

Westfleisch looks to the future with confidence after a solid 2023



Münster, March 4, 2024: Westfleisch continued to grow in 2023: the Münster-based second-largest German meat marketer was able to increase its turnover by 11 percent to 3.35 billion euros last year. Earnings before interest and taxes (EBIT) rose by almost 7 percent to 37.7 million euros. The company presented these preliminary, as yet unaudited figures at today's opening event of the "Westfleisch Days 2024" in Paderborn. Until Friday, the company will be informing its approximately 4,900 agricultural members in three other regions in north-western Germany about the past financial year and its plans for the current year.

"We were able to further expand our market share in 2023," explains Dr. Wilhelm Uffelmann, Chairman of the Executive Board since September 2023. "And this applies not only to the pure slaughter figures, but also to further processing." In fact, Westfleisch slaughtered 6.5 million pigs, almost the same as in the previous year, despite a significant decline in the national market; the company was even able to increase its beef production by 5.2 percent to 380,000 animals. Growth was also driven by the processing business of the subsidiaries: The convenience and self-service goods provider WestfalenLand increased its sales by 2.8%, while the convenience and sausage producer Gustoland even grew by 9.3%.

Focus on investments, efficiency and margins

Now that costs have already risen across the board in 2023, the company expects further increases in the future. For example, personnel costs will increase significantly in 2024 following the collective wage agreement of 2023, while toll and CO2 tax increases will drive up logistics costs. In addition to the continuing rise in energy costs, regulatory costs, caused for example by the Supply Chain Act, KRITIS obligations or the new EU

4 March 2024

WESTFLEISCH SCE mbH
Fridtjof-Nansen-Weg 5a
48155 Münster

Tel.: +49 (0)251 – 493-1460
Fax: +49 (0)251 – 493-1106

E-Mail: presse@westfleisch.de
www.westfleisch.de

cyber security law NIS2, also represent a growing burden.

"Despite all the challenges, we are confident about the future," emphasizes Uffelmann. "We are gradually improving our room for maneuver, sustainably strengthening our earnings quality and thus consolidating our market position." Three things in particular are of crucial importance: "Firstly, we want to focus on further expanding our core business. Secondly, we will make targeted investments in our locations in order to work even more efficiently. And thirdly, we want to increase the vertical integration of our by-products, as demonstrated by our recent acquisition of The Petfood Company."

High dividend and special bonus payment

Finally, the extensive efficiency measures program continues to be an important success factor. "With the help of 'WEfficient', we were already able to compensate for the significant increase in costs in 2023," explains CFO Carsten Schruck. "In addition, we realized a new long-term refinancing last summer - our good equity ratio of almost 40% and low level of debt create a high level of trust among our financing partners."

Members of the cooperative can look forward to a dividend payment of 4.2 percent on deposited business assets as well as further bonus and special bonus payments. The company will report on this in more detail at the Annual General Meeting in June 2024.

+++++