



Hochwald press conference on annual figures

Positive figures for the financial year 2023 and an above-average price for milk

Thalfang/Maria Laach, 27 June 2024.

The Hochwald Group reported some good figures to its representatives at the Hochwald Milch eG Annual General Meeting held on 27 June 2024. Revenue was almost unchanged from the previous year. Although the average year-on-year milk price of Eurocent 47.5 per kg was lower than in the previous year, it was significantly higher than the national average of Eurocent 45.3 per kg.

Financial year 2023

2023 was a successful financial year for Hochwald, and our cooperative members enjoyed a milk price that was well above the national average. This should by no means be taken for granted in times of global crises and wars. The unusually high inflation subsided significantly over the course of the year, but still had a huge impact on the economy as a whole. Sharp hikes in energy prices and the ongoing vulnerability of global supply chains left their mark on our company. A milk price of Eurocent 47.5 per kg (Eurocent 53.1 per kg in the previous year) was paid to the milk suppliers of the parent cooperative in 2023 – this is significantly higher than the national average milk price of Eurocent 45.3 per kg.

Contrary to the wider trend in the sector, revenue only fell by 0.4% to EUR 1,965.6 million (previous year: EUR 1,974.5 million) over the course of the financial year. In 2023, the AHL joint venture was discontinued with the Belgian company Solarec SA and, for the first time, Schütten & Lemmerholz GmbH was included in the consolidated financial statements. Detlef Latka, Chief Executive Officer of Hochwald Foods GmbH affirms: "With the acquisition of Schütten & Lemmerholz, we are paving the way to tap into the butter market and will strategically develop this business segment in the coming years." Earnings before interest, taxes, depreciation and amortisation (EBITDA) amounted to EUR 138,4 million, an increase of EUR 10.9 million on the previous year.

Developments in 2024

At the beginning of 2024, the German economy is still facing turbulent waters. The economic climate, as measured by the ifo Business Climate Index (the Purchasing Managers' Index for the German industry) and the Consumer Confidence Index published by GfK, remains at a very low level at the turn of 2023/24.

Based on the sales trend for the opening months of the business year, the company expects annual turnover to be roughly in line with the previous year.

We will continue to consistently implement our '**Prepared for tomorrow**' strategy. Our business activities will continue to focus on the white line, along with global expansion. Hochwald is fully aware of the change in consumer behaviour in Germany and takes responsibility for sustainable development by pursuing a holistic approach to sustainability. In 2023, Hochwald introduced ITW husbandry labelling with appropriately labelled products. Roughly 60 % of the cooperative's milk volume is certified according to husbandry type 3. By joining the Science Based Targets Initiative, the Group is providing evidence of its efforts to reduce CO₂ emissions.

Executive Board and Supervisory Board elections

In line with the regular rotation, Peter Manderfeld stepped down from the Executive Board. He was re-elected by the representatives' assembly and re-appointed as Chair at the subsequent meeting of the Hochwald Milch eG Executive Board.

At this representatives' assembly, the Supervisory Board members Justus Beier, Stefan Breuer, Peter Dickert, Peter-Carsten Gessler, Alois Hamper, Christian Hartmann, Rüdiger Henn, Karl-Ludwig Kotthoff, Erich Lipowski, Sebastian Nolte, Inse-Marie Stalter, Mark Trageser, Hans-Peter Wacht and Markus Zacharias stepped down from the Supervisory Board as per rotation schedule. Rüdiger Henn reached retirement age in the financial year and therefore did not stand for re-election; all others were re-elected by the assembly.

Johannes Diehl stepped down before the end of the financial year and André Dietsch sadly passed away in March 2024. Christian Thomas, Jürgen Vogelsang and Michèle Dietsch are new members of the Hochwald Milch eG representatives' assembly.

Facts and figures

		2023	2022
Total turnover	EUR million	1,965.6	1,974.5
of which third countries	EUR million	313.9	308.4
Milk supply	million kg	2,179.8	2,172.6
Employees		1,992	1,981
Property, plant and equipment investments	EUR million	135.6	187.5
Unit price at 4.0 % fat and 3.4% protein, including supplementary payment, excluding VAT	Eurocent per kg	47.5	53.1

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