

## Uelzena Group

### The Uelzena Group presents solid results in 2023

Uelzen, 28 June 2024.

The Uelzena Group takes stock of mixed results for the 2023 business year. Despite the conservative expectations for the past business year, the company group was able to achieve a significant increase in the annual net profit compared with the previous year. The core business of the Uelzena Group, milk processing, experienced positive growth in the reporting year. Despite the hot summer, raw milk deliveries could be increased by just over 4 %. As was expected, it was not possible to achieve the average milk payout for the record year of 2022 although thanks to the positive second half of the year, an average payout of above 40 euro cents was achieved. Raw milk was purchased regionally at a rate of 96 %, thereby helping to increase the added value created in the area surrounding the site locations.

#### **Economic situation**

The group turnover declined slightly to €929 million in the 2023 reporting year. Dairy product revenues fell from their all-time high in 2022 and these product groups recorded a drop in sales of about €122 million, with the exception of speciality products, which recorded growth of just over €15 million. In addition to the higher group earnings, the equity ratio also increased significantly from the previous year at 35.9 %. In terms of sales volumes, the primary product groups achieved slight growth of about 2,000 tonnes. Cheese and milk powder recorded rises, whereas the volumes for condensed milk, delicatessen and speciality products dropped slightly. Sales of milk fats remained virtually unchanged.

#### **Investments and innovations**

One group investment focus in the reporting year was to increase production capacity, as demonstrated by the expansion of capacity for the raw milk intake at Bismark cheese dairy and the construction of a sugar silo in Ratzeburg.

Launching a new operating system at the Warmсен site helped simplify and optimise operations across the group. Following the successful completion of test runs in 2023, the new spray-drying tower is now being used for regular production.

To counter the high dependency on the raw material markets, the Uelzena Group focused on sustainable sourcing and, in some cases, adjustments to recipes, to optimise the raw material availability. In the packaging sector, recyclable films were used as sustainable and innovative alternatives.

#### **Successful together**

The internal project "*Wir: Gemeinsam-Transparent*" (transparent together) is all about promoting the corporate culture. Tailored training for management staff and employees is a priority and will help support respectful communication. Flat hierarchies and an enhanced feeling of togetherness promote a work environment that enables everyone to get involved and progress. Overall, the corporate culture in the Uelzena Group embodies trust, appreciation and a sense of responsibility, which is reflected in the satisfaction of its employees and the long-term stability of the company. This is evident from the average length of employment of 12.2 years among the 845 employees and 51 trainees on the reporting day of 31 December 2023.

### **Continued focus on sustainability**

In addition to the ongoing QM Dairy Sustainability Tool project, the group created an online tool for milk producers in collaboration with other dairies. Using this tool, the farms of our cooperative suppliers can determine their own carbon footprint for the raw milk produced and identify possible savings potentials for their farms.

### **Outlook for 2024**

Efficiency increases will continue to be promoted within the company group, along with expanding the capacity at several sites, and a focus on energy topics. In the current business year, the Uelzena group is also focusing on further developing its sustainability. The aim is to work on the group's reporting in view of the upcoming CSRD reporting regulation and to implement the legal requirements in the coming year.

You can find more information on the topic of sustainability and the company's development at [www.uelzena.de/en/sustainability](http://www.uelzena.de/en/sustainability).

You can find images relating to the general meeting in the download area of the website [www.uelzena.de](http://www.uelzena.de) from 24.06.2024.

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### **About the Uelzena Group**

**Uelzena eG with its headquarters in Uelzen**, Lower Saxony, and its four subsidiaries with production sites in Germany, is one of the leading providers and innovative problem solvers in the food processing and milk refining business. The Uelzena Group is active in the following business fields:

- **Milk products & ingredients for the food industry**  
Milk powder, butter, butterfat, cheese, sweetened condensed milk, cream, ice-cream mixes
- **Contract manufacturing:** Spray drying, contract manufacturing of butterfat
- **Instant beverages:** Instant cocoa and coffee beverages, toppings, coffee creamers
- **Health products:** Products for weight management and sports nutrition, as well as contract manufacturing of customer formulations

The company focuses on doing business with international industry customers. The Uelzena Group has been supplying many international manufacturers of well-known brands for many years now. In Germany, the group is the leading supplier of concentrated butter to food retailers, and of butter and butterfat to the bakery trade.

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