



March 15, 2024

# Vandemoortele releases Annual Results 2023

GHENT, Belgium – March 15, 2024 – Vandemoortele NV releases its annual consolidated financial results today. The full integrated annual report will be released latest by March 29th, providing a comprehensive and integrated view of the company's financial, environmental, and societal performance.

In a challenging 2023, shaped by an uncertain economy and continued geo-political tensions, Vandemoortele achieved excellent results.

## **Outstanding financial results**

Group revenue increased by €186 million to €1,925 million. The adjusted EBITDA was €51 million higher than in 2022. "In terms of EBITDA margin, we are back at pre-COVID levels. This proves our business strategy is working", says CEO **Yvon Guérin**. "Throughout the year, we concentrated on higher added value and a better product, channel and country mix. We also maintained our focus on operational excellence. Both Vandemoortele business lines, Bakery Products (BP) and Plant-Based Food Solutions (PBFS), achieved very strong results in 2023."

"The first half of 2023 was still marked by inflation. Just like in 2022, we were faced with rising prices, a higher labour cost ... Both our business lines handled this very well: our sales volumes remained steady, while our turnover went up. By implementing cost reduction measures and a few necessary price increases, we managed to balance our own costs. One of our main accomplishments was our strong market development in Central Europe."

To further improve its performance, Vandemoortele worked on many internal transformations in 2023. The most prominent one was the merger of its two transport subsidiaries into one new company: Vandemoortele Transport Solutions. The Vandemoortele Group also reviewed the back-office processes of its sales departments, further introduced unified software solutions, and launched Finance for the Future: a new approach for the finance department.

The Board of Directors proposes the payment of a dividend of € 25.7 million on the result of 2023.

Million euro	2019	2020	2021	2022	2023	2022
KEY FINANCIAL FIGURES						Variance
<b>REVENUE</b>	<b>1,384</b>	<b>1,197</b>	<b>1,330</b>	<b>1,739</b>	<b>1,925</b>	<b>186</b>
<b>Adjusted EBITDA*</b>	<b>152</b>	<b>104</b>	<b>119</b>	<b>165</b>	<b>216</b>	<b>51</b>
<b>EBITDA*</b>	<b>140</b>	<b>98</b>	<b>111</b>	<b>163</b>	<b>206</b>	<b>43</b>
<b>Adjusted EBIT**</b>	<b>90</b>	<b>44</b>	<b>55</b>	<b>103</b>	<b>151</b>	<b>48</b>
<b>EBIT (profit from operations)**</b>	<b>75</b>	<b>38</b>	<b>46</b>	<b>98</b>	<b>141</b>	<b>43</b>
<b>Profit of the year</b>	<b>48</b>	<b>37</b>	<b>33</b>	<b>71</b>	<b>109</b>	<b>38</b>
<b>SNFD****</b>	<b>170</b>	<b>133</b>	<b>92</b>	<b>34</b>	<b>2</b>	<b>-32</b>
<b>RATIOS</b>						
<b>Adjusted EBITDA / Revenue</b>	<b>11.0%</b>	<b>8.7%</b>	<b>8.9%</b>	<b>9.5%</b>	<b>11.2%</b>	
<b>Adjusted EBIT / Revenue</b>	<b>6.5%</b>	<b>3.6%</b>	<b>4.1%</b>	<b>5.9%</b>	<b>7.9%</b>	
<b>Net profit / Revenue</b>	<b>3.4%</b>	<b>3.1%</b>	<b>2.5%</b>	<b>4.1%</b>	<b>5.7%</b>	

\* Earnings before interests, taxes, depreciation and amortisation

\*\* Earnings before interests and taxes

\*\*\* Senior net financial debt

## Updated sustainability strategy

In 2023, Vandemoortele changed the name of one of its two business lines from Margarine, Culinary Oils and Fats (MCOF) to Plant-Based Food Solutions (PBFS). The new plant-based approach comes with a new strategy and the development of several new plant-based products. The first of these will come to market in 2025.

To comply with the CSRD requirements, the new European corporate sustainability reporting directive, Vandemoortele also updated its sustainability strategy in 2023. In the course of a few months, the company conducted a very broad and in-depth consultation exercise, followed by a double materiality analysis. The results affirmed the importance of the existing focus points, but prompted the company to add some new highlights and priorities. The new approach will serve as a compass to ensure CSRD compliance in the future.

“Even with the CSRD exercise going on in the background, we still made a lot of progress on our existing sustainability targets and KPIs”, says **Marc Croonen**, Chief Human Resources, Sustainability & Communication. “Our sourcing efforts were among the most notable: we reached our sustainable sourcing targets for various raw materials, from palm oil to cocoa. The grievance mechanism we

launched will ensure the further improvement of our supply chain. We are also coming up to speed in terms of carbon reduction. With regard to our associates, we managed to further close the gender pay gap, and we upped the number of training hours per associate. Sustainability is now well embedded in all our processes and procedures.”

### **The road ahead**

After a cautious year, marked by uncertainty and internal transformations, Vandemoortele is aiming for volume growth again in 2024. The company has recently enlarged its production capacity and is ready to increase its sales volumes, even in a difficult economic environment. We will continue to pursue our chosen strategic course for the next twelve months. All major new investments will be screened for their sustainable nature. **Jean Vandemoortele**, Chairman of the Board: “By maintaining our strategic focus on the food service sector and on value added products, we aim for further profitable growth. We will continue our geographical expansion and attend even more to export opportunities outside of Europe. At the same time, we aim to accelerate our digital transformation, particularly in the commercial area.”

“To stay aligned with the CSRD and with the expectations of society, we will launch our new sustainability strategy for 2030, in close collaboration with our stakeholders. Our new sustainability targets are fully in line with the Science Based Targets initiative (SBTi). We are aware that reaching CSRD compliance is a learning process. But the fact that Vandemoortele has been committed to sustainability for years, enhances our credibility and paves our way to the future.”

### **Statement by the statutory auditor**

The statutory auditor, Deloitte Bedrijfsrevisoren BV, represented by Tom Windelen, has confirmed that the audit procedures have been substantially completed. The audit procedures revealed no material adjustments that should be applied to the consolidated income statement, consolidated balance sheet and consolidated cash flow statement as included in this press release.

#### **About Vandemoortele**

Vandemoortele NV is a leading European food company that manufactures and sells high-quality food products. The company has two business lines: Bakery Products (BP) and Plant-Based Food Solutions (PBFS). The first offers various frozen bread products, pastry, sweet treats, savoury products and patisserie. The second mainly provides margarines, culinary oils and fats. As a leader in the field, Vandemoortele aims to make positive choices for people and planet, while still delivering excellent taste and profitable growth.

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# CONSOLIDATED INCOME STATEMENT

For the year ended 31 December THOUSAND EURO	2023	2022
<b>Revenue</b>	<b>1,924,624</b>	<b>1,738,893</b>
Raw materials and consumables used and goods for resale	(1,047,784)	(1,067,594)
Changes in inventories of finished goods and work in progress	(14,444)	53,327
Services	(359,309)	(287,597)
Employee benefit expenses	(311,437)	(287,377)
Depreciation and amortisation	(64,421)	(61,812)
Impairment loss (scope IAS 36)	(490)	(2,846)
Write-down on inventories and receivables	(853)	(3,057)
Change in provisions	(1,600)	(755)
Other operating income	30,818	29,097
Other operating expenses	(13,627)	(12,341)
<b>Profit/ (loss) from operations</b>	<b>141,476</b>	<b>97,935</b>
Financial Income	5,983	10,125
Financial Expense	(13,424)	(15,414)
<b>Profit/ (loss) before tax</b>	<b>134,036</b>	<b>92,647</b>
Income tax (expense)	(24,706)	(21,452)
<b>Profit/ (loss) from continuing operations</b>	<b>109,330</b>	<b>71,195</b>
<b>Profit/loss</b>	<b>109,330</b>	<b>71,195</b>
Profit/loss attributable to the owners of the parent	109,330	71,195

# CONSOLIDATED BALANCE SHEET

For the year ended 31 December THOUSAND EURO	2023	2022
<b>Assets</b>		
Goodwill	199,329	199,329
Intangible assets	5,262	5,925
Property, plant & equipment	398,257	372,256
Derivatives	1,271	5,183
Deferred tax assets	37,783	32,661
Other financial assets	27	30
Other assets	3,035	2,858
<b>Non-current assets</b>	<b>644,964</b>	<b>618,242</b>
Inventories	179,177	203,277
Trade and other receivables	270,610	275,296
Derivatives	1,489	5,728
Cash and cash equivalents	43,687	38,559
Other assets	6,122	12,929
<b>Current assets</b>	<b>501,085</b>	<b>535,789</b>
<b>Total Assets</b>	<b>1, 146,049</b>	<b>1, 154,031</b>
<b>Equity and liabilities</b>		
Share capital	79,365	79,365
Retained earnings & reserves	482,338	412,490
<b>Equity</b>	<b>561,703</b>	<b>491,856</b>
Borrowings	84,549	110,643
Deferred tax liabilities	18,391	18,091
Derivatives	-	-
Employee benefits	17,747	15,083
Provisions	8,747	7,147
Other non-current liabilities	5,108	4,964
<b>Non-current liabilities</b>	<b>134,542</b>	<b>155,926</b>
Borrowings	11,965	87,602
Current tax	13,939	9,459
Derivatives	1,748	7,718
Employee benefits	51,331	44,028
Trade payables and other liabilities	370,821	357,442
<b>Current liabilities</b>	<b>449,804</b>	<b>506,249</b>
<b>Total equity and liabilities</b>	<b>1, 146,049</b>	<b>1, 154,031</b>

# CONSOLIDATED CASH-FLOW STATEMENT

For the year ended 31 December THOUSAND EURO	2023	2022
<b>Profit/ (loss) from operations (1)</b>	<b>141,476</b>	<b>97,935</b>
Amortisation	2,616	2,523
Depreciation	61,805	59,289
Impairment loss (scope IAS 36)	490	2,846
<b>EBITDA from continuing operations</b>	<b>206,387</b>	<b>162,593</b>
Allocation from government grants received in previous years	(637)	(693)
Fair value adjustments on commodity contracts	57	(150)
Change in provisions	1,600	755
Change in long-term employee benefits	(374)	4,694
Write-down on inventories and receivables (2)	853	3,057
Loss / (gain) on disposals of intangible assets and PPE	(548)	(2,022)
Other	254	(420)
<b>Cash flow from operating activities before changes in working capital</b>	<b>207,593</b>	<b>167,815</b>
Decrease / (increase) in inventories	22,880	(64,788)
Decrease / (increase) in trade receivables	9,657	(58,139)
Increase / (decrease) in trade payables	11,811	53,001
Increase / (decrease) in other working capital	14,953	(8,383)
<b>Net cash generated from operating activities</b>	<b>266,894</b>	<b>89,506</b>
Interest received	272	284
Net interest paid	(7,700)	(8,560)
Income taxes paid	(27,454)	(14,243)
Other financial fees	2,638	4,555
<b>Cash flow from operating activities in continuing operations</b>	<b>234,649</b>	<b>71,541</b>
Acquisition of intangible assets	(942)	(861)
Acquisition of property, plant and equipment	(77,384)	(46,908)
Proceeds from sale of intangible assets	21	155
Proceeds from sale of property, plant and equipment	1,099	5,481
Proceeds from sale of other shares and securities other than shares	-	10,648
Government grants	796	1,582
<b>Cash flow from investing activities in continuing operations</b>	<b>(76,410)</b>	<b>(29,902)</b>
Proceeds from borrowings	-	75,000
Repayment of borrowings	(101,233)	(102,112)
Repayment of lease liabilities	(9,522)	(9,656)
Dividends paid	(34,311)	(19,741)
Acquisition of treasury shares / Sale of own shares	(7,130)	(6,628)
<b>Cash flow from financing activities in continuing operations</b>	<b>(152,196)</b>	<b>(63,138)</b>
<b>Net increase / (decrease) in cash &amp; cash equivalents</b>	<b>6,044</b>	<b>(21,499)</b>
Cash and cash equivalents less bank overdrafts as of 1 January	37,643	59,144
Effect of exchange rate fluctuations	0	(2)
<b>Cash and cash equivalents less bank overdrafts as of 31 December</b>	<b>43,687</b>	<b>37,643</b>

(1) Includes interests on leases and rent payments for low value assets, short term leases, variable lease payments and non-lease components

(2) Includes the amounts written down and recovered during the reporting year, as well as change in provision for expected credit losses

## ALTERNATIVE PERFORMANCE MEASURES

Million euro	2019	2020	2021	2022	2023
<b>Adjusted EBITDA</b>	<b>152</b>	<b>104</b>	<b>119</b>	<b>165</b>	<b>216</b>
Depreciations & amortisations	-62	-60	-64	-62	-64
<b>Adjusted EBIT</b>	<b>90</b>	<b>44</b>	<b>55</b>	<b>103</b>	<b>151</b>
Adjusted items	-15	-6	-9	-5	-10
<b>EBIT (profit from operations)</b>	<b>75</b>	<b>38</b>	<b>46</b>	<b>98</b>	<b>141</b>
Depreciations, amortisations & impairments	65	61	65	65	65
<b>EBITDA</b>	<b>140</b>	<b>98</b>	<b>111</b>	<b>163</b>	<b>206</b>

Million euro	2019	2020	2021	2022	2023
<b>Borrowings</b>	<b>279</b>	<b>239</b>	<b>237</b>	<b>198</b>	<b>97</b>
Cash and cash equivalents	34	31	70	38	44
<b>Net financial debt (NFD)</b>	<b>245</b>	<b>208</b>	<b>167</b>	<b>160</b>	<b>53</b>
Subordinated debt	75	75	75	126	51
<b>Senior net financial debt (SNFD)</b>	<b>170</b>	<b>133</b>	<b>92</b>	<b>34</b>	<b>2</b>