

PRESS RELEASE: 2023 annual financials

- Sales growth of +3.7%
- Current operating income down -9.1%

Key figures in €M	12/31/23	% Sales	12/31/22	% Sales	Changes in %			
					Total	Structure	Exchange rates	Growth
Sales	6,791		6,551		3.7	2.1	-10.0	11.6
- Cheese Products	4,079	60.1	3,821	58.3	6.8	0.0	-1.2	8.0
- Other Dairy Products	2,913	43.0	2,928	44.7	-0.2	5.1	-22.3	17.0
- Unallocated (Intra-Group transactions)	-211	-3.0	-198	-3.0				
Current operating result	212.9	3.1	234.3	3.6				
Other operating costs and income	-43.6	-0.6	-71.4	-1.1				
Operating result	169.3	2.5	162.9	2.5				
Financial result	-18.0	-0.3	-24.4	-0.4				
Result on monetary position	3.1		2.7	--				
Corporate taxes	-50.3	-0.7	-57.3	-0.9				
Net income, Group share	96.5	1.4	68.0	1.0				
Net debt (excluding IFRS 16)	439		411					
Equity	1,817		1,827					

*The audit procedures have been carried out and the audit report relating to certification is currently being issued.
 Definitions and methods for aggregates such as structure, exchange rates, organic growth, and net debt have not changed.
 They are defined in the Group's financial report.*

2023 annual financials

The Savencia Fromage & Dairy Group's sales increased by +3.7% on 31 December 2023, an increase of €240 million compared to 2022.

This results from organic growth of +11.6% and a structural effect of +2.1% linked mainly to the consolidation of Williner's activities from April 2023. These were, however, impacted by a negative annual exchange rate effect of -10%, mainly due to the devaluation of the Argentinian peso, which accelerated in the fourth quarter, and to the evolution of other currencies against the euro.

Current operating income, at €212.9 million, decreased by -9.1%, or -€21.4 million. This decrease was mainly due to higher raw materials and energies costs and lower industrial product prices, which had a negative impact on Other Dairy Products. Cheese Products were up by +€46 million, driven by price adjustments across all markets in response to high inflation worldwide, and by operational productivity gains. As a result, the current operating margin for Cheese Products rose from 2.1% to 3.1%, while, reversely, that of Other Dairy Products shrank from 6.1% to 4.1%. The Group's operating margin stood at 3.1%, compared to 3.6% last year.

Other operating income and costs Included mainly asset impairments and various claims and litigation. Net financial expense was -€18 million, an improvement of +€6.4 million. The Group's net income share was €96.5 million, an increase of +€28.5 million; it represents 1.4% of sales.

SAVENCIA SA

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Public limited company (Société anonyme) with a capital of €14,032,930 - 847 120 185 Versailles Trade and Companies Register (RCS) - VAT: FR 46 847 120 185

Dividend

At the Annual Shareholders Meeting on Thursday 25 April, the Board of Directors shall propose the distribution of a dividend of €1.4 per share, an increase of 7.5%.

The Group's CSR commitments

In keeping with the Group's commitments and its values, 2023 saw a focus on employees, their safety, health, and well-being. For the tenth consecutive year, the Savencia Fromage & Dairy Group was awarded the Top Employer prize in 14 countries (including France, USA, Argentina, Brazil, China, Czech Republic, Spain, Japan & India), attesting to the quality of the working environment enjoyed by its teams.

In 2023, the Group also stepped up initiatives to protect the environment, whether in terms of limiting water consumption or reducing CO₂ emissions.

In this regard, in March 2023, the Savencia Fromage & Dairy Group's decarbonisation trajectory for all scopes 1, 2 and 3 was validated by the Science Based Target initiative (SBTi), validating the Group's ambitions for 2030. This entails supporting the Group's partner livestock farmers in their carbon diagnostics and the implementation of sustainable livestock rearing and agricultural practices, while pursuing actions to promote animal welfare (continued deployment of the Charter of Good Livestock Rearing Practices). It is also reflected in our progress in terms of packaging and the "Clean Label", demonstrating our commitment to offering an even healthier and more responsible range of products, without compromising on the pleasure they bring to consumers.

Outlook for 2024

The outlook for 2024 remains marked by a volatile and uncertain environment:

- Consumption patterns shall continue to evolve as purchasing power remains constrained,
- Geopolitical and economic tensions are leading to a slowdown in the growth of world economies,

Against this backdrop, the Savencia Fromage & Dairy Group is maintaining its efforts to adapt and invest, while developing the complementary nature of its various businesses and building on its relationship of trust with partners: milk producers, distributors, and consumers. The Group intends to respond to the uncertainty of the environment with the help of the quality of its products and the commitment of all its teams, in line with its mission: To "Leading the way to Better Food while Serving the Common Good".

Further information can be found on the website [savencia-fromagedairy.com](https://www.savencia-fromagedairy.com)

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