

Press release

Olivet, 8 December 2023

SHAREHOLDERS' MEETING and ANNUAL RESULTS

The results reported by Axereal Group at 30 June 2023 show robust performance, demonstrating the group's resilience in the face of high inflation.

This performance is a result of the objectives achieved by the group's businesses, the engagement of its farmers and teams in the agricultural and food transition, its commitment to a clear strategic trajectory and the trust of its financial partners.

The group's results for the 2022-2023 year are in line with its road map, enabling it to make an exceptional distribution of almost €10 million generated thanks to the collective endeavours of its members.

Jean-François Loiseau, Axereal Chairman, said:

“The importance of a strategic long-term vision to a cooperative group like Axereal has been clearer than ever this year. Despite extreme price volatility, high inflation and soaring interest rates, we've resolutely followed the path we have set for ourselves, to transform our agricultural and food model for the long-term to progress towards wholesome, decarbonised and profitable production.

Both our agricultural businesses and our value-added food processing channels have unwaveringly pursued their efforts to access the most ambitious and innovative markets. Our investment alongside Intact in low-carbon vegetable protein production is the perfect example of this. We're focused on creating sustainable value for farmers, and we're committed to delivering on the French government's ambitions to reintroduce pulses into crop rotations.

At the same time, we're maintaining our efforts to bring agronomy-based solutions to farms, for example to improve efficiency in the use of nitrogen, plan ahead for the impact of climate change in the regions in which we operate to adapt crop rotations, and make good soil cover practices the norm. We're guided in our strategic choices by practical realities and by our convictions.”

Key figures from the year 2022- 2023

On the agriculture side, Axereal originated 4.2 million tonnes across all its areas (in France and Central Europe) during the 2022 harvest. The performance improvement projects that the agriculture business has been working on for the last five years, together with the commercial agility achieved thanks to the regional structure, have kept the agriculture business on a competitive path.

Thanks to the channel logic on which they have been built, the group's processing and value-added operations have confirmed their excellent positions on the market. The malt and malting barley division has had a particularly good year with 2.9Mt of malt sold and a plant utilisation rate of 102%. With the best financial performance in its market, it has made a notable contribution to the group's positive results.

Turnover: €5,045M, up 17% on the previous year

The Group posted turnover of €5,045M, up 17% on the previous period, partly driven by grain price increases. Around 50% of the group's turnover is generated internationally, with Europe accounting for 23%, South America for 11% and Asia for 10%.

EBITDA: €281M, up 35%

EBITDA continued to rise, reaching €281M at 30 June 2023, up 35% on last year.

It was by fulfilling the objectives of the value creation plan put in place for its operations that the group was able to achieve this good operational performance.

Almost €10M distributed to cooperative members

Thanks to the group's performance, it was able to distribute €5M in patronage refunds to farmers working with the cooperative.

In addition, some €5M were paid as interest on shares and dividends.

Paul-Yves L'Anthoën, Axereal CEO, said:

“The group has delivered excellent performance for a third consecutive year. We owe this to a combination of engaged farmers, aligned governance and the efforts of the teams to achieve their objectives despite ever more numerous headwinds. Thanks to the support of our financial partners, facilitated by our clear, long-term strategy, we're able to concentrate on the profitability of our operations, as evidenced by the very good results achieved by our malting and agriculture divisions. This has also been the year in which we started the ball rolling on our desire to place our feed compound operations under the umbrella of a market leader, with a plan to divest them to Avril Group while continuing to offer livestock farming services to our members.

Our investment in Intact marks a first step towards processing protein-crop peas grown using regenerative agriculture methods to supply plant protein and alcohol to customers. Over the coming year, we are planning major developments in the group's financial structure to support new growth projects, particularly in malting.”

A new Administrator for Axereal

On 7 December 2023, a new administrator joined the cooperative's Board.

Aliénor Chatin, 34, is a farmer managing an arable farm in Ouarville (Eure-et-Loire), in the Eurélienne.

Bruno Bouvat-Martin, Administrator and Axereal Vice-Chairman, left the Board. “Bruno Bouvat-Martin has been instrumental in Axereal Group's construction and growth. At the same time, he has made an invaluable contribution to the industry's significant advances at national level, in particular in the field of logistics,” said Jean-François Loiseau, Axereal Chairman.

Images of the Shareholders' meeting are available [HERE](#)
Captions included in the link - Photo credit: Didier Depoorter

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About Axereal

Axereal is one of France's foremost cereals cooperative groups, with locations in France and across the world. It specialises in growing and processing grain for the brewing, baking and livestock industries. Axereal has 11,000 cooperative members and 4,000 employees. It generates turnover of around €5 billion per year. As the leading originator of sustainably produced grain, Axereal helps bring high-quality food to the market and is actively involved in bringing about an agricultural and food transition. Axereal operates in 18 countries (Argentina, Australia, Belgium, Bulgaria, Canada, Croatia, Ethiopia, France, Germany, Hungary, Ireland, the Netherlands, Romania, Serbia, Slovakia, Spain, the UK and the USA).

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