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Press release

2022 RESULTS SHOW STRONG GROWTH, CONFIRMING THE MODEL'S RESILIENCE AND THE CONTINUED RELEVANCE OF THE GROUP'S STRATEGY

<i>(In millions €)</i>	2022	2021	2020	2022 vs 2021
EBITDA	583	356	243	+64%
Revenue	9,031	6,854	5,766	+32%
Net income, Group share	218	150	59	+45%
Capital expenditures (CAPEX)	235	168	130	+40%
Investments in the agricultural sector	62	69	125	-10%

Excellent financial results amidst a backdrop of global challenges

Avril turned in a record performance in 2022. At a time of persistent uncertainty, the Group once again confirmed the resilience of its model and its ability to capitalize on market opportunities. These results also highlight the soundness of the strategic choices the Group has been deploying since 2018, enabling the company to exceed the objectives of its strategic plan for the fifth year running.

EBITDA¹ rose by 64% to €583 million. Revenue came in at €9.0 billion, up +32%. This growth was driven by the vitality of European economic activity, the inflationary context of commodities, as well as by the success of high value-added products, such as Oleo100 and specialty ingredients. Lastly, net income Group share, increased by 45% to €218 million.

The year 2022 was also shaped by changes in the consolidation scope resulting from the acquisition of six new companies, including Amendis, Centre Grains, Eccellenza Italiana, Solteam, Vegini, and Vivien Paille. The year was further marked by the effective divestment of animal processing activities in pork (Porcgros and Aberra) and eggs (Matines), and completed in 2023 by egg products (Ovoteam).

¹ EBITDA is the equivalent of gross operating profit for accounting purposes in France. EBITDA stands for *Earnings Before Interest, Taxes, Depreciation, and Amortization*

Growth was fueled by all industrial activities

Within a context of highly volatile markets and the resumption of post-Covid19 growth, the four industrial activities – *Avril Oilseed Processing & Renewable Energies*, *Avril Consumer Goods*, *Avril Specialties*, and *Avril Solutions for Agriculture* - as well as the incubator, *Avril Development*, all played their part in the Group's solid performance.

EBITDA rose by 64% to €583 million for the Group as a whole, despite the early signs of a slowdown in certain activities during the last quarter.

- Within the *Avril Oilseed Processing Industry & Renewable Energies* sector, comprising the long-standing seed crushing operations as well as the production of oilseed meal, refined oils, and biofuels, the Group recorded an exceptional performance with an **EBITDA of €272 million**. With inflation rising among agricultural raw material since 2020, **Saipol** (France) and **Expur** (Romania) were able to pre-empt the changing market conditions thanks to hedges made at the end of 2021, before the start of the Russian-Ukrainian conflict and the surge in raw material prices. The solid results of the crushing activities were further enhanced by the success of **Oleo100** (Saipol), which continued to develop, achieving its 1,000th client at the end of the year.
- *Avril Consumer Goods* recorded a successful year in 2022, particularly in edible oils. This sector brings together the activities dedicated to consumer products such as table oils, condiments, margarine, legumes, soaps, and other hygiene products of our business units in France with **Lesieur** and **Vivien Paille** and internationally with **Costa d'Oro** in Italy, **Expur** in Romania, **GECO** in Algeria, **Lesieur Cristal** in Morocco, its business units in Tunisia and Senegal, and **Vegini** in Austria. Strong global demand at a time of increasing scarcity, particularly in the first half of the year, drove up prices. In 2022, the sector achieved an **EBITDA of €102 million**.
- Within *Avril Specialties*, **all its markets outperformed thanks to the strong economic activity driven by global demand**. This segment includes activities dedicated to producing specialty ingredients for the global industry, mainly with **Oleon**, our Belgian business unit, the European leader in oleochemicals, **Kerfoot**, **Novastell**, and **Lecico**. **The segment posted an EBITDA of €169 million**. This excellent showing reflects the ever-increasing success of plant-based alternatives with industrialists and consumers.
- Within the *Avril Solutions for Agriculture* segment, bringing together activities dedicated to the agricultural world, in particular livestock farmers through our subsidiaries **Sanders** (animal nutrition), **MiXscience** (animal specialties), **Terrial** (fertilization), and **Feed Alliance** (raw material purchasing), performance was also excellent, despite the inflationary context of commodity and energy prices, which severely penalized the livestock farming sector. Bolstered by the positive results of **Sanders**, which managed to maintain its level of activity despite the drop in volumes due to epizootic diseases and decapitalization, the segment posted an **EBITDA of €36 million**.

- Finally, in the context of the *Avril Development* incubator, which brings together high-potential businesses, 2022 was marked by the commissioning of the Dieppe plant for the rapeseed protein isolate extraction project in partnership with DSM. 2022 also saw the continuation of Evertree's commercial development with the launch of a second range of bio-based wood panels developed in conjunction with Série Panneaux.

Sofiproteol continues its efforts to serve the French sectors

In 2022, **Sofiprotéol**, the **investment and development** arm of Avril, continued its commitment in support of the agricultural and food sectors, with **€62 million invested in the form of minority stakes**. In line with its objectives, these investments position Sofiprotéol as a support for the French vegetable and animal sectors, both upstream and downstream.

In 2022, Sofiprotéol financed **OKwind**, a company specialized in the production and consumption of sustainable energy within a short circuit. The company continued its commitment to **De Sangosse** - a key player in biosolutions, renewed and expanded its commitment to **Hendrix Genetics** - a specialist in the technical, economic, and environmental performance of livestock farms, and supported the **Terres du Sud** cooperative in a new "Terroir Developer" project.

In 2022, Avril's financial division contributed **€15 million to EBITDA**.

In addition, in 2022, Sofiprotéol successfully carried out a **capital increase in the amount of €145 million** over three years, including €45 million in 2022, thanks to the commitment of its longstanding partners. This transaction provides extended resources to serve the company's mission: accompanying the development of companies in the agricultural and food industry sectors in France and in Europe, while at the same time supporting the agricultural, food, and environmental transitions.

A solid financial structure

Avril further strengthened its financial fundamentals in 2022. The **net debt to EBITDA ratio stood at x0.4 a clear improvement** over x1.2 in 2021, thanks to the solid economic results and the reduction in debt.

Shareholders' equity rose from €1.87 billion to €2.13 billion.

In addition, **industrial investments totaled €235 million, an increase of 40%** relative to 2021. These CAPEX investments made it possible to **finance the growth of our activities in France and internationally**, including the soap plant in Senegal, a new facility for Oleon in the United States, and a protein extraction factory in France. These capital expenditures also allowed us to strengthen our energy autonomy, in particular through the installation of biomass boilers to recover energy from certain by-products of our activities, thus limiting our exposure to higher energy prices.

In 2022, the Group consolidated its **financial position** by successfully completing its **refinancing for an overall amount of €1.2 billion**, and its inaugural **Schuldschein**

debt issuance for an amount of €90 million. In line with its commitment towards a global, sustainable, and responsible corporate performance, Avril opted to index these new financings to three ESG criteria, directly linked to its CSR commitments - safety of employees, parity in top management, and reduction of GHG emissions.

Extra-financial performance in line with objectives

Since 2019, Avril has been committed to a progressive approach, known as SPRING. This evaluates, through 25 key indicators, the progress made by the Group regarding sustainable development issues. For its fourth year, the index reached a score of 4.1 out of 5, in line with the objective of advancing by one point per year.

In addition, the Group is striving to align its CSR approach with the six commitments of its purpose, Serving the Earth, as early as 2023.

- #1 Taking action for agriculture that respects the planet.
- #2 Taking action to protect natural resources and biodiversity
- #3 Taking action to develop local sectors
- #4 Taking action for our investments' impact
- #5 Taking action for the climate
- #6 Taking action for a collective and inclusive project

2023 Outlook.

Avril is stepping up its pace, in line with its 2030 ambition

On the strength of its solid results, Avril is ramping up its growth momentum in its four priority markets - food processing & renewable energies, consumer products, specialty ingredients, and agricultural products and services - with a view to becoming the leader in plant processing for the agricultural, food, and environmental transitions.

The growth momentum is well underway

Backed by enhanced resources, the Group is now ready to accelerate its development, both through organic growth, supported by an ambitious investment policy, and through acquisition-driven growth. The Group is intent on continuing its acquisition drive begun in 2022, based on its four development priorities. As of January 2023, the Group acquired Moulins de Sarralbe in the animal nutrition sector, thereby further strengthening the geographical positions of its business unit, Sanders, the sector leader with a 15% market share.

As part of its drive to accelerate its expansion in plant-based protein, Avril entered into exclusive negotiations with the shareholders of Sunbloom Proteins with the aim of acquiring the German start-up, a specialist in sunflower protein ingredients for the human food industry.

Other acquisitions are currently in advanced stages of discussion.

A unique model, committed to the agricultural world

In 2023, Avril celebrates its 40th anniversary. Created by farmers in 1983, four decades later, the Group remains faithful to its original mission: creating sustainable value in the oil and protein sectors, thus contributing to better nutrition for people and preservation of the planet. To this end, Avril applies a unique model, whereby it does not pay dividends to its agricultural shareholders, who are at the heart of its governance, while reinvesting in the sector with a view to developing the French farm. This virtuous approach together with a long-term strategy provide the Group with the means for its development to accompany, throughout this period, the transitions in food, agriculture, and the environment.

As a meeting point for the animal and vegetable sectors, Avril is dedicated to the future of French livestock farming. In 2022, the Group allocated an exceptional budget of €6 million to support livestock farmers. In total, more than 1,200 farmers benefited from this assistance. 60% of the allocated funds supported projects to modernize farms, while the remaining 40% financed measures to help young people set up in business. On the strength of this successful initiative, and given the continuing difficult situation of the French livestock industry, the Group intends to renew this program. In 2023, Avril and its Sanders business unit will once again provide financial support to French livestock farmers, with a new **€6 million aid plan** to support their plans for setting up, decarbonizing their farms, and ensuring the well-being of livestock farmers and their animals.

For Jean-Philippe Puig, CEO of Avril, *"While 2022 will remain an excellent year for Avril, 2023 is already shaping up to be filled with political, economic, and financial uncertainties. On the strength of the resilience of our model, the solidity of our balance sheet, the coherence of our strategy, and the wealth of our talented workforce, I am convinced that we will be able to weather this new period of uncertainty with success and commitment, in keeping with our purpose: Serving the Earth."*

About Avril

Founded in 1983 as an initiative of the agricultural world to ensure sustainable outlets for French production, Avril is the main industrial and financial player in the vegetable oil and protein sector. The Group is built upon two complementary businesses that are key to the strength of its model. On the one hand, an industrial business organized around plant processing, from the seed to the processed product. And on the other hand, an investment business, carried out by its subsidiary, Sofiprotéol, through the acquisition of minority holdings in support of companies in the French agricultural and food company sectors.

Present in sectors as diversified as consumer food, animal nutrition expertise, renewable energies, and green chemistry, Avril relies on a portfolio of well-known brands that are leaders in their fields both in France and abroad: Bunica (Romania), Costa d'Oro (Italy), Lesieur, Oleo100, Oleon, Puget, Sanders, and Taous (Morocco).

For 40 years, the Group has remained true to its original mission: feeding people and animals, and preserving the planet. In view of the current challenges posed by the climate emergency and the demographic growth that is putting a strain on resources, Avril has chosen to reaffirm its power to

act, expressed through its purpose: Serving the Earth. Serving the Earth and the six commitments that support this purpose are a genuine driving force for the men and women of Avril on a daily basis. They reflect the Group's new ambition to become the leader in plant-based solutions for the agricultural, food, and environmental transitions.

In 2022, Avril generated revenue of €9 billion. Present in 19 countries, it employs nearly 7,367 people working in 73 industrial sites around the world. For more information: avril.com | Twitter @Avril_Group | LinkedIn Avril

Press contacts:

Hélène TABOURY | Avril Group

+33 (0)6 23 08 83 54 | helene.taboury@groupeavril.com

Béatrice GERMAIN | Avril Group

+33 (0)6 66 81 48 17 | beatrice.germain@groupeavril.com