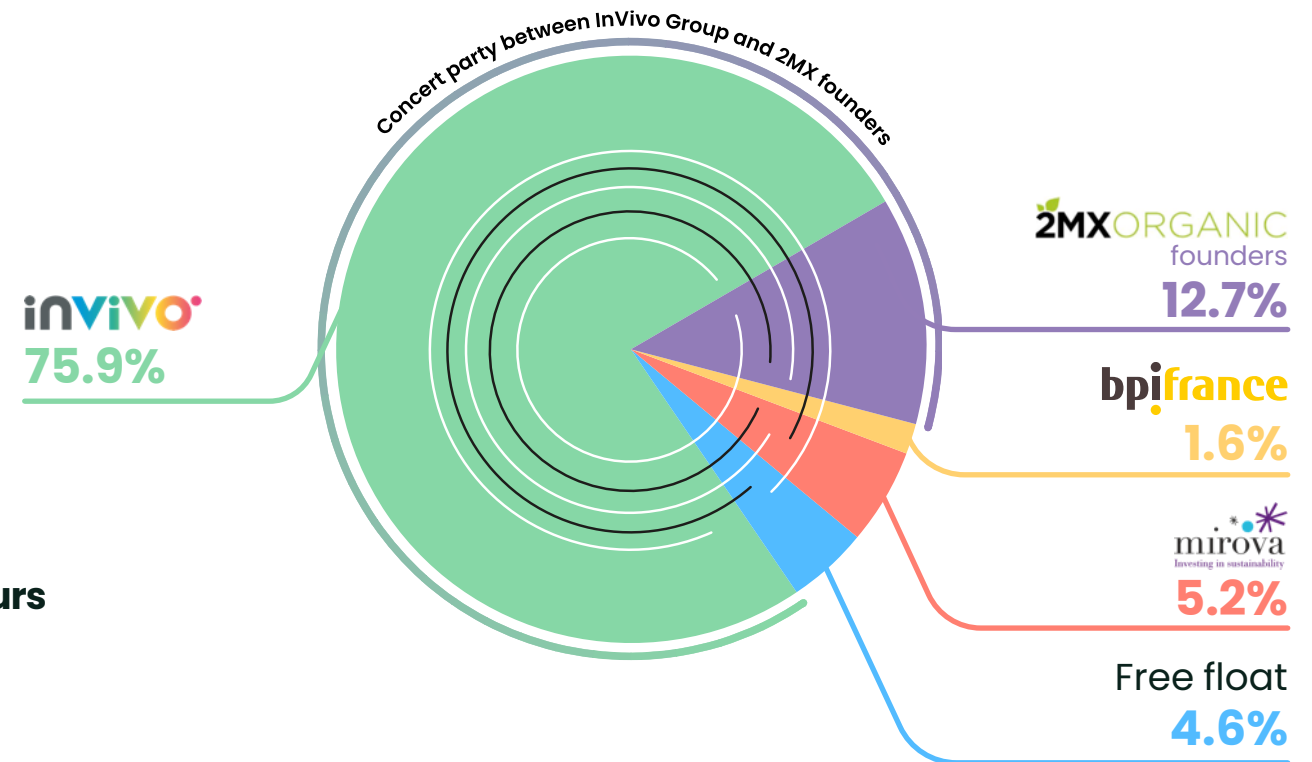


"Acting so that everyone gets access to Nature's benefits" with a **responsible community** gathered around deep concern for **nature** and **quality**.

A sound shareholding structure

- Combination of **agricultural, food** and **retail expertise** of InVivo Group / InVivo Retail with the 2MX Organic SPAC in 2022:
 - **InVivo Group: #1 agricultural cooperative** in France (more than half of French farmers) / #2 in Europe with the InVivo Retail branch being **leader in gardening** retail in France
 - Well-known 2MX Organic **founders** (Xavier Niel, Matthieu Pigasse, Moez-Alexandre Zouari) with strong **track records in key businesses**, incl. food retail
 - **Seasoned management** teams focused on **value creation and innovation**
- Participation of **Bpifrance**:
 - **Public** financial institution
 - Supporting the interests of **visionary entrepreneurs**
 - Aiming at significant **shareholder returns**
- Participation of **Mirova**: **conviction management**, offering clients investment solutions that combine **financial performance with environmental and social impact**.

TERACT shareholders



Shareholding structure, as of 30 June 2023.

Consistent building of an innovative retail platform over the years

invivo

invivo
retail

TERACT

invivo retail 2MXORGANIC

1977

Creation of
Gamm Vert



2014

First opening of
a food retail
store: **Frais d'Ici**

Delbard and
**Jardineries
du Terroir**
acquisition



2017

Acquisition and
integration of
**90 Gamm Vert
franchised
stores**



2018

Acquisition
of **Jardiland
and Bio&Co**



2019

Launch of the
Noa banner
Acquisition of
**29 Gamm Vert
stores**



2020

Integration of
Gamm Vert &
Jardiland
headquarters
Deployment of
a common
**purchasing
entity**

2021

Initiation of the
relaunch of
existing Gamm
Vert and
Jardiland
websites

2022

InVivo Retail and
2MX Organic
join forces to
**create and list
TERACT**

Acquisition of
**Boulangerie
Louise and
Grand Marché
La Marnière**



2023

TERACT adopts
its "**raison
d'être**": " help
make the
benefits of
nature
accessible to
all" and
becomes a
"**Société à
mission**"

A specialist retail platform with complementary businesses

- **Multi-banner specialist** with strong **concepts** and **brands**
- Businesses offering **complementary** seasonality, strong dynamics and **favourable long-term trends**
- **Alternative** model to existing retailers, with less intermediaries and **direct vertical access** to **producers** through InVivo Group
- **Diversified network** of **1,714 points of sale** evenly located in French dynamic rural and urban areas
- Total **Revenues of €902.1M** and **EBITDA of €67.5M** in 2022-2023

Garden centre and Pet Retail

€808.6M Revenues **1,576** stores **87%** franchised

 **1,153** stores


 **172** Stores
(160 in France)

  **248** Stores

 **3** Stores

Food Retail

€93.5M Revenues **138** stores **7%** franchised

 **128** Stores

 **3** Stores

 **7** stores

 **9** corners in Gamm Vert stores

All figures as of 30 June 2023.

Complementary retail businesses with strong growth perspectives



Gardening retail

Historical business with a **leading positioning** in France; seasonal business : March-June.

Attractive medium and long-term **growth prospects**: total French market: **€8.5Bn in 2022** +17% vs 2019 (CAGR +2% 2012-2022)



Petfood & pet care

Strong medium and long term **growth perspectives**, especially petfood (75% of the market): total French market of **€5.8Bn in 2022**, +24% vs 2019; estimated CAGR 5% 2024-2025 to €6.5Bn (CAGR +4.8% 2012-2022)



E-commerce

Good growth prospect of the gardening ecommerce in France: **overall share of 8% in total sales in France** vs 6% in 2019, to grow to **c.25%** of the French market mid-term



Bakery market

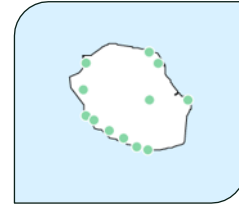
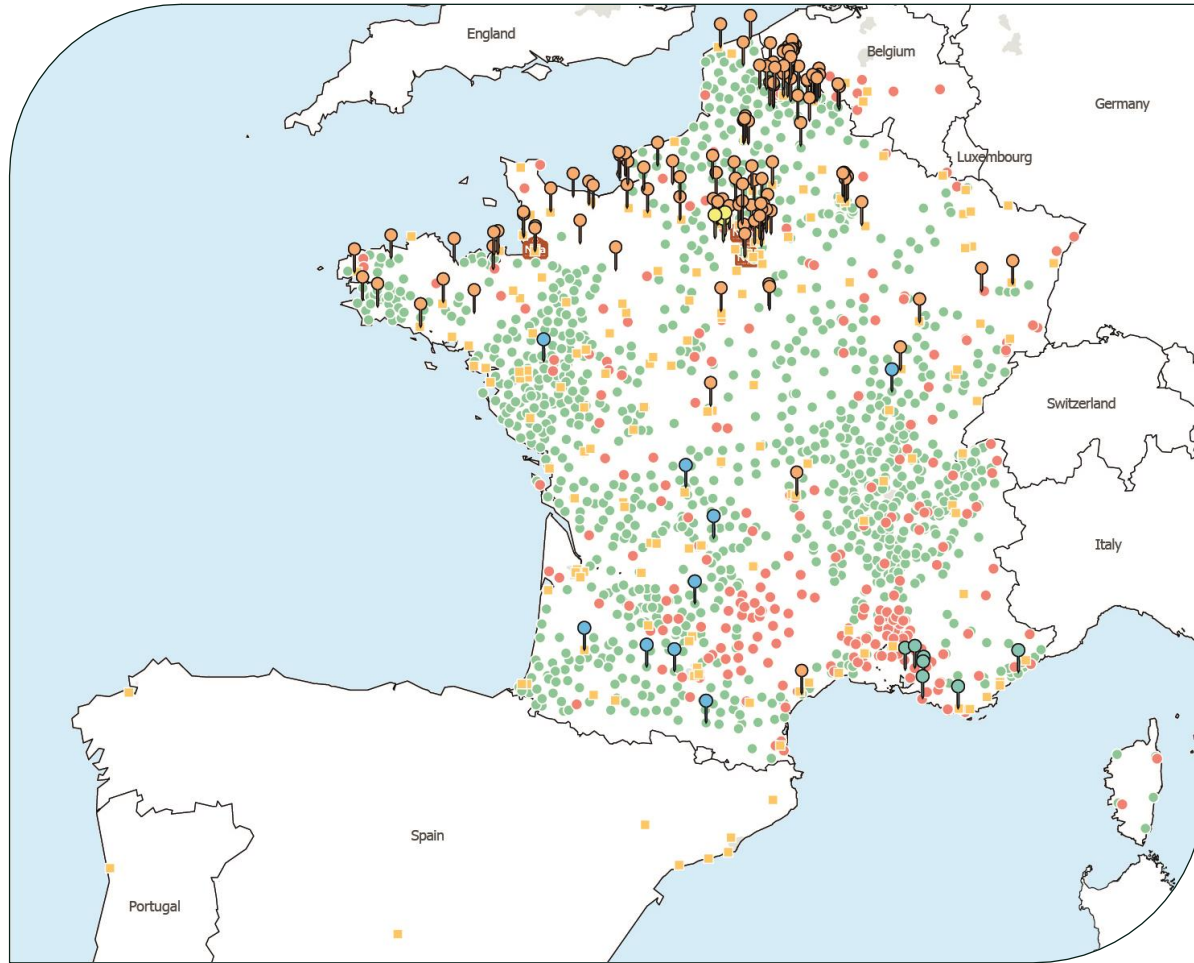
Recent acquisition of the **#3 French network** (Boulangerie Louise); total French market: **€18Bn in 2021**; fast growing snacking market



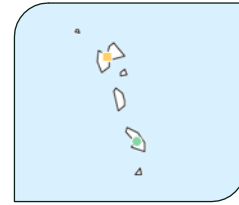
Fresh market

Recently developed business, set to grow at a **fast pace**: total French market: **€50.1Bn in 2022**, +€8.5Bn vs 2019

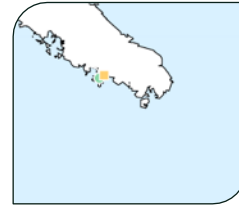
Complementary stores' locations



Réunion Island

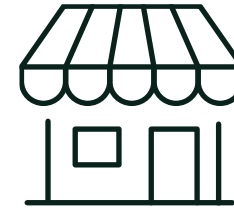


French Antilles



New Caledonia

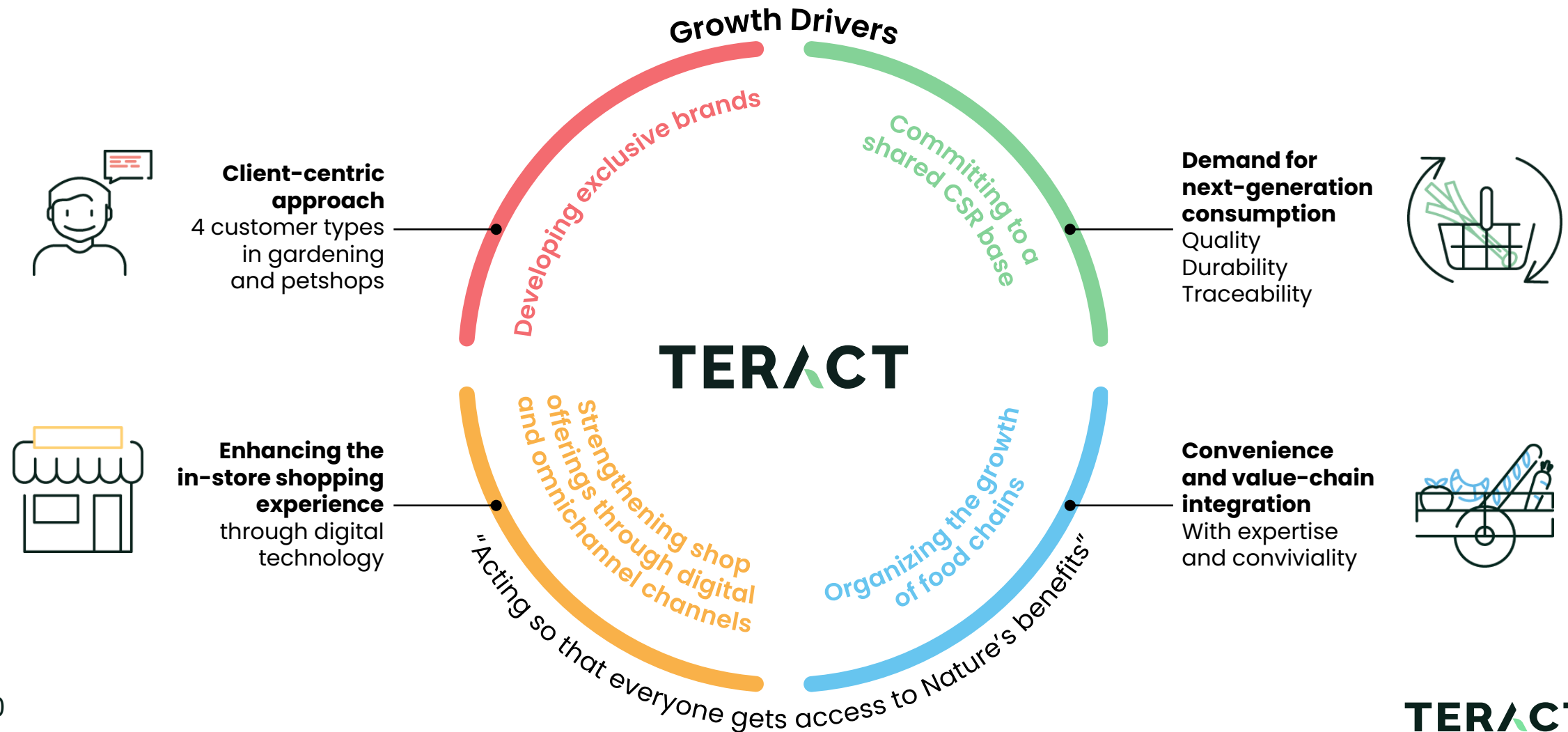
- Jardiland
- Nalods (Delbard & Jardinerie du Terroir)
- Gamm vert
- Noa
- Grand Marché La Marnière
- Bio&Co
- Frais D'ici
- Boulangerie Louise



80%

of the **French population** lives less than 20mn away from a **TERACT point of sale**

Responsible and sustainable consumption at the heart of the growth model



Review of activities

02

Comforting leadership in Gardening retail and developing petfood retail

Garden centre and Pet Retail



Gamm vert



French leader with 1,153 stores, 92% franchised, €1,349.9M of GMV; **historical player** (since 1977)

- **Diversified offering** around: Garden, Pet Food&Care, "Terroir", Home decoration, Outdoor clothes & Footwear and **Gammvert.fr**
- Voted in 2023 **Favorite Gardening Banner 4 yrs** in a row (EY)
- **3 different store concepts** (large, medium and small stores) in **rural areas**



Jardiland



#2 French leader with 172 stores, 40% franchised, 160 in France, 8 in Spain, 3 in Belgium, 1 in Portugal, €682.1M of GMV

- **Sound offering** around vegetal, Garden, Pet Food & Care, decoration and urban positioning and **Jardiland.com**
- Voted in 2023-2024 **Best gardening Store Chain 8 yrs** in a row
- Large stores only (**≈5,000 sqm**)



Delbard



Garden center banners focused on gardening design and located in various type of areas with 42 stores, 37 in France

Jardineries du Terroir : 206 stores, mostly independent with a strong entrepreneurial dna, 2,000sqm on average



Noa



3 stores en France, 100 % owned; an **innovative concept** developed in 2019 with areas of 250-500 sqm dedicated to **petcare, wellness and services** with specific access to professionals (vets, dog handlers, ...)

Deploying the fresh Food offering

Food Retail



Grand Marché La Marnière

Fresh covered market stores

- **3 stores** in the Paris area, acquired in 2022, 100% owned
- Specialist of **fresh, local and high quality** products : Fruits & vegetables, Red meats, Poultry, Salami&sausages, Bakery, Fish, Wine, Cheese, Creamery, Grocery, Fresh organic food
- **Medium size** stores (1,500-2,000 sqm) offering the **best price for the value**



Bio&Co

Premium organic food retail network

- **7 integrated stores** (300-700 sqm), **premium** urban locations on the Côte d'Azur, 2 restaurants
- More than **8,000 skus**, 800 local producers and 9 main product lines
- **Direct sourcing** with certified French producers and wholesalers



Frais d'Ici

Fresh market stores

- **9 corners** with **premium** positioning operated by **local agricultural cooperatives**
- Associated to **Gamm vert locations** (offer & traffic)
- 70% of regional and local offering
- **4 core values**: proximity of sourcing, sharing of customer feedback, fair, taste



Building of a leading network in bakery and snacking

Food Retail



Boulangerie Louise

- Acquisition of Boulangerie Louise in 2022
- #3 bakery and snacking **network in France with 128 stores** (North, West and **Greater Paris area**), mainly owned
- **75** bakery, pastry and snacking **skus**;
100% of bread kneaded, shaped and baked on site
- Sustainable area of activity from upstream to downstream thanks to the **wheat sector of InVivo Group**
- Opportunity for **traffic** uplift and **real estate** optimisation in historic banners
- **Expansion: organically and / or via acquisitions in France**
- Favorable **long term trends** (sales and margins)





2022–2023 Financial highlights

03

2022–2023 key financial highlights

Foreword on the key figures

-  TERACTION's 2022–2023 consolidated financial statements have been exceptionally impacted by a listing expense as a result of the merger of InVivo Retail with SPAC 2MX Organic. This listing expense was recognised as a non-cash listing service charge of €(91.4)M, which was classified under “Other operating income and expenses”.
-  TERACTION's consolidated financial statements for the 2021–2022 financial year are for a period of 9 months (October 1, 2021–June 30, 2022) due to the change in the closing date of InVivo Retail in 2022.

2022-2023 key financial highlights

Revenues

- / **Consolidated revenue** : €902.1M, +10.9% vs 2021-2022 o/w -1.9%⁽¹⁾ on a comparable basis
- / **Garden centre / Pet retail revenue** of €808.6M, growing +1.7% o/w -1.8% on a comparable basis:
 - -1,1% in H2, impacted by continuous **macroeconomic tensions**
 - Acceleration of **exclusive brands penetration: +5 pts** vs 30 June 2022 at 20.6% of integrated stores revenue
 - Continuous **growth of Gammvert.fr and Jardiland.com** websites, thanks to the digital plan
- / **Food revenue** of €93.5M:
 - **Integration** of Boulangerie Louise and Grand Marché La Marnière together with their teams
 - **Reshuffling** of Boulangerie Louise offering (bakery & snacking)

(in €M)	2022-2023 12 months	2021-2022 9 months⁽²⁾
Revenue	902.1	648.9
Adjusted EBITDA ⁽³⁾	67.5	68.9
<i>As a % of Revenue</i>	7.5%	10.6%
Current operating income	2.1	26.3
Group net income	(106.6)	12.0
Free cash flow ⁽⁴⁾	56.8 ⁽⁵⁾	16.2

(1) Constant scope restating all changes in the scope of consolidation.

(2) TERACTION's consolidated financial statements for the 2021-2022 financial year covered a period of nine months (1 October 2021 to 30 June 2022) due to the change in closing date for InVivo Retail which was applied in 2022.

(3) Defined as current operating income plus the elimination of expenses (or income) related to depreciation/ amortisation or impairment (or reversals of depreciation/amortisation or impairment) of fixed assets.

(4) Based on net cash flow from operating activities, plus disposals and deductions of property, plant and equipment and intangible assets and after the deduction of acquisition of in property, plant and equipment and intangible assets.

(5) Restated for the outflow of non-recurring expenses related to the combination transaction in the amount of €11M.

2022–2023 key financial highlights

Adjusted EBITDA

Adjusted EBITDA : €67.5M

- **Higher energy costs** partially offset by the power sobriety plan: **-30% of energy saved** thanks to the energy consumption management platform
- Costs related to the **good integration of newly acquired companies** and their teams
- Significant **increase in purchasing costs**, belatedly and insufficiently reflected in selling prices with a view to preserving **clients' purchasing power**

Adjusted EBITDA margin rate of 7.5%

(in €M)	2022–2023 12 months	2021–2022 9 months
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Free cash flow	56.8	16.2

2022–2023 key financial highlights

Net income

Net income, group share : €(106.6)M, after:

- **Non-current items for €(92.7)M**, including the recognition in 2022–2023 of a non-cash listing service charge of €(91.4)M as part of the combination of InVivo Retail with the 2MX Organic SPAC
- **Financial result** of €(17.6)M
- **Tax charge** of €(2.3)M
- **Net income from discontinued activities** of €3.2 M in line with the non-strategic asset rotation policy

(in €M)	2022–2023 12 months	2021–2022 9 months
Revenue	902.1	648.9
Adjusted EBITDA	67.5	68.9
<i>As a % of Revenue</i>	7.5%	10.6%
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Free cash flow	56.8	16.2

2022–2023 key financial highlights

Free cash flow & net financial debt

Free cash flow: €56.8M

- Focusing **financial priorities** on cash generation
- Sound **cost and inventory management**
- **Capex:** (€33.4 M) preserved and rigorously selected

Net financial debt of €447.4M up yoy in relation to :

- Development of the **Food Retail activity** with the acquisition of Boulangerie Louise and Grand Marché La Marnière
- Impact of Boulangerie Louise and Grand Marché La Marnière consolidation in terms of **leases (IFRS16)**

(in €M)	2022–2023 12 months	2021–2022 9 months
Net cash flows from activities	83.6 ⁽¹⁾	32.4
Acquisition of property, plant and equipment and intangible assets	(29.0)	(25.2)
Sale and reductions of property, plant and equipment and intangible assets	2.3	9.0
Free cash flow	56.8	16.2

(in €M)	2022–2023	2021–2022
Medium and long term debts	468.8	377.8
<i>Including debt in relation to InVivo Group, the parent company</i>	222.8	160.0
<i>Including lease debt (IFRS 16)</i>	225.0	216.4
Net cash	21.4	25.1
Net financial debt	447.4	352.7

(1) Restated for the outflow of non-recurring expenses related to the combination transaction in the amount of €11M.

Corporate Social Responsibility

04

✓ A « raison d'être » embodying the Group's values and actions

- ✓ With each day bringing further evidence of **the growing need to radically overhaul human production and consumption methods**, TERACTION has adopted a “raison d'être” in alignment with its goals under the PACTE Law with the aim of reshaping **the future of distribution** in its business sectors: “help make the benefits of nature accessible to all”.
- ✓ For **the company, its employees and all of its stakeholders**, this represents a strong commitment to build, distribute and make as broadly accessible as possible in all regions an offering of responsible products and services and a powerful and sustainable connection with nature.
- ✓ In line with the commitments and on the basis of its “raison d'être” , TERACTION has submitted a proposal to its Annual General Meeting* which has been ratified, for a **change in its status to a “société à mission”**, which from now on gives it the resources to concretely deploy the three lines of its CSR strategy and the related eight commitments and objectives it seeks to achieve by 2030

*AGM on 15 December 2023.

Leveraging on the 3 CSR strategy pillars



Products

Building a **range of healthy, responsible products and services** and providing access to them

- Innovate and **eco-conceive products** and services
- Develop a **sustainable offer** enabling to provide a safe, diversified and balanced food mix
- Guarantee the **traceability and transparency** of information for consumers
- Promote responsible products and services offers and make them **accessible** to as many people as possible at the **best value for money**



Activities

Conducting our activities in a way that respects the well-being of people and the environment

- **Reduce GHG emissions** and energy dependency
- Adapt the activities to **climate change**
- Preserve **natural resources and biodiversity** and fight any form of waste across operations






Engaging the stakeholders

Engaging employees and stakeholders across the Group to achieve our social ambitions and meet new consumer expectations

- **Develop employees' skills** and engage partners to make them active players of the CSR strategy deployment
- Act with **ethics and responsibility** on the whole value chain while favour human health and safety as well as diversity and gender equality in the workplace
- **Increase client's awareness** towards societal and environmental challenges, accompany and empower them in their relationship with nature and living beings
- **Build sustainable sectors with suppliers** in order to contribute to supporting the vitality of territories, preserve their wealth and perpetuate their know-how

Commit to strong CSR targets by 2030

		2022-2023 ⁽¹⁾ results
Products 	By 2025, 80% of exclusive own brands with a positive impact Products and packaging	54.4%
Activities 	By 2025, a 50% less workplace accidents vs 2020 (i.e. TF 15 vs 30) By 2030, a 46% reduction in scope 1 & 2 in greenhouse gas emissions vs. 2019-2023 By 2030, a 10% water saving vs. 2022 By 2030, 70% of waste sorted and recycled By 2030, 100% of shops accredited an animal welfare label	27.8 -47.6% ⁽²⁾ 250,503 m³ 59% 35.5%
Stakeholders engagement 	By 2025, 50% of managers promoted internally By 2025, 90% of exclusive own-brand plant-based products of French origin (excluding hothouses), 50% of which are commitments to the supply chain	14.7% 83% 43%

(1) The scope of indicators for 2022-2023 does not include the entities integrated since 1 December 2022, i.e. Boulangerie Louise and Grand Marché La Marnière. It will be expanded for the 2023-2024 financial year.

(2) The target has therefore already been achieved for the Garden Centre/Pet Retail scope thanks to the effectiveness of TERACTION's multi-annual energy savings and efficiency plan

Focus 1 – Environment preservation

“**CITRON plan**” : monitoring of **electrical consumption** in real time in stores via a platform

Deployment of the **power sobriety plan**: raise awareness of employees, reduce the heating temperature, reduced lighting times, new LED bulbs...

Thanks to this efforts, **electricity consumption** from 1st September 2022 to 30 June 2023 was **reduced by c. 30%** and gas consumption by c. 26% vs the same period last year

Test to install solar panels on store locations (16 in trial so far)

Progressive development of **electrical charging stations** for clients in stores (target of 90 stores by 2025)

A €1,2M investment plan over 2022-2023 to renovate the property portfolio and make it more energy efficient



Focus 2 – Employees and customers well-being

54,4% of the reference of own-brand products with a positive impact

1,800 references tested on 5 criteria:

- 01 **Origin of manufacture**
- 02 **Production conditions, CSR practices of suppliers**
- 03 **Quality/composition** (reparability, quality and safety of raw materials, absence of SVHC substances)
- 04 **Packaging** (recyclability, reduction of over-packaging, incorporation of recycled raw materials)
- 05 **Impact of use**

A comprehensive training offering...

Bienvenue "Managers par nature"

Digic@ampus

Campus Nature & talents

... with already satisfying outcomes

47,697
hours of training

Training access rate
62%

71%
of managers
(corporate) trained
on the Manager
by Nature platform

Focus 3 – Sector strategy: leading by example with Boulangerie Louise supply chain

Strong commitment to support the **transition of French agriculture**: a unique expertise from wheat grain to end-product

Ambition to become the #1 bakery network to include the **wheat sector commitment to reduce its Carbon footprint** through innovative farming levers and sustainable agricultural policies

« **Low carbon** » fertilizers aiming at lowering GHG emissions : already 130 wheat Ha fertilized for the Summer 2023 harvest enabling to produce 3 millions of baguettes for Boulangerie Louise



Strategy and outlook

05

New commercial strategy for Gardening and Petfood & petcare retail based on offer evolution and own brand development



Focused on the end-user

An **optimized experience** primarily focused on end-users and not product universes

A **new customer path** centered around communities



The best value proposition

Selection of products with the **best value for money**

An **offer built** upon eco-responsible products, reduced price, optimized cost structure



Strong private label development

Shift to a more **balanced assortment**, with a larger share of private labels

At the cornerstone of **historic banners** uniqueness



Best selection of products & services

Best selection of products thanks to a **diverse** and **sophisticated sourcing**

Balanced offer, between national brands and private labels



Fluid omni-channel distribution

Significant synergies between online and brick-and-mortar businesses

Unique shopping experience via "Click & Collect" and "Store to Web" channels

/ Food share to continue to increase in the mix

Food share to continue to grow in the mix

- 01 Acquisition of **Boulangerie Louise**
- 02 New stores **opening**
- 03 Development of **Franchise**
- 04 New potential **acquisitions**

Continuous optimisation of the garden centres network

- 01 Reshuffling of **existing stores**
- 02 Development of **franchise**
- 03 **Organic** growth
- 04 Enhanced commercial **offering**

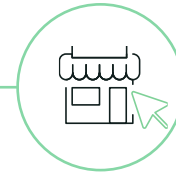
Further omni-channel & digital strategy based upon existing strong assets

Reshuffling of the existing platforms



- Reshuffling of existing online tools for **optimized customer experience**
- Leveraging on the existing **fast growing platforms**: jardiland.com and gammvert.fr both providing click & collect and home delivery
- Creation of **a common back office** to better handle catalogs and orders and allow easy and rapid integration of new e-commerce platforms

Building of a multi-brand marketplace



- Transformation towards **a unique multi-brand marketplace** centered around different user communities
- Expand the offer via** own Gardening assortment and third-party resellers
- Digital turn-key solution** in order to facilitate new internal and third-parties integration within the marketplace

Click-and-collect optimisation

- Recently launched on Jardiland.com and ongoing on Gammvert.fr
- Multi delivery models** to optimize timelines and customer satisfaction
- “Omni channelized” stores teams** to uplift web acceptance and consideration through increased sellers' tools and management levers
- Allocation of revenues** generated online to the relevant physical store

2023–2024 operating and financial outlook (1/2)

- Amid **persistent macroeconomic pressures** in the second half of 2023 (first half of TERA^{CT}'s 2023–2024 financial year) and **uncertainty** as to how the situation will **evolve** in the first half of 2024 (second half of TERA^{CT}'s 2023–2024 financial year), the Group is maintaining a **prudent approach** in order to limit the effects of **inflation** and reduced **purchasing power** while also improving the **seasonal aspect** of its business model in order to **generate growth**
- New store openings**, particularly in the **bakery/snacks** line (**around ten** to be opened between now and **June 2024**), will enable to bolster revenue in a sector that continues to offer high margins and a strong growth outlook and in which the potential for greater regional coverage is strong
- TERA^{CT} will also continue to roll out its own **Garden Centre brands**, for which it targets an increase in the **penetration rate** of 2 to 3 percentage points to **24%** of the revenue of integrated stores in 2023–2024
- The company will also continue to ensure effective management and optimisation of its store network while pursuing the development of its **franchise model**

2023-2024 operating and financial outlook (2/2)

- ✓ This will be underpinned by an **attractive omnichannel model** that is a **leader** in the sector in France, as part of an overhaul of the e-commerce websites and a focus on stores put back at the core of the digital strategy, through the repayment of the revenue concerned
- ✓ The strict **cost management** policy, particularly in relation to **energy**, will be maintained while the integration of companies acquired during the year is being completed
- ✓ Taking into account the abovementioned elements, and barring any further deterioration in the environment, TERACTION estimates it will generate **revenue in 2023-2024 of €900-950M**
- ✓ The ongoing work to control costs and inventories should continue to have a **positive impact on free cash flow generation** while **maintaining a capex level** enabling to effectively pursue the company's development
- ✓ In line with the projects undertaken over the past year, TERACTION remains open to **alliances** that make **good business sense** and which would generate **growth**, improve the **margin** and integrate effectively with the **upstream/downstream** activities of InVivo

Conclusion

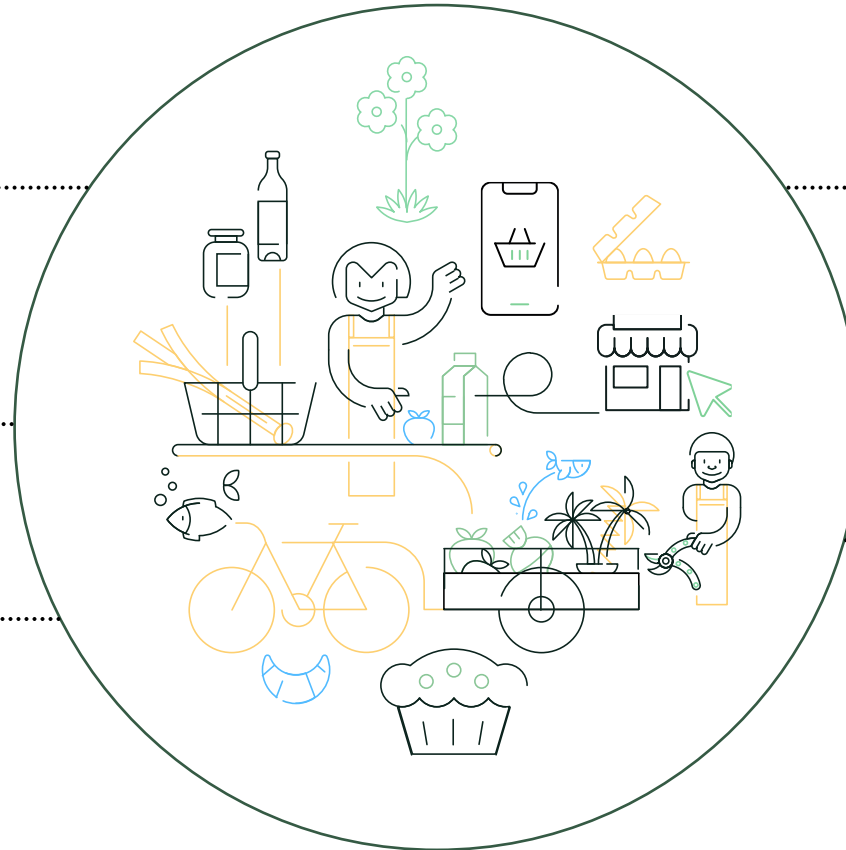
06

The best placed retailer to capture new consumption habits

On-going **offer transformation** with **own brand development** and supply chain optimization to increase profitability

Efficient and **attractive omni-channel** & digital strategy fastly accelerating

CSR at the core of the model and the strategy



Opportunity to invest in a unique retail platform, at the heart of new consumption habits with a **unique portfolio of powerful concepts**

Already **robust financial performance** and **strategic roadmap** supporting an **ambitious development plan**

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