



STAR Conference Presentation

20-21 March 2024

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These forward-looking statements are based on Newlat Food S.p.A.'s current expectations and projections about future events.

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The taste



of growing

About us

We are an Italian company whose core business is carried out in the agri-food sector.

As one of Italy's leading producers, we provide the market with indisputably high-quality products every day, thanks to our historical brands in the milk and dairy, pasta and baked goods sectors, instant foods and home baking, as well as in the areas of nutraceuticals and baby foods.

We are leaders in the food & beverage sector and one of Italy's leading producers of:

- Milk and dairy products
- Pasta and baked goods
- Gluten-free, protein-free and high protein products
- Baby food
- Instant food
- Home baking & baking aids

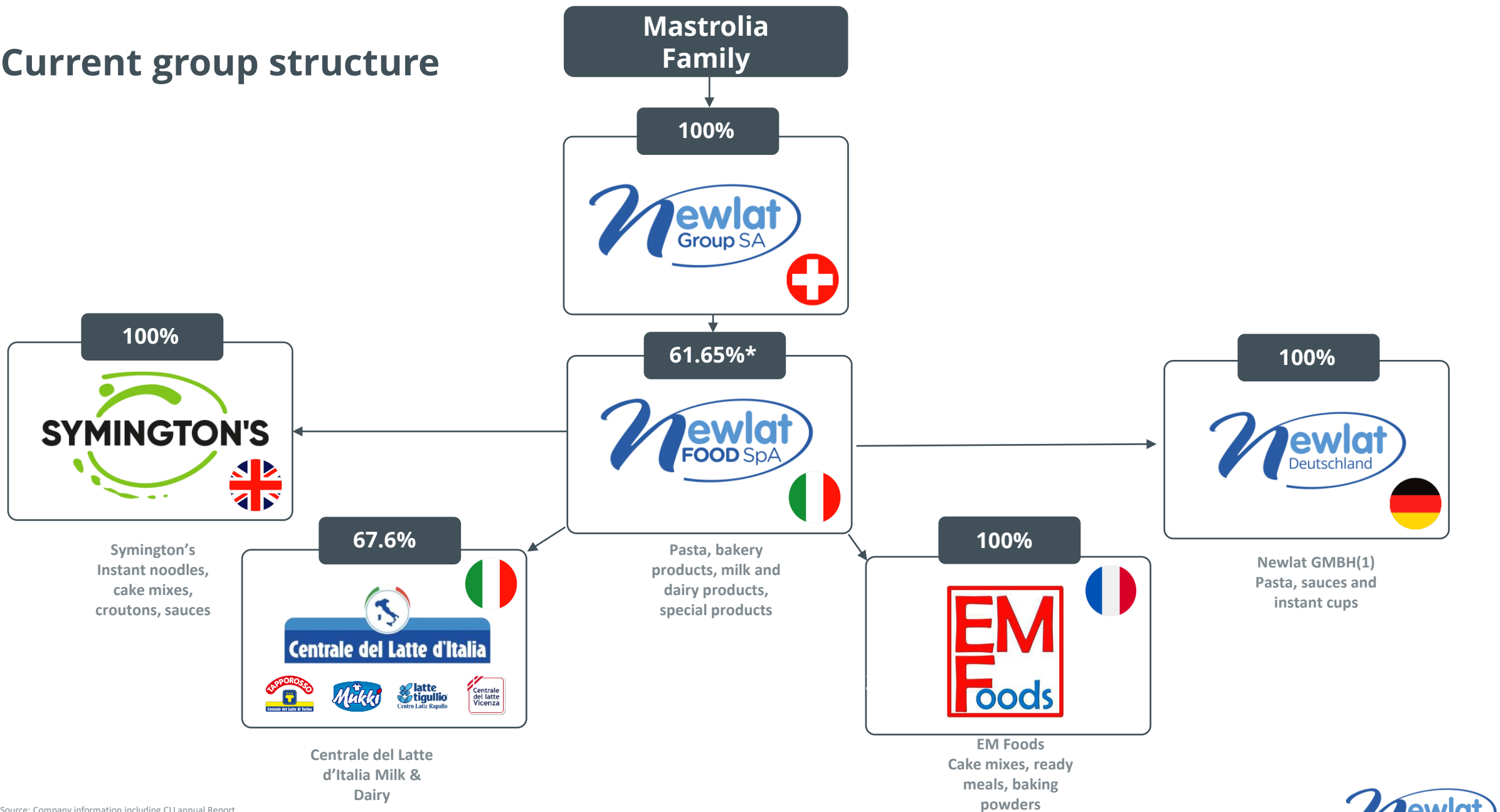


The group at a glance

- 4 Core markets
- More than 3,000 products
- More than 20,000 clients among the most important retailers in Europe
- €793.3 million revenue in 2023
- More than 2,500 employees
- Export to more than 60 countries
- 19 facilities across Italy, UK, Germany and France
- 7 main product categories



Current group structure



Source: Company information including CLI annual Report
(*) Newlat Group owns 61,65% of the economic rights in Newlat Food and the 75,45% of the voting rights.
Notes: (1) Issuer acquired full equity interest in Newlat GmbH Deutschland on 27th June 2019; (2) Refers to normalized 2019PF figures (including CLI), revenue implies revenue from contracts with customers; (3) Special products include gluten free, protein free and other free-from products;
(4) Top 5 countries are UK, France, US, Russia and Canada



Our history

2004

Acquisition of the Guacci pasta factory by the Mastrolia family.



2006

Acquisition of the factories and the brand for the production of **Corticella** branded pasta from Euricom group.

2009

Expansion of the brands in the dairy division through the acquisition of the **Ala** and **Optimus** brands.



2014

Purchase of **Centrale del Latte di Salerno S.p.A** and its brand, engaged in the production and sale of dairy products.

2019

Acquisition of **Industrie Alimentari Delverde S.p.A** owner of the **Delverde** brand in the pasta market.

Access to capital market through the placement of equity instruments for trading on the **STAR segment of the Mercato Teleco Azionario** stock market organised and managed by Borsa Italiana.dairy products.

2021

Acquisition of the **Symington's** brand with a vibrant portfolio of well-loved brands.

2023

Important industrial investments to support efficiency in the medium term (>€25m)

2005

Acquisition of the Eboli plant for the production of pasta and the **Pezzulo** brand.



2008

Acquisition of the **Sansepolcro factory** for the production and licensed sale of **Buitoni** pasta and bakery products.

Acquisition of the **Newlat SpA** operating in the dairy division through the **Giglio, Polenghi, Torre in Pietra** and **Foir di Salento** brands.

2013

Acquisition of the German company for the production and sale of **Birken** and **3Glocken** branded pasta.

2015

Acquisition of the **plant in Parma** for the production and sale of products belonging to baby food and protein - and gluten-free food sectors through a co-packaging contract with **Kraft-Heinz**.



2020

Acquisition of the company **Centrale del Latte d'Italia S.p.A.** Listed in the STAR segment of the **Mercato Telematico Azionario** stock market organised and managed by Borsa Italiana.

2022

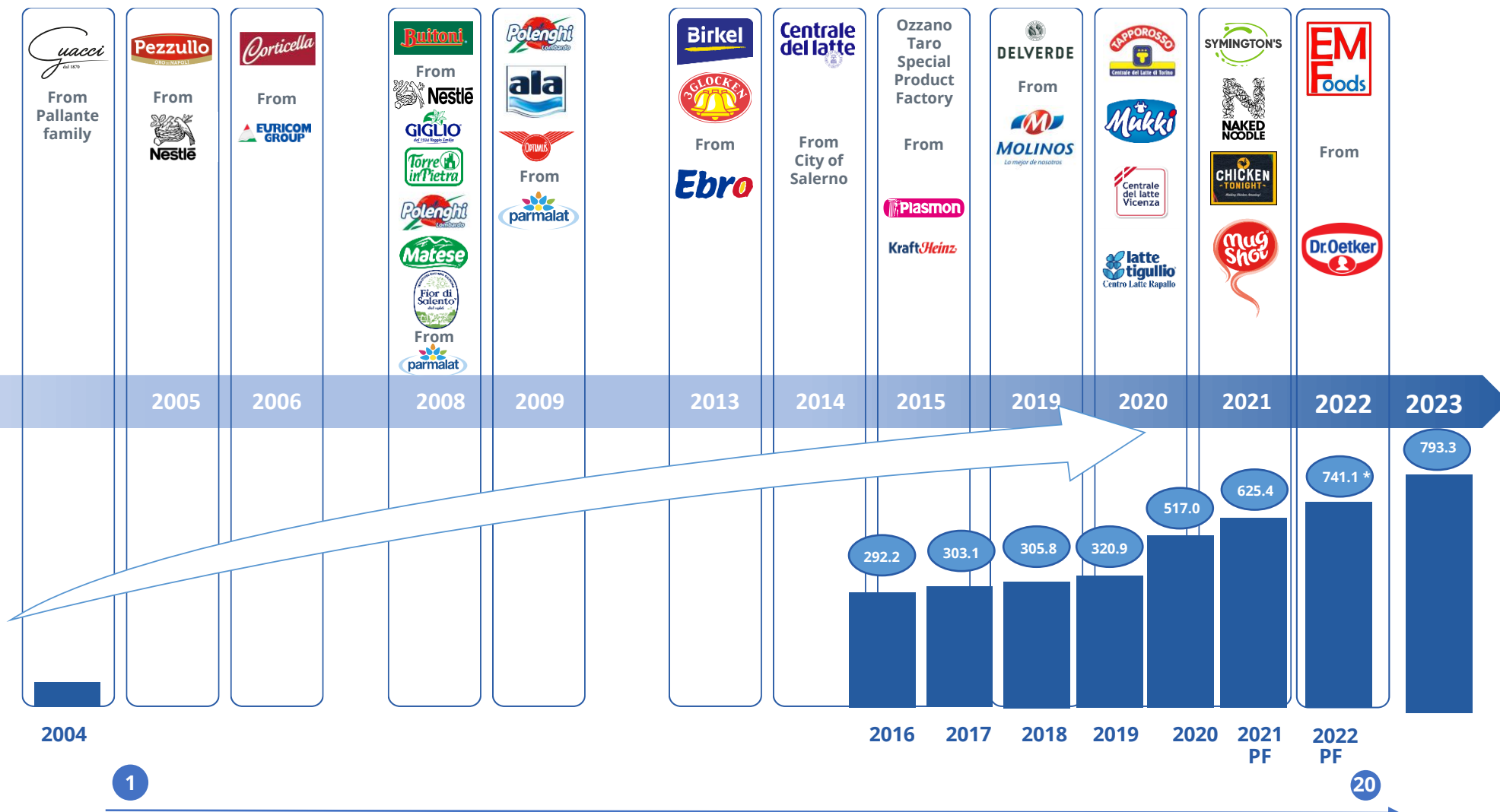
Acquisition of EM Foods in France for the production of cake mixes and ready meals

History of constant growth

External
growth

Revenues
Evolution (€m)

Plants evolution
(#)



*The 2022 proforma revenues include EM Foods

A clear and focused value strategy









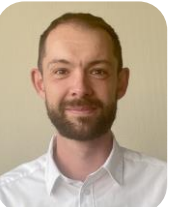


Newlat is driven by an international management team supported by a lean organisational structure

Family - owned company

 <p>Angelo Mastrolia Executive Chairman 2004 ⁽¹⁾ 30+</p>	 <p>Giuseppe Mastrolia CEO Newlat Food Chairman Symington's 2008 10+</p>	 <p>Benedetta Mastrolia Business Development M&A and IR 2014 < 5</p>
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...With an experienced management team with International exposure in large corporates

 <p>Fabio Fazzari Group Financial Director 2020 15+⁽²⁾</p>	 <p>Stefano Cometto Chief Operating Officer & Deputy CEO 2008 20+</p>	 <p>Rocco Sergi Chief Financial Officer 2013 10+⁽²⁾</p>
 <p>Davide Spinazzi Head of Infant & Nutrition 2015 20+⁽²⁾</p>	 <p>Fabrizio Carrara Internal Audit 2021 10+⁽²⁾</p>	 <p>Veronica Pisoni Corporate Legal Affairs 2018 >5</p>
 <p>Marc Bürkle Sales Director (Germany) 2015 20+⁽³⁾</p>	 <p>Christian Boulter CEO (Symington's) 2021 15+</p>	 <p>Louis-Philippe Demoury Site Manager Ludres EM Foods 2022 15+</p>

Key:

x

Entry year into Newlat




x

Years of experience in the sector



Member of BoD

Independent board members

 <p>Valentina Montanari Chief Financial Officer (Ferrovie Nord Milano)</p>
 <p>Mariacristina Zoppo Director and member of the Control Committee of Intesa Sanpaolo</p>
 <p>Eric Sandrin General Counsel of Kering Group</p>

Source: Company information

Notes: (1) Acquisition in the F&B sector through TMT Finance SA, (2) Total number of years in financial services (3) Total number of years in German Corporates

2023 review



EM Foods acquisition integration	Strong step forward in the EM Foods integration: strengthened relationships with Unilever. Minuto listed in Edeka, Rewe, Markant in Germany. Minuto shakers listed in Waitrose in UK.
Record pasta sales Germany	Second full year without Buitoni brand in Germany: Delverde sets record as it surpasses the 2020 and 2022 volume records with 44,722 tons in 2023
Increased investments	Important year for investments in operations, including IT Systems improvements and synergies between different sites and countries
PPE investments	Strong investments in PPE, incl new installations in the special foods plants of bakery and milk production + new warehouse in Germany
More investment in own brands	Increased focus on core brands in reference markets, with increased social media presence, tv adverts, line extensions, brand relaunches
Naked online and offline brand activation	Collaborations with famous influencers (Italy and UK), e-commerce launch, on-site brand activations at events, universities, in-store events to increase brand awareness across UK, Italy, Germany
New M&A targets	After the interruption of the negotiation with Princes which has shown great discipline, the Group is already focused on other 4 dossiers with turnovers ranging between €200 and €800 million.



FY 2023 key financial highlights

Revenues

- €793.3 m, +7% vs. FY 2022
- Highest increase in instant food (+21.7%), dairy (+14.3%) and bakery (+13%)
- Italy: +3.1%; Germany: +5.8%; UK: +8.96%;
- Other countries: +24.7%

EBIT

- EBIT was € 31.3 million, + 55% vs. € 20.1 m at FY 2022

Free Cash Flow

- Underlying FCF* : € 20.8 million
- Positive FCF despite higher CAPEX (>€25 m)

EBITDA

- Adj. EBITDA €72.4 m, +21.8% vs. €59.5 m in FY 2022
- Adj. EBITDA margin 9.1% vs. 8% in FY 2022
- Recovery of margins to 2021 levels after the negative impact of cost increases in 2022

Net Income

- Net Income was €15.5 million, +135% vs € 6.60 million at FY 2022

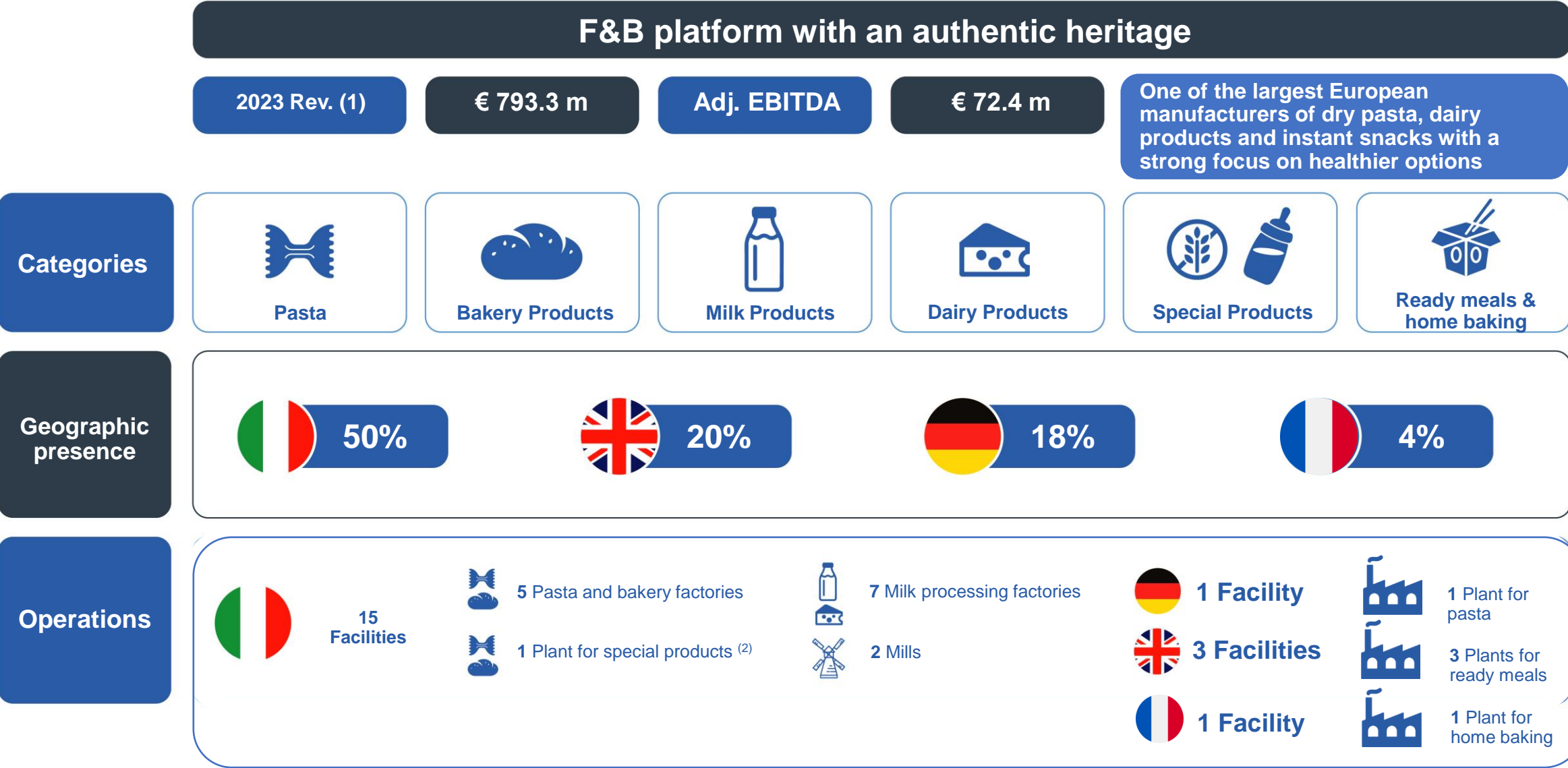
Net Financial Position

- Net Debt (ex. IFRS 16 lease liabilities): € 29.5 million vs. € 63.0 m at FY 2022
- Net Debt (incl. IFRS 16): € 74.3 million vs. € 109.8 m in FY 2022.













* Underlying FCF: Operating CF - CAPEX

Business Overview (Group)

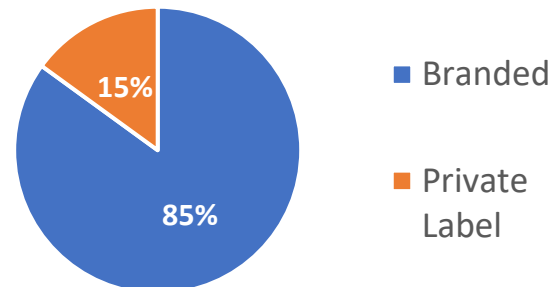
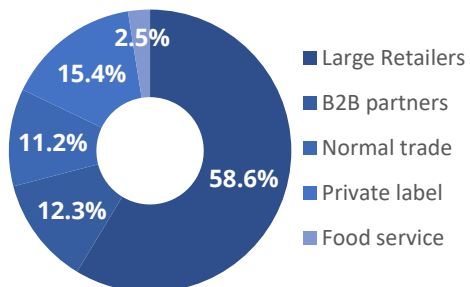
Business Overview (Group)



A multinational business model tailor made on a smaller scale

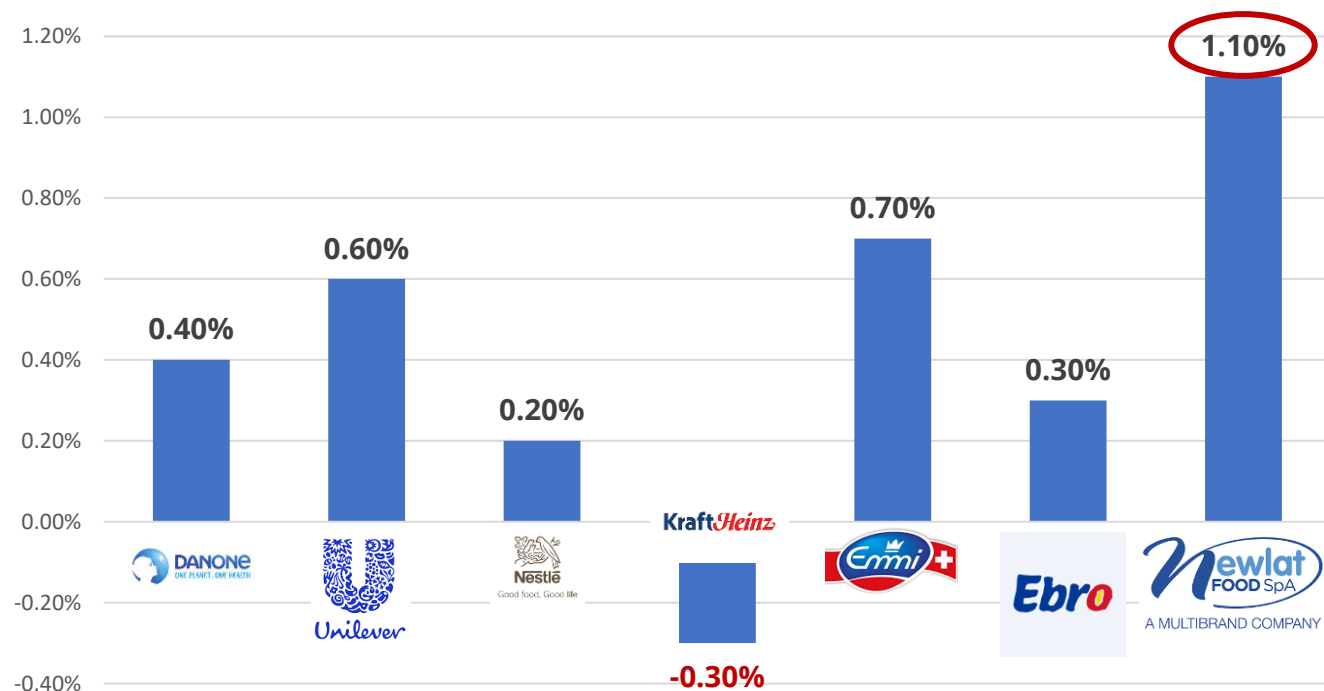
	Pasta	Bakery Products	Milk Products	Dairy Products	Special Products ⁽²⁾	Instant & Home Baking
Revenues ⁽¹⁾	26.8%	6.3%	32.7%	7.5%	4.3%	20.9%
EBITDA %	10.4%	16.1%	8.1%	12.1%	15%	7.4%
Main Brands						
Product Categories	<ul style="list-style-type: none"> Dry Pasta – Spaghetti, Spirals & others 	<ul style="list-style-type: none"> Rusks Crostini Melba Toast Grated 	<ul style="list-style-type: none"> Fresh Milk UHT Milk Butter Fresh Cream Yogurt, etc. 	<ul style="list-style-type: none"> Marscarpone Ricotta Mozzarella Scamorza & provola Plant based diary 	<ul style="list-style-type: none"> Gluten Free Low Protein Baby food (milk powder, pasta, biscuits) 	<ul style="list-style-type: none"> Instant noodles Cake mixes Sauces Croutons Salads
Key Products						

Key Channels & Customers

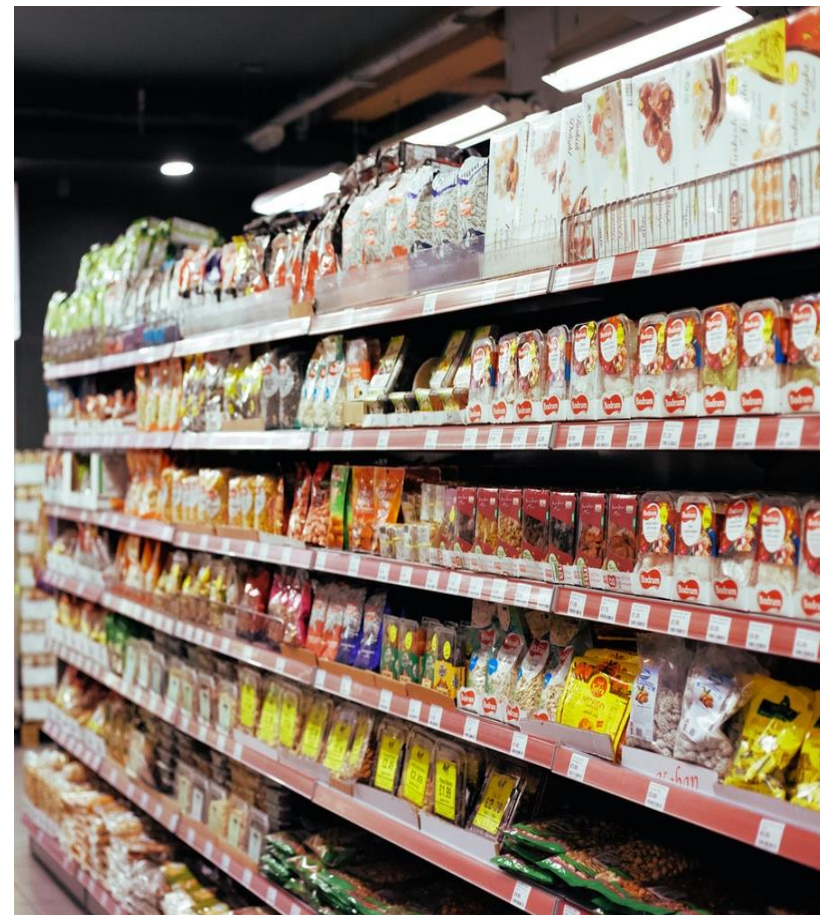


Core Market Overview

EBITDA margin improvement in 2023 vs. leading F&B companies



In FY 2023, Newlat Food achieved an EBITDA margin improvement that was unparalleled among its competitors, registering an increase of 110 bps, thanks to solid commercial strategy together with operating leverage and several projects to improve procurement management.



Italian market summary

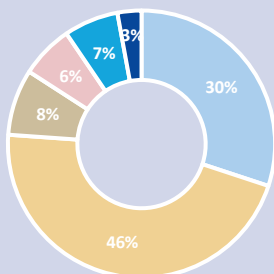


Financials



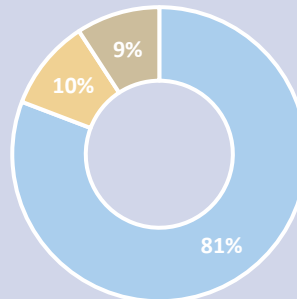
FY23
€398m sales
+3.1% YoY

Product category



- Pasta
- Milk products
- Bakery products
- Dairy products
- Special products
- Other products

Business mix



- Own brand
- Private label
- B2B

Key brands



Brand driven business



Italian pasta manufacturer
with widest assortment
of types and shapes of pasta.

Consolidated sales

#2 producer of mascarpone
in Italy with double-digit
5 year CAGR

Brands with strong
recognition and heritage
both in Italy and abroad

#3 Milk & Dairy
#2 bread substitutes
Unique baby food plant

15 production sites in Italy,
from north to south



2023-2024 marketing and commercial activities - Italy

Line extensions, rebranding & restyling



Rebranding of the entire range of products under Delverde mother brand



Cappuccino Lovers Plant Based new assortment



Kefir: new drinkable flavour and new spoonable products range



Restyling Optimus brand and packaging



New Naked Best Ever range

New product launches



Crostino Dorato Sfoglie



Naked Spicy



Minuto UHT dessert



New high protein drinks, smaller bottle



High protein milk (35g protein)

Comms



2023: a multichannel strategy in brands communication

Consumer activities, social media, advertising

- **Milk & Dairy Brands:** contest and loyalty consumer program , in-store promos, point of sales activities.
- **Granfetta & Crostino Dorato ®:** new Delverde social strategy with influencers collaborations.
- **Pasta:** ADV and in-store

NAKED

- Sponsorship in gaming events
- In-store promotions
- E-commerce
- New contents, influencer collaborations.
- New ADV spots.

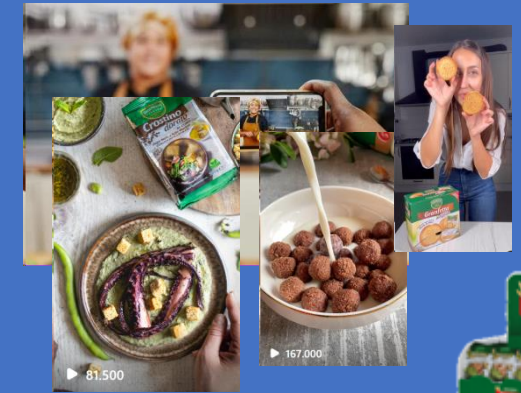
+71% sales
YoY in Italy



New adv spots



Loyalty program



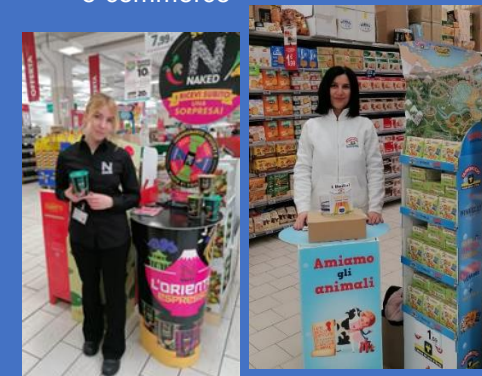
Social ADV and influencers activations



POS



e-commerce



In-store promotions



Gaming events activations

Feeding our growth: charting our success in export sales growth



Amazon pasta

Volume exp. 2024: 500 tons
Exp. Vol growth: +50%/year



Pasta Delverde confirmed
Costco Canada for 2024



Delverde + PL pasta

Launch of 6 new SKUs from
March 2024: Exp. 1000 tons



PL pasta

Biggest retailer in
Denmark
Launch of 22 SKUs



Delverde pasta

Development in
MENA markets



Pezzullo growth in
Lebanon with new tv adv




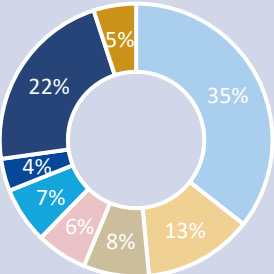
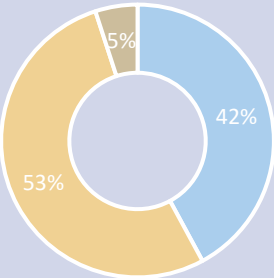



Delverde
WIHURI METRO TUKKU
New client in Finland



Baby formula contract:
New markets to launch
in 2024

UK market summary



Financials	Product category	Business mix	Key brands	Brand driven business
 <p>FY23 €155 m sales +9% YoY</p>	 <ul style="list-style-type: none">Instant hot snacksHome bakingCup soupFlavoured cous cousCroutonsTraditional cooking saucesOtherB2B	 <ul style="list-style-type: none">Own brandPrivate labelB2B <p>Diversified customer base across brand and private label</p>		 <p>#1 UK manufacturer within core addressable market</p>  <p>59% Market share</p>
£650m Core addressable Market	#1 UK Authentic instant hot snacks	#1 UK Healthy and mug snacks	#3 UK Instant hot snacks	3 production sites 1 distribution centre

UK: Latest News

Naked Performance



Online Reviews increased by **36%** in star rating and **332%** in number of reviews across retailers.



Increase in **Market Share** post product improvements.



Frequency growth since product improvements.



October Campaign

- ✓ Reached over **18m**
- ✓ **36m** impressions
- ✓ Performed above industry benchmarks

Ultimate continues to drive growth

Penetration, Frequency and loyalty have grown since launch with Ultimate shoppers buying across all flavours.

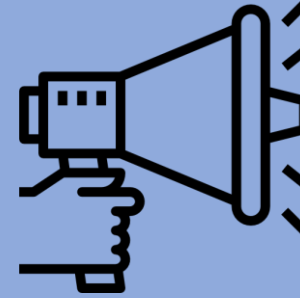


Coming Up



Marketing Campaign

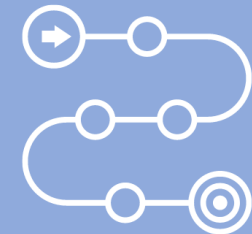
360 targeted comms plan to drive awareness.



2024 NPD launching Q2/3



Innovation Pipeline
in progress



What's New?



YoY
Loyalty Growth in
2023
(50.4% loyalty)



Highest **Units per Trip** in the category

Mug Shot Carbonara Launch Success!



3rd highest
ROS and
2nd highest
loyalty in
the range

January 2024 Campaign

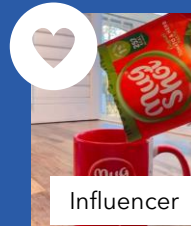
Drove awareness with our audience through highly targeted activity, with a key focus on taste, convenience and health messaging during the most health-focused month – here's a snapshot!



Sampling



Press & PR



Influencer



Social

What we achieved:

3.8 million reach

100,000 door drop reach

84k new households

We're going
MUG TO MUG

Mug-to-Mug Campaign

Driving engagement with our consumer, putting the power to them to choose which Fakeaway Flavour our NPD will be, with a multi-channel campaign to support



YOU HAVE THE Power!

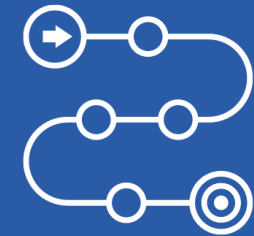
Coming Up



2024 NPD launching Q2/3


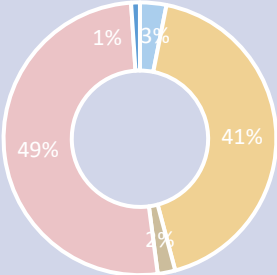
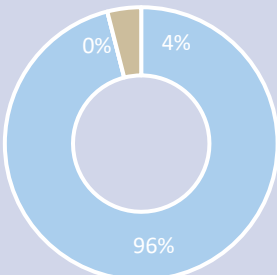




Innovation Pipeline
in progress



German market summary



Financials	Product category	Business mix	Key brands	Brand driven business
<div></div> <div>FY23 €140.5 m sales +6% YoY</div>	<div></div> <div><ul style="list-style-type: none">B2BItalian PastaInstant hot snacksGerman pastaSauces</div>	<div></div> <div><ul style="list-style-type: none">BrandPrivate labelB2B<p>A strong brand business is combined with B2B opportunities.</p></div>	<div></div>	<div><p>Strong national & international brands. Create steady sales over years.</p></div>
Continuous growth in the last 5 years	Strong in pasta. Future diversification with growing instant segment	Very strong branded business	#2 in German pasta market	1 production site 1 distribution centre

Germany: year of records

Improving volumes with major German retailers



Increase in **Volume** at major retail chains

Rewe: +15% YoY

Lidl: +31% YoY

Newlat no. 1 pasta supplier at EDEKA (surpassing Barilla)



Increased brand sales

Delverde pasta sales up 7% YoY

German pasta sales up 5% YoY

Market share continuing to grow in the pasta category

Newlat confirms its leading position as Germany's second pasta player – Positive value trend (+8%) vs. negative performance of first player (-4%) in 2023

Minuto desserts

Confirmed listings

Germany; EDEKA, REWE, Markant & others

UK: Waitrose



Additional NPD launching in Q2 2024



Strong development vs. the market

Confirmed position as **#2 Italian pasta player in Germany** gaining share against #1 player

Market share Volume
improvement in % (2023)



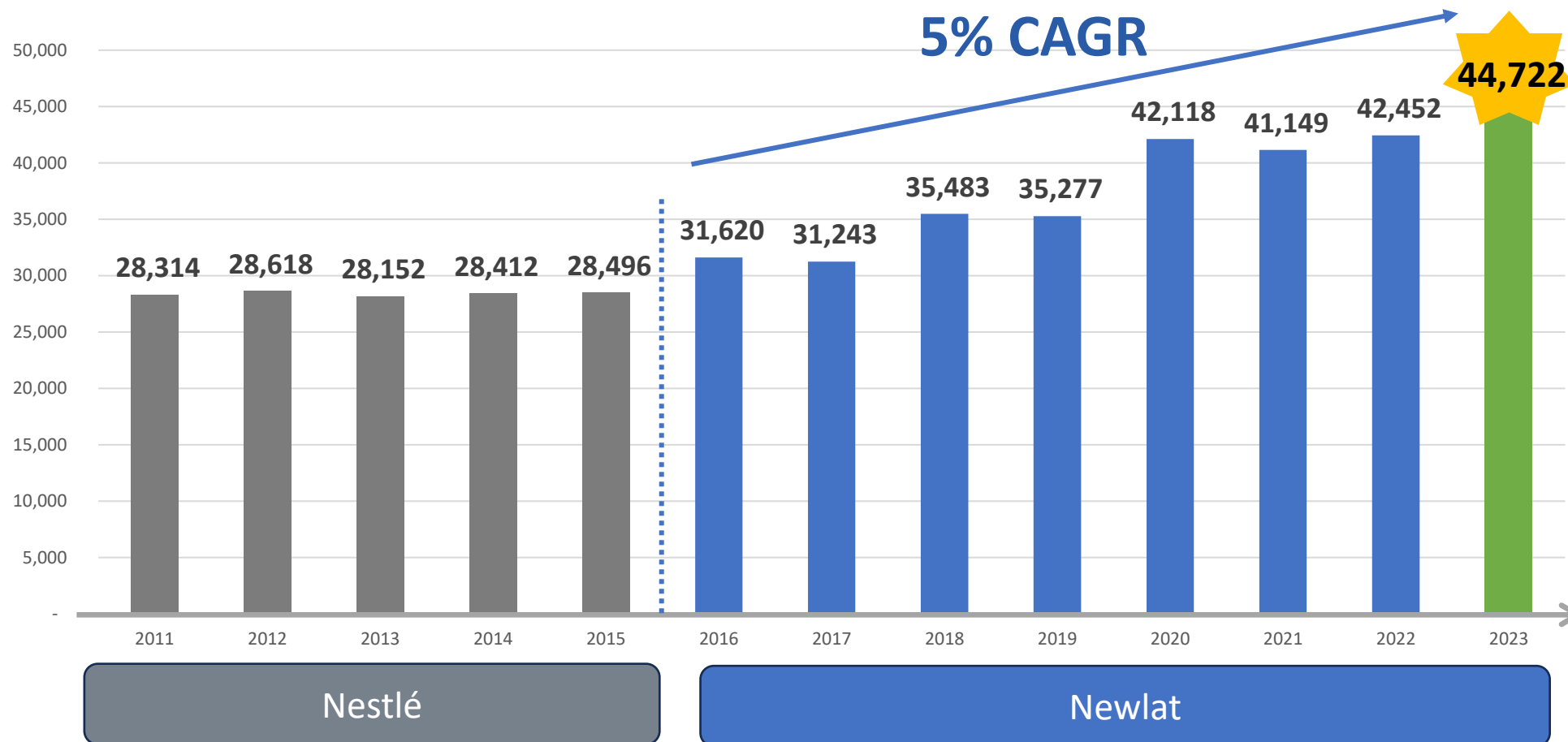
Keeping our share as **#1 German pasta player** with positive market share improvement vs. competition

Market share Volume
improvement in % (2023)



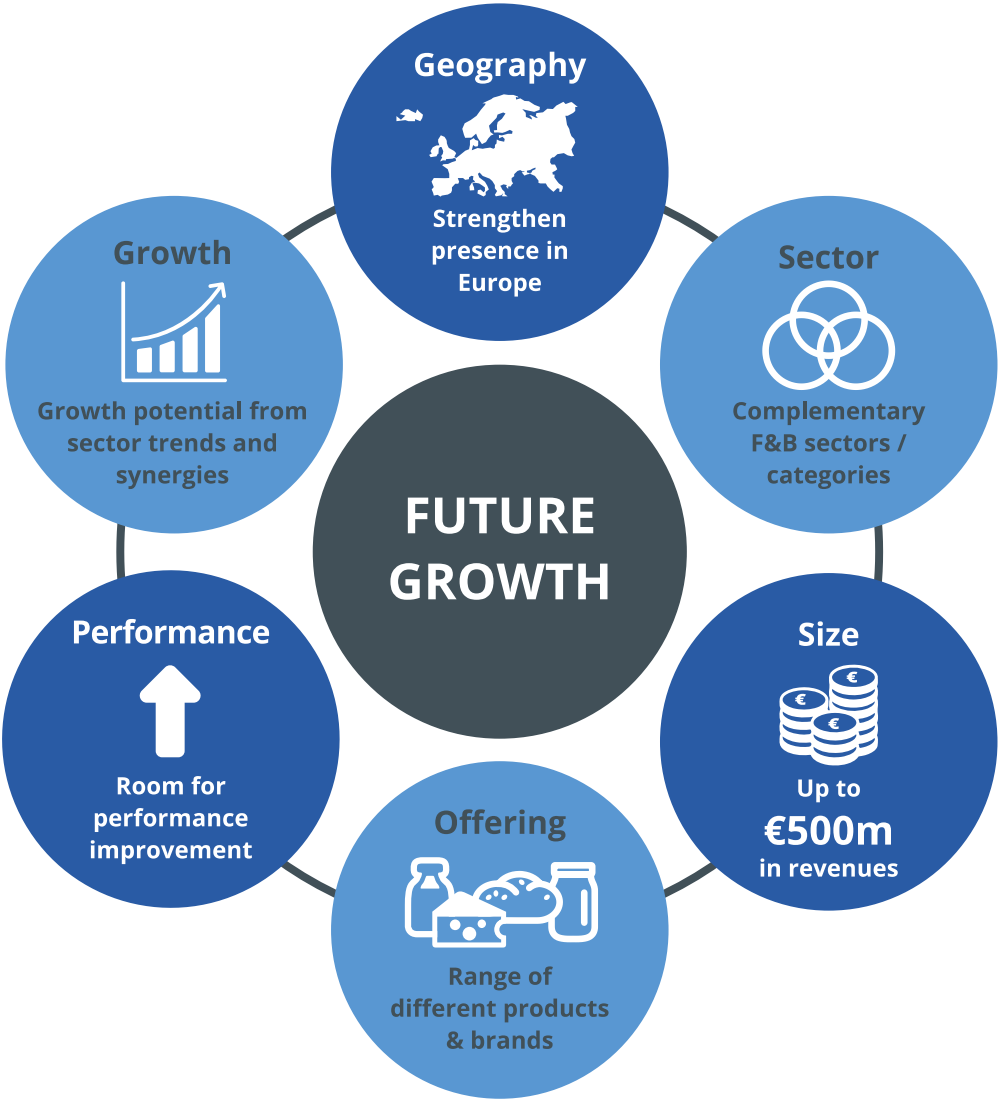
Record pasta volumes in Germany

Delverde confirmed its growth trend, reaching in **2023** an all time high level of tons: **44,722** to, surpassing **2022** as the best performing year in the Italian pasta business in Germany, confirming a CAGR of 5% since Newlat's takeover from Nestlé's sales team.



Future focused: M&A strategy

Pipeline of future growth opportunities



UNDERPERFORMING TARGETS
to exploit full potential

NON-CORE ASSETS
from MNCs with turnaround potential

SYNERGY TARGETS
with room for cost efficiencies

“PLUG & PLAY” TARGETS
easy to be integrated

TARGETS WITH A SUSTAINABLE IMPACT
combined capital structure

Source: Company information

Our Commitment to ESG

ESG: A milestone in the Newlat food strategy



Environment



Social



Governance

In order to integrate **Sustainability** into its operation and corporate governance, Newlat Food increased its **commitment and attention to Environmental, Social and Governance (ESG) factors**.

Starting from 2021, **Newlat Food appointed a C-level Director**, a Sustainability Manager with a **multi-year “big 4” experience**, in charge of **developing ESG practices** and set up a **Sustainability Committee involving key-departments** for conducting a responsible business: Operations, HR, Finance, IR, Quality, R&D, Purchasing and Marketing.

Furthermore, the company developed a **Sustainability Plan in order to strengthen its commitment and effort** to approach its business in a responsible way.

Board of directors includes **three important independent members** in charge of Risk and Control Committee and Nomination and Remuneration Committee: **Eric Sandrin** – Kering General Counsel, **Valentina Montanari** – CFO Ferrovie Nord, **Mariacristina Zoppo** Director and member of the Control Committee of Intesa Sanpaolo. Remuneration Committee defined **ESG targets for top management**.

Continuous developments in our sustainable approach



ENVIRONMENT

CLIMATE ACTION

- Self-produced electricity has been experiencing a growing trend over the last 3 years.
- -10% **water intensity** over the last 3 years (water withdrawn-to-product produced ratio)
- Group recognised as one of the “**Most Climate-conscious Italian Companies**” for the third consecutive year and “**Sustainability Leader**” for the second consecutive year based on its ESG performance
- **Carbon intensity (emissions-to-revenue ratio)** decreased by **19%** over the last 3 years
- **More than half of the sites achieve >90% of waste, recycled or recovered**

LOGISTICS

- In 2023 Newlat avoided at least **840 tons of CO2 emission** by transporting cargo **via train**.

ENVIRONMENTAL AWARENESS

- **Extension of the environmental certification UNI EN ISO 14001:2015 in progress**



SOCIAL

INNOVATION

- R&D investments to increase digestibility, product quality and to satisfy consumers with special dietary requirements:
 - ✓ Special milk **only from Farms with “Animal Welfare” certification** and only with **beta-casein protein A2 increasing (naturally) digestibility**.
 - ✓ Development of **unique plant based special formulas in Baby Food**
 - ✓ Development of **high protein, gluten-free and lactose free recipes (e.g. 100% pulse flour)**
- **Internal R&D teams** across various locations of the Group and internal laboratories certified according to the **ISO 17025:2018 standard**.

GENERATIONAL CHANGE

- **+27% under 30 employed** during the last 3 years

EDUCATIONAL ENGAGEMENT

- **Several initiatives with schools** visiting plants, farms and learning about **nutrition and food culture**.



GOVERNANCE

BOARD OF DIRECTORS

- **Three important independent members:** **Eric Sandrin** – Kering General Counsel, **Valentina Montanari** – CFO Ferrovie Nord, **Mariacristina Zoppo** Director and member of the Control Committee of IntesaSanpaolo
- **Three women directors** out of seven board members (**42,8%**).
- **Four out of seven board members are not linked to Mastrolia family** – founder’s and major shareholder’s family

SUSTAINABILITY GOVERNANCE

- **Adoption of Group’s ESG Policies**
- **Adoption of a common Group’s Code of Ethics**
- Publication of a **Suppliers Code of Conduct**, aimed at **engaging and raising awareness within Group’s supply chain on ESG issues**
- Implementation of a “**Whistleblowing**” system for all Countries we are operating in.

ESG: main initiatives

PACKAGING

- **Switch to Tetra Rex Plant Based, recycled PET and paper packaging** for most of the products with important impact on the environment:
 - Reduction of approx. 25% of CO2 emission on milk products
 - Reduction of plastic yearly utilization by 10%
 - “Carbon Trust – Zero emission” certified
- **Joining a consortium for plastic recycling (CORIPET)**
- Ongoing projects and tests to further **increase the content of recycled plastics in pasta and bakery products packaging** while improving recyclability
- **Pasta Pezzullo partnered with Rete 100% Campania:** transport boxes made from **paper and cardboard recycled by companies and families from Campania region**

CONSUMER SATISFACTION AND PROTECTION

- **Product variety to satisfy consumers with specific dietary requirements** (gluten-free products, organic products, functional products, baby food, lactose-free milk, vegetarian alternatives, 100% pulse flour, etc.)
 - **Launch of products with a high protein content** e.g. Mukki Training, Delverde High Protein
 - **Launch of lactose-free cream and mascarpone** Mukki
- **Fair and responsible marketing communications**

CLIMATE ACTION

- **Newlat Food recognised by Statista as one of the «100 most environmentally-conscious companies»** for its commitment to climate action thanks to improving ratio of CO2 emissions to turnover for the third consecutive year
- Ongoing plans aimed at **reducing energy consumption and saving resources** while **enhancing energy efficiency** coordinated by the Group Energy Manager:
 - Self-produced electricity has been experiencing a growing trend over the last 3 years
 - Carbon intensity (tCO₂ emissions-to-revenue ratio) decreased by 19% over the last 3 years
 - -10% water intensity over the last 3 years (water withdrawn-to-product produced ratio)
- **Appointment of a Mobility Manager and implementation of a workplace travel plan** to encourage **efficient and environmentally friendly methods** for travelling to work
- **Environmental Management System ISO 14001 certification** obtained by most of the plants with significant environmental impact. Extension of this certification to additional sites
- **Four Environmental Product Declarations (EPD)** on “Selezione Mugello” and “Mukki 100% Toscano” Milk following a **Life Cycle Assessment (LCA)** study
- **More than half of the sites achieve 90% of waste recycled or recovered.** The share is even 100% in some plants

LOGISTICS

- Starting from 2020 **Newlat avoided at least 1,912 tons of CO2 emission** by transporting cargo **via train.**
- **In 2023, at least 840 tons of CO2 avoided**

Benessere Animale

Tutti i nostri allevamenti italiani sono in possesso di un'attestazione che certifica il benessere animale e seguono un programma strutturato di valutazione che si ispira alle **5 libertà fondamentali** enunciate dal FAWC (Farm Animal Welfare Council). È proprio grazie a questo programma che **assicuriamo alle mucche la tutela del loro benessere.**



ESG: main initiatives

SUSTAINABLE AGRICULTURAL PRACTICES

- **Latte del Parco:** Centrale del Latte Salerno in partnership with Legambiente Campania promotes and protects Parco del Cilento natural and cultural heritage: 100% milk from local farms
- Creation of integrated supply chains aimed at promoting the quality of Tuscan milk, while enhancing animal welfare and reducing environmental impact
- Symington's uses RSPO certified palm oil only

SUSTAINABILITY GOVERNANCE

- In order to create common values and integrate sustainability principles:
 - Adoption of Group's ESG Policies (Sustainability Policy, D&I Policy, Adoption of a common Group's Code of Ethics)
 - Publication of a Suppliers Code of Conduct, aimed at engaging and raising awareness within Group's supply chain on ESG issues
 - Implementation of a "Whistleblowing" system for all Countries we are operating in

CIRCULAR ECONOMY

- Food surplus distributed to local associations, charities and animal husbandry
- R&D projects aimed at enhancing UHT milk shelf-life
- Ongoing investments aimed at managing discarded products

GENERATIONAL CHANGE

- High number of under-30s entering the workforce during the last three years (+27%).
- The staff renewal process is one of the pillars for growth and the maintenance of competitive advantage.

INNOVATION

- **Partnerships** with Universities and Research Institutes and R&D investments to increase product quality, safety and digestibility:
 - Special milk only from Farms with "Animal Welfare" certification and only with beta-casein protein A2 increasing (natural) digestibility.
 - Development of unique plant based special formulas in Baby Food
 - Creation of guidelines containing requirements and production methods for Tuscan milk producers

PROMOTION OF LOCAL COMMUNITIES

- Support to local associations, charities and events through sponsorships and food donations (i.e. Banco Alimentare, Caritas, etc.)
- Centrale del Latte launched several lines of product 100% from local farms

RESPONSIBLE SOURCING

- New suppliers of raw materials and finished products screened according to environmental and social criteria.
- 93.2% of High Quality milk from local suppliers comes from supply chains respecting and complying with animal welfare principles.
- Proportion of spending on local suppliers: 89%

EDUCATION AND TRAINING OPPORTUNITIES

- Development of a training programme for key employees aimed at improving awareness, skills and knowledge on sustainability topics in order to raise awareness of sustainability issues within the Group.
- Several initiatives with schools and Universities to promote educational initiatives:
- Visits to farms and plants, seminars on nutrition and food culture
 - Traineeship opportunities for recent graduates

FY 2023 SALES BREAKDOWN AND ANALYSIS



FY 2023 revenue highlights

FY 2023 saw an **increase** in sales of **+7%**

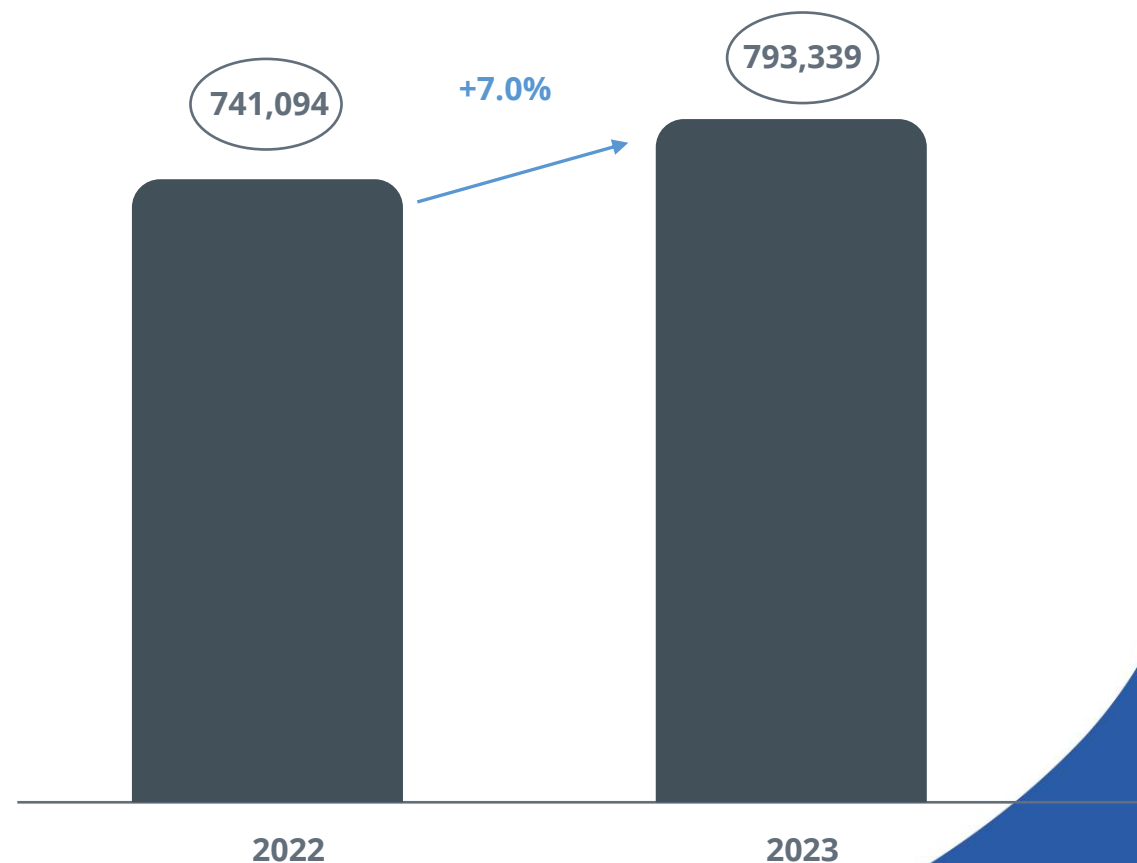
Compared to the first period of the year, the last quarter saw a slowdown in sales due to three main reasons: 1) higher promotional pressure compared to 2022; 2) a challenging comparison base, as 2022 was mainly affected by inflation and an increase in average sales price; 3) a series of industrial investments initiated in Q4'23.

In general, 2023 was a year of strong commercial and marketing activities across all regions, which is expected to benefit 2024 sales.

Additionally:

- Total investments of **€25.2 million**, of which €23.1m were made in PPE in order to modernise production assets and plants
→ **expected to reduce costs and improve efficiencies in the medium term**
- An overall improvement in the main KPI's:
 - **ROS**: 4.5% vs. 2.7% in 2022
 - **ROI**: 16% vs. 9.4% in 2022
 - **ROE**: 10.5% vs. 4.7% in 2022

Consolidated revenues (€ thousand)



Revenue breakdown by business unit

- **Pasta** sales remained stable with a **0.7% increase** as a result of **higher volumes** and a lower average price compared to the inflated prices of 2022.

- The **Milk segment** grew by 6.7% partially thanks to higher volumes and to higher sales price

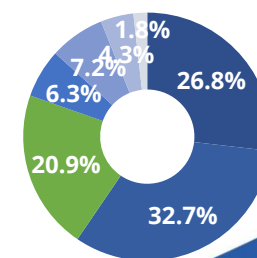
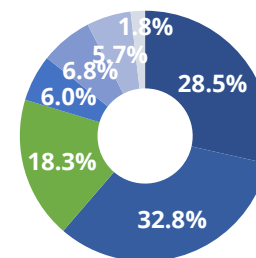
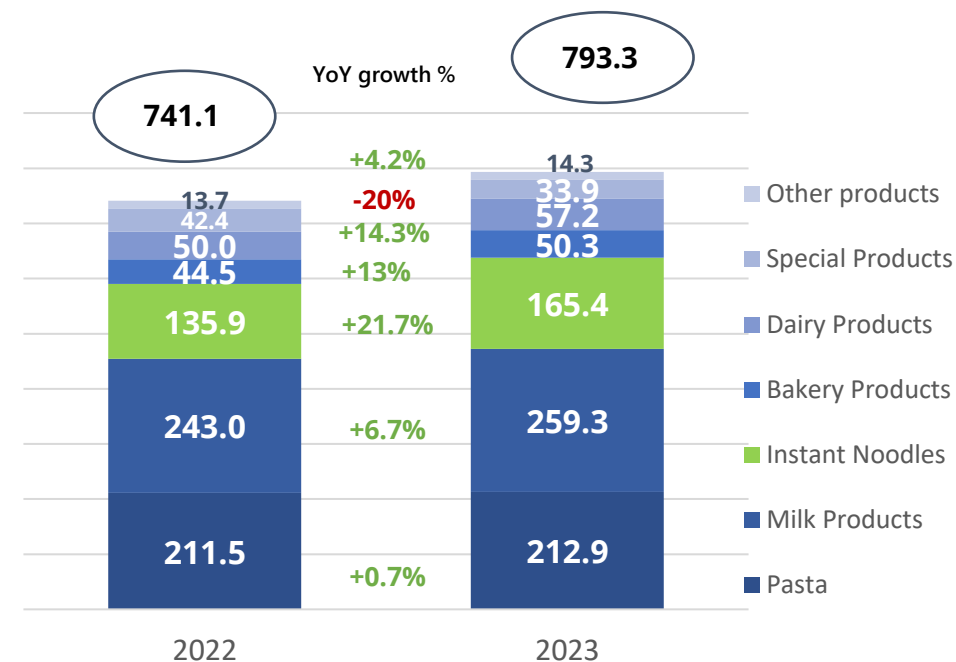
- **Instant Foods** revenues grew by 22% thanks to **new product launches** (both in the instant noodles and home baking category), **increased value-added marketing activities and export to new markets**. Organic growth excluding the EM Foods contribution: +4%.

- The **Bakery Products** growth (+13%) was driven by additional **Crostino, rusks and melba toast sales** and thanks to some important partnerships in the private label sector.

- **Dairy Products'** sales increase was driven by the strong demand of **Mascarpone**, especially in **Germany (+82%) - (France +25%) - the Netherlands (+22%) - Canada (+20%)**

- The **Special Products** segment went down by 20% as a result of a slow down in production, especially in the last quarter, due to some planned investments in PPE which partially halted production. These investments are expected to increase efficiency and offering in the medium term. Sales are expected to get back to normal by end 2024 with some new projects incoming.

Revenue breakdown (€m)

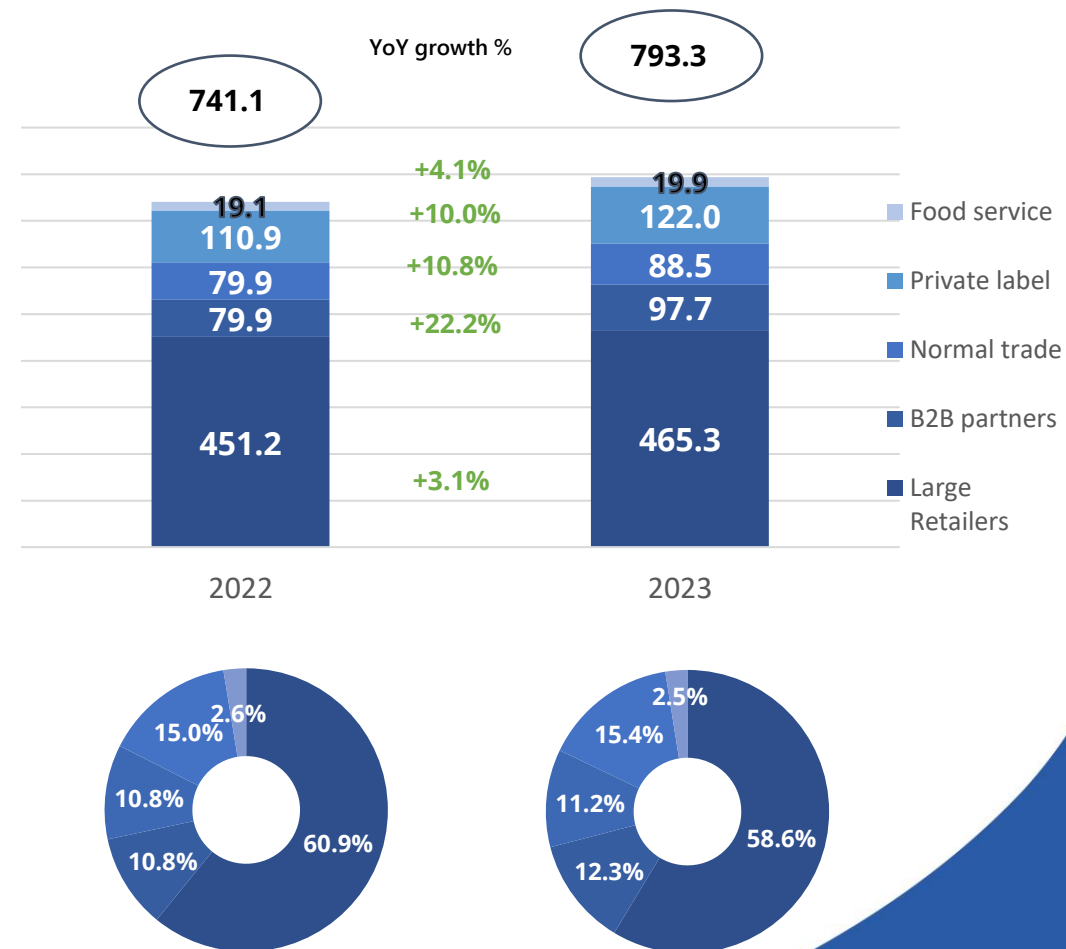


Revenue breakdown by distribution channel

In general all segments had a positive impact on sales in 2023.

- Large retailers remain the key channel with 57% weight, however B2B partnerships take up a bigger portion of sales compared to last year (12.3% vs. 10.8% in 2022).
- **B2B contracts increased by 22.2% mainly because of the EM Foods acquisition.**
- **The private label segment grew 10%, mainly thanks to new partnerships in the bakery and dairy segments.**

Revenue breakdown (€m)

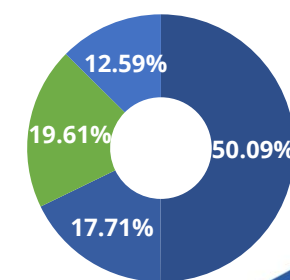
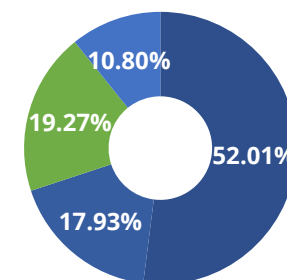
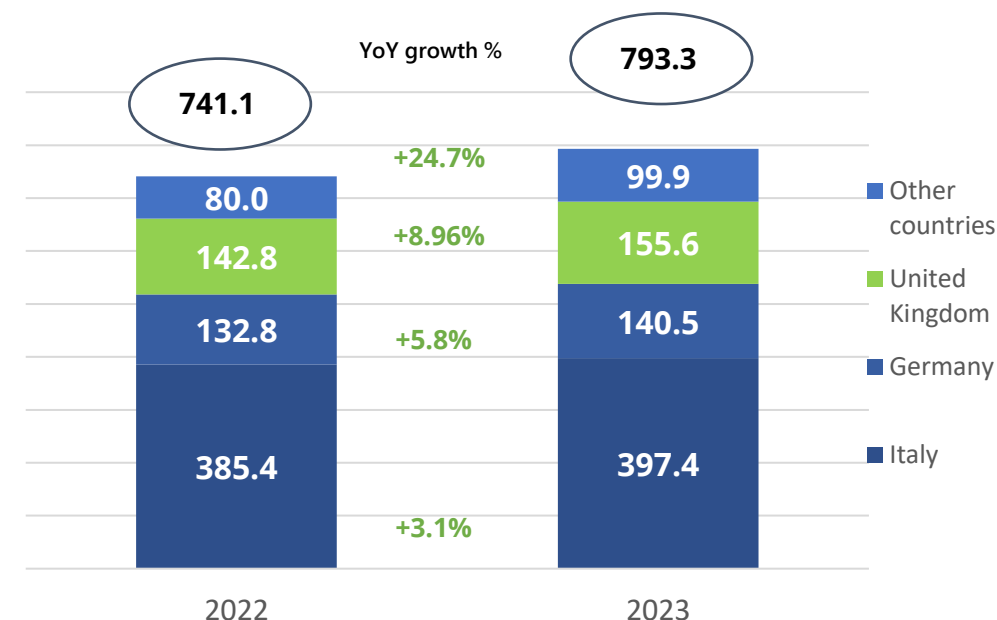


Revenue breakdown by geography

All regions had a positive result in the period.

- Revenues in Italy went up by 3% as a result of **higher sales volumes** in the **Pasta, Milk & Dairy, Bakery and Instant Noodles** sectors, which was however partially set back by the decrease in Special Products sales in the last quarter.
- In **Germany**, revenues increased by ca. 6% following higher sales volumes in the **Pasta and Dairy** sectors, with increased market shares especially in the Italian pasta market.
- United Kingdom** sales grew ca. 9% thanks to higher sales volumes in the **Pasta and Instant Noodles** sectors. In particular, the Naked “Best Ever” and Mugshot relaunch and marketing campaigns increased customer loyalty and frequency of purchase.
- Revenues relating to **Other Countries** increased by **24.7%** particularly thanks to EM Foods. Aside from France (+10%), the countries that grew the most were the **Netherlands** (+39%), **Denmark** (+35%), Canada (+25%), Belgium (+13%) and the **MENA** area (+12%).

Revenue breakdown (€m)



Increased demand all over the world

1 Netherlands: +39%
Total revenue 2023: € 8.7 million

2 Denmark: +35%
Total revenue 2023: €3.8 million

3 Canada: +25%
Total revenue: 2023 €4 million

4 Belgium: +13%
Total revenue 2023: €8.5 million

5 MENA area: +12%
Total revenue 2023: €12.8 million

6 France: +10%
Total revenue 2023: €15 million



EBITDA breakdown by business unit

Adjusted EBITDA was €72.4 m in FY 2023, compared to €59.5 million in 2022. Adj. EBITDA margin was 9.1% vs. 8%.

In general, **2023** margins increased or were stable in most business units, with only instant foods and bakery in slight decrease.

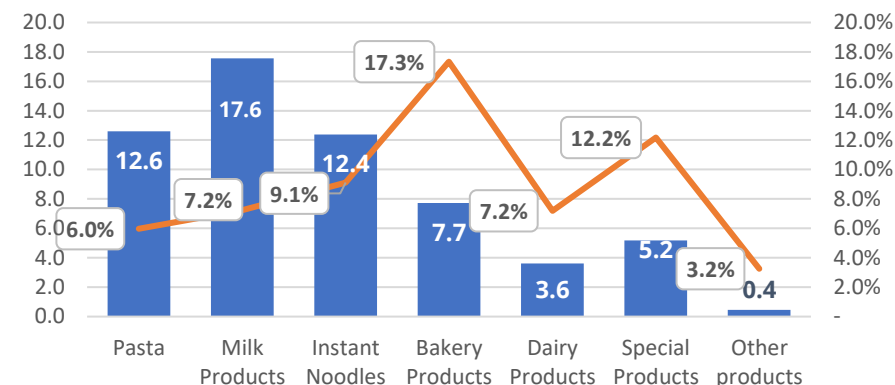
Pasta had the best performance in EBITDA margin improvement with 410 bps improvement from 6% to **10.1%**, thanks to a better mix contribution and new contracts with better marginality.

Bakery maintained a double digit EBITDA margin at around **16.1%** vs. 17.3%, while **special products** increased margins from 12.2% to **15%** thanks to an improved contribution of some B2B productions in baby food.

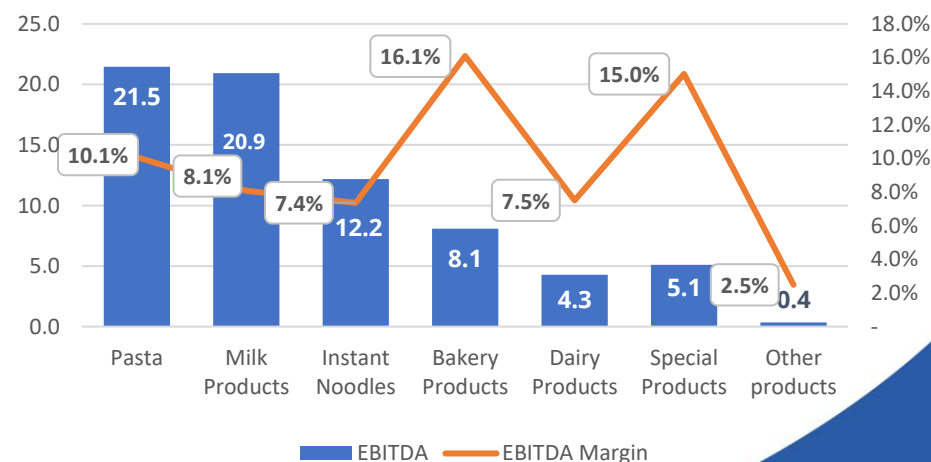
This result confirms that an actual recovery of margins back to 2021 levels was achieved in 2023, thanks to a diligent commercial activity carried out between the end of 2022 and the beginning of 2023.

EBITDA margin YTD February 2024: in line with 2023's level at 9.5%.

Adj. EBITDA (€m) and EBITDA margin FY 2022



Adj. EBITDA (€m) and EBITDA margin FY 2023



Important investments in the Ozzano Taro special foods plant

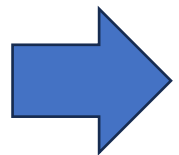
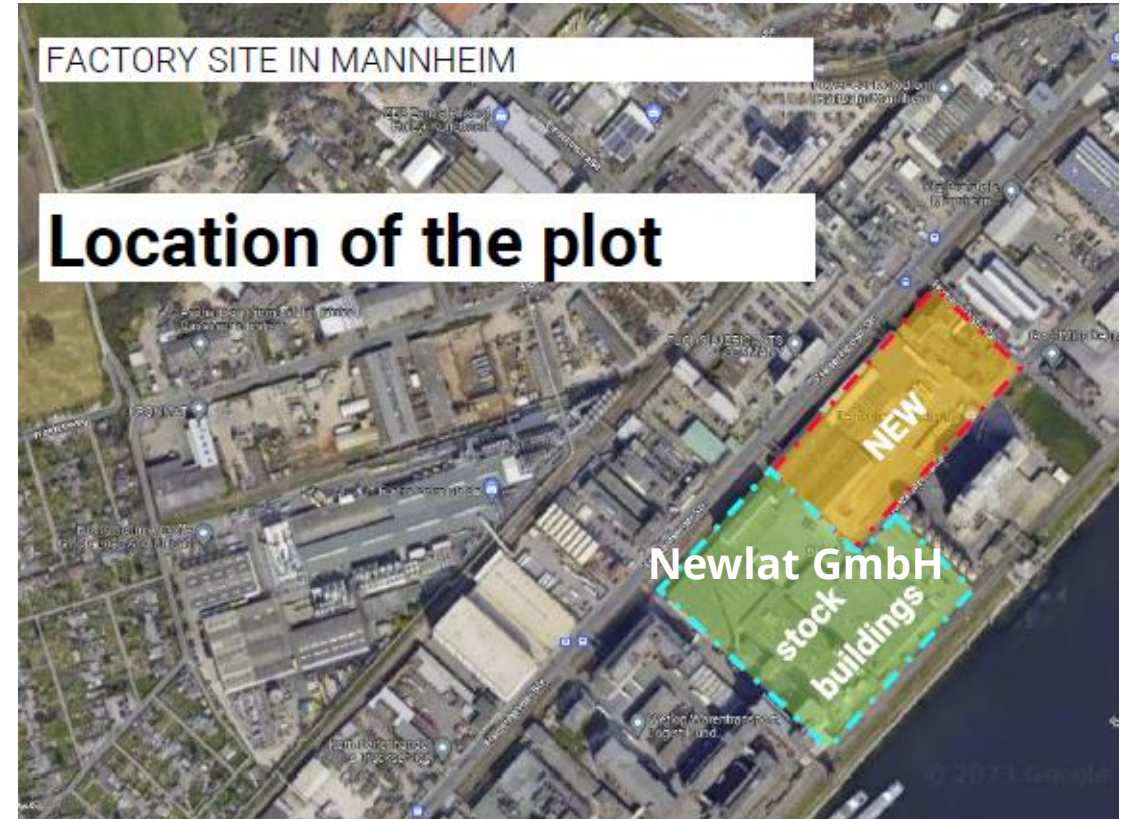
- Consolidated product development in **Pasta area** under the Delverde brand (high protein, legume pasta) and adjustments for gluten free pasta production for Germany, started in the second half of 2023.
 - **Bakery:** initiated installation of a **new oven** line with single-portion packaging for infant biscuits and bread substitutes - **NU.T.RA.PA.C. project**.
 - **The Milk area** saw strengthened collaborations for medical-special milks with **national and international clients**, focusing on **Organic** (e.g. Hipp) and **lactose-free** products. The multi-country agreement for the production of specialized infant formula signed in 2020 is proceeding according to plan and will likely come into full effect in the next 12-18 months.
 - New partnerships for Infant formula production for the **Middle East confirmed for 2024**.
 - Investments in packaging to meet **new EU regulations** (cap anchored to the bottle).
- The site is undergoing transformation to emphasise its role in specialised, nutritionally rich, and innovative food products.



New warehouse and office investment in Mannheim

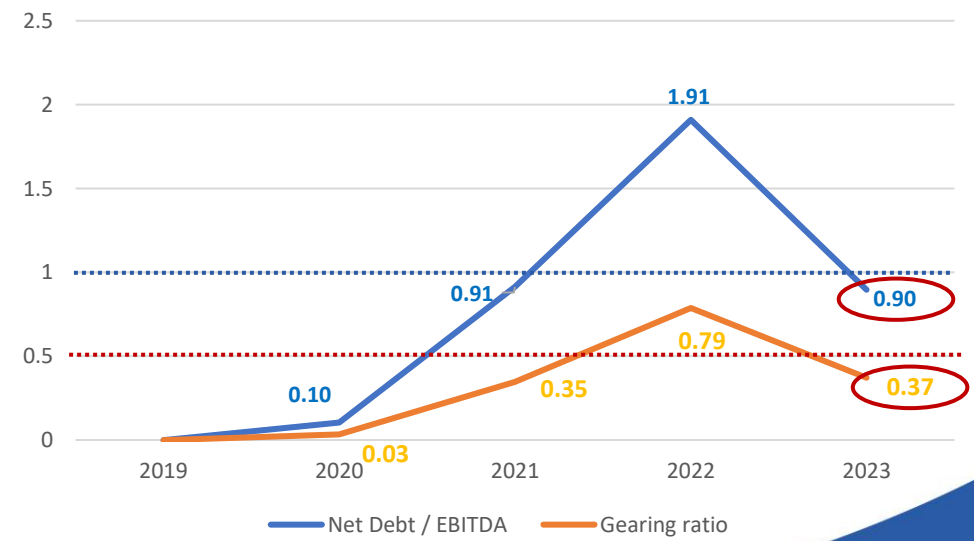
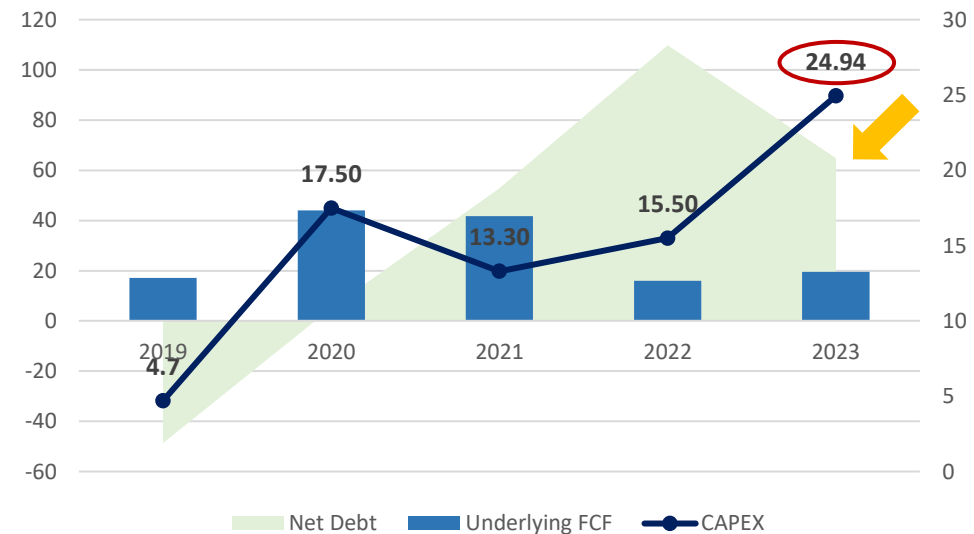
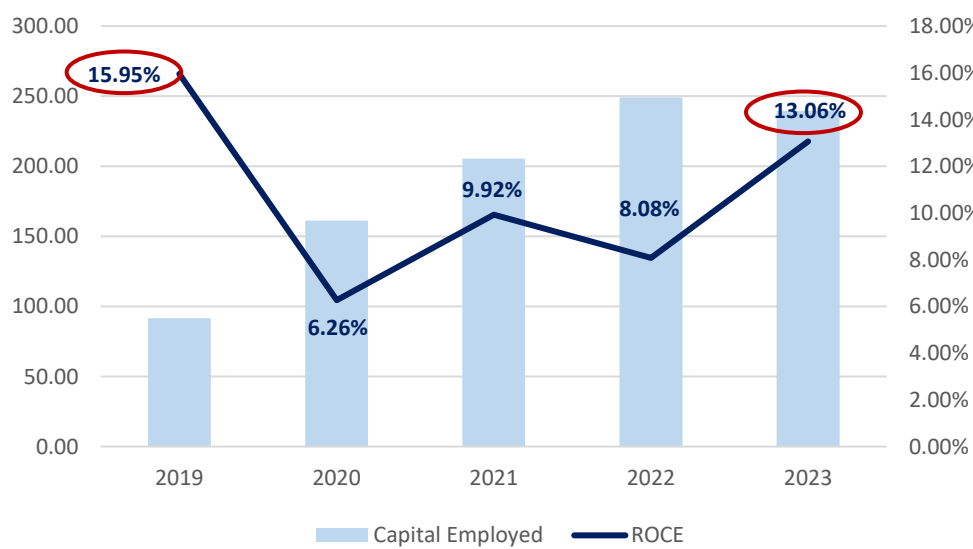
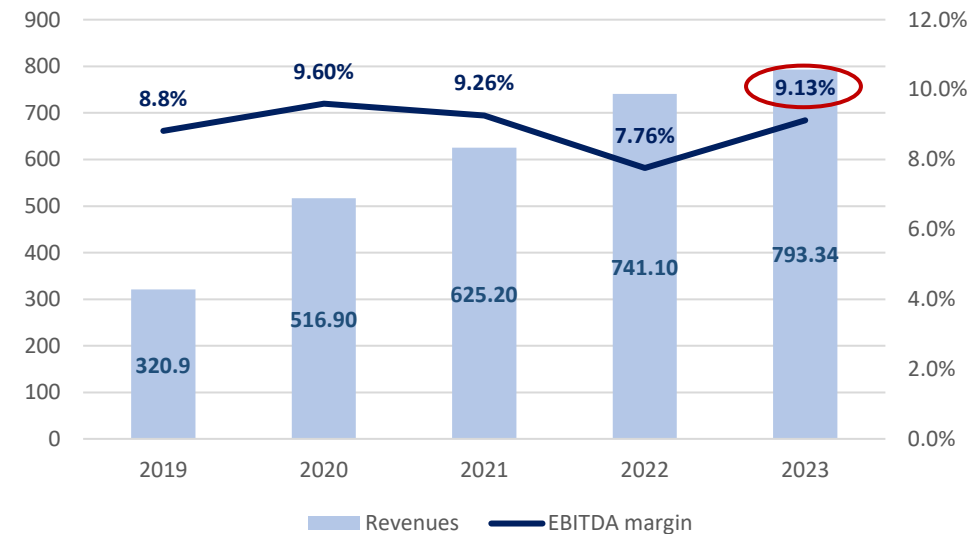
In 2023, Newlat GmbH bought an **adjacent plant**, comprised of a warehouse and an office building, amounting to a total area of **20,000 smq**.

The warehouse will be completely **automated** → an annual saving of ca. €2 millions as a considerable number of pallets are stored at third party warehouses at the moment



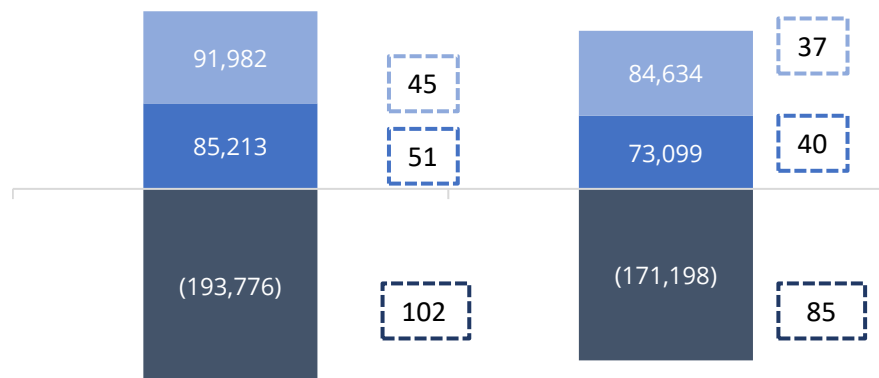
Exp. Payback period: 4.5 years

Continuous improvement in KPIs



NWC and Cash Conversion Cycle

NTWC in € thousand



FY 2022

FY 2023

DSO

DIO

DPO

In € thousand	FY 2022	FY 2023
Inventory	85,213	73,099
Trade Receivables	91,982	84,634
Trade Payables	(193,776)	(171,198)
NTWC	(16,581)	(13,465)
Other current assets	20,933	23,852
Other current liabilities	(25,342)	(34,617)
NWC	(20,990)	(24,230)

Net Working Capital improved compared to 2022. In particular:

- **Lower inventory levels** as a natural shift to normal levels after buying larger amounts of ambient and long shelf-life raw materials in 2022 to stock up.
- **Lower receivables and payables** as a result of shorter payment terms from clients and to suppliers.

Cash Conversion Cycle is still negative (-8 days), confirming Newlat's ability to collect cash before paying out suppliers.

Overall, the 2023 figures indicate a **normalization of working capital** management following the uniquely adverse trends experienced in 2022, which were primarily attributed to the challenging economic conditions brought on by inflation.

Free cash flow analysis

Newlat reported a **positive FCF of €20.8 million** in FY 2023 despite a **substantial CAPEX spending initiated in Q4 2023**, which resulted in a **total CAPEX of €24.9 million** attributed to investments in PPE aimed at enhancing efficiency.

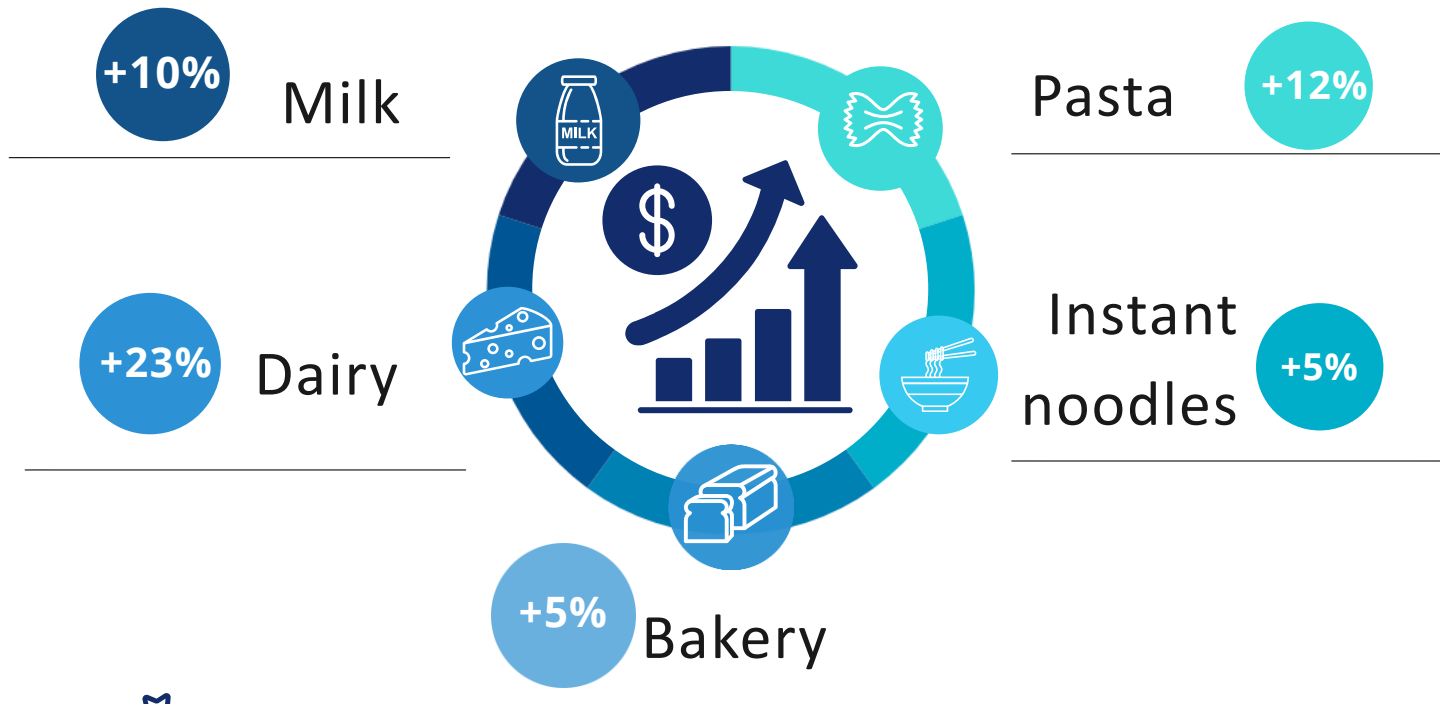
- The robust **cash flow from operations (€56.1 million)**, supported by a substantial increase in EBITDA, laid the groundwork for this positive FCF.
- Good working capital management with a marginal decrease of €0.1 million.

The ability to maintain a positive FCF, in light of significant investments to boost plant efficiencies, underscores Newlat's resilient operational model and financial health.

Cash Flow Generation (€m)	FY 2023
Adj. EBITDA	72.4
Net Interest Costs/Profit	-11.6
Δ Net Working Capital	-0.1
Tax & Other	-4.6
Cash Flow from Operations (A)	56.1
CAPEX	-24.9
Other Investments	
Acquisition/Dismissal	-1.0
IFRS 16 CAPEX	-10.4
Cash Flow from Investing activities (B)	-36.3
Underlying FREE CASH FLOW	20.8

Current trading 2024

The first two months of 2024 have marked an **organic sales increase of +7%** at Group level, in particular:



These figures give us an extremely positive perspective for 2024

YTD 2024 Revenues:
135.7 million +7% vs. 126.7 million 2023

YTD EBITDA:
€12.9 million vs. €12.0 m in 2023 → +7.8% vs
first two months of 2023
YTD EBITDA margin: 9.5% vs. 9.4% in the first
two months of 2023

→ particularly remarkable as usually the first
months of the year tend to be very flat in terms
of sales growth

2024 outlook

The Newlat Food management confirms its commitment in 2024 in regards to:



Positive organic growth

Positive organic growth outlook thanks to expansion in European and international markets



Innovation and investments

Industrial efficiency and product innovation investments made in 2023 to start showing some of their positive contribution



M&A focus

Hold strong strategic focus on M&A:
4 dossiers under analysis



Increased margins

Margins expected to increase in absolute terms vs. 2023, while keeping margin % stable compared to FY2023, despite deflation and potential reduction in prices in 2024.



Increased exports

Increased exposure to international markets and consolidation of partnerships with important industrial counterparts;



Financial statements



Consolidated Income Statement

(In € thousand)	31 December	
	2023	2022
Revenue from clients' contracts	793,339	741,094
Cost of goods sold	(656,186)	(607,693)
Gross margin	137,154	133,400
Sales and distribution expenses	(89,912)	(89,509)
Administrative expenses	(23,801)	(21,746)
Net write-offs of financial activities	(1,378)	
Other income	10,920	5,238
Income from Business Combination	4,793	-
Other operational costs	(6,496)	(6,015)
EBIT	31,280	20,121
Financial income	9,777	2,058
Financial expenses	(21,341)	(12,278)
EBT	19,715	9,901
Income tax	(4,203)	(3,304)
Net profit	15,512	6,597
Net income attributable to third parties	1,188	374
Group Net Income	14,324	6,223
Basic EPS	0.34	0.16
Diluted EPS	0.34	0.16

Balance sheet

<i>In € thousand</i>	31 December 2023	31 December 2022
Non-current assets		
Property, plant and equipment	164,732	154,106
Right of use	43,773	46,509
Intangible assets	91,548	92,345
Investments measured with equity method	1,401	1,401
Non-current financial assets valued at fair value with impact on I/S	777	1,213
Financial assets stated at amortized cost	800	801
Deferred tax asset	6,362	7,148
Total non-current assets	309,392	303,522
Current assets		
Inventory	73,099	85,213
Account receivables	84,634	91,982
Current tax assets	1,323	1,889
Other receivables and current assets	22,529	19,045
Current financial assets valued at fair value with impact on I/S	69	6,525
Financial claims valued at amortised cost	13,099	13,099
Cash and cash equivalents	312,459	287,820
Total current assets	507,213	505,573
TOTAL ASSETS	816,604	809,094

<i>In € thousand</i>	31 December 2023	31 December 2022
Equity		
Share capital	43,935	43,935
Reserves	102,079	77,296
Currency translation reserve	(1,703)	(2,982)
Net Income	14,325	6,223
Total Group Equity	158,636	124,471
Equity attributable to non-controlling interests	16,022	14,834
Total Consolidated Equity	174,658	139,305
Non-current liabilities		
Provisions for employees	10,951	11,399
Provisions for risks and charges	2,337	2,038
Deferred tax liabilities	22,868	19,991
Non-current financial liabilities	290,466	304,723
Non-current lease liabilities	37,160	39,173
Other non-current liabilities	-	-
Total non-current liabilities	363,783	377,324
Current liabilities		
Account payables	171,198	193,776
Current financial liabilities	64,653	65,780
Current lease liabilities	7,694	7,567
Current tax liabilities	2,988	3,688
Other current liabilities	31,630	21,654
Total current liabilities	278,163	292,466
TOTAL EQUITY AND LIABILITIES	816,604	809,094

Cash flow statement

(In € thousand)	31 December	
	2023	2022
Earnings before tax	19,715	9,901
- <i>Adjustments for:</i>		
Depreciation and amortization	41,665	36,283
Financial expenses/(income)	11,564	10,220
Other income from business combination	(4,793)	
Cash flow from operating activities before changes in NWC	68,152	56,404
Change in inventory	14,231	(21,332)
<i>Change in account receivables</i>	11,462	(26,397)
Change in account payables	(29,836)	15,826
Change in other assets and liabilities	4,026	(5,215)
Use of provisions for risks and charges and employees	(1,039)	(678)
<i>Tax paid</i>	(4,606)	(824)
Cash flow from operating activities	62,391	17,784
Investments in PPE	(22,807)	(14,477)
<i>Investments in intangible assets</i>	(2,132)	(979)
Investments in financial assets	6,648	(6,390)
Deferred considerations for acquisitions		
Lylag acquisition	(1,000)	(300)
Cash flow from investing activities	(19,290)	(22,146)

(In € thousand)	31 December	
	2023	2022
Proceeds from long-term debt	30,482	53,263
<i>Repayments of long-term debt</i>	(50,266)	(97,256)
Principal repayments of lease obligations	(10,368)	(13,645)
Net interest paid	(11,564)	(10,220)
Dividend paid		
<i>Purchase of minority interest</i>	-	(17)
Own shares	18,854	(11,732)
Cash flow from financing activities	(18,463)	(79,607)
Net change in cash and cash equivalents	24,637	(83,970)
Cash and cash equivalents at the beginning of the period	287,820	384,888
Cash compensation	-	(13,099)
Total net change in cash and cash equivalents	24,637	(83,969)
Cash and cash equivalents at the end of the period	312,459	287,820

Appendix

Plant distribution



- **Cutting-edge and highly efficient manufacturing set-up** combined with available untapped production capacity to satisfy potential future growth (organic and inorganic) and demand.
- Possibility **to increase volumes without additional investment.**
- **Scalable and automatized** production platform with **dedicated R&D team in place.**
- **Ozzano Taro factory**, specialized in Gluten Free, Low Protein and in Baby Food products is the sole Italian plant in Italy capable of producing **baby milk powder** and other related products.
- **Top-flight, extensive and value-added certifications** (organic, halal, kosher, vegan products, etc...).

Plant distribution - Italy



- **Cremona** – Pasta 🌿
- **Ozzano Taro** – Special products 🌿
(gluten free, protein free & baby food)
- **Torino** – Milk & Dairy products 🌿
- **Firenze** – Milk & Dairy products
- **Vicenza** – Milk & Dairy products
- **Rapallo** – Milk & Dairy products 🌿
- **Sansepolcro** – Pasta & Bakery products
- **Lodi** – Dairy products
- **Reggio Emilia** – Milk and Dairy Products
- **Fara San Martino** – Pasta 🌿
- **Eboli** – Pasta 🌿
- **Centrale del latte di Salerno** – Milk Products

🌿 Plants with BIO certification

• **Cutting-edge and highly efficient manufacturing set-up** combined with available untapped production capacity to satisfy potential future growth (organic and inorganic) and demand.

• Possibility **to increase volumes without additional investment.**

• **Scalable and automatized** production platform with **dedicated R&D team in place.**

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Key Facts

🏭 **5 Pasta and bakery Product factories**
271k/-22 tons/year

🏭 **1 plant for gluten free, protein free & baby food**
43k tons/year

🏭 **7 Milk processing factories**
450k tons/year

🏭 **2 Mills**
200k tons/year

🏭 **4 plants for instant foods**

Selected certifications

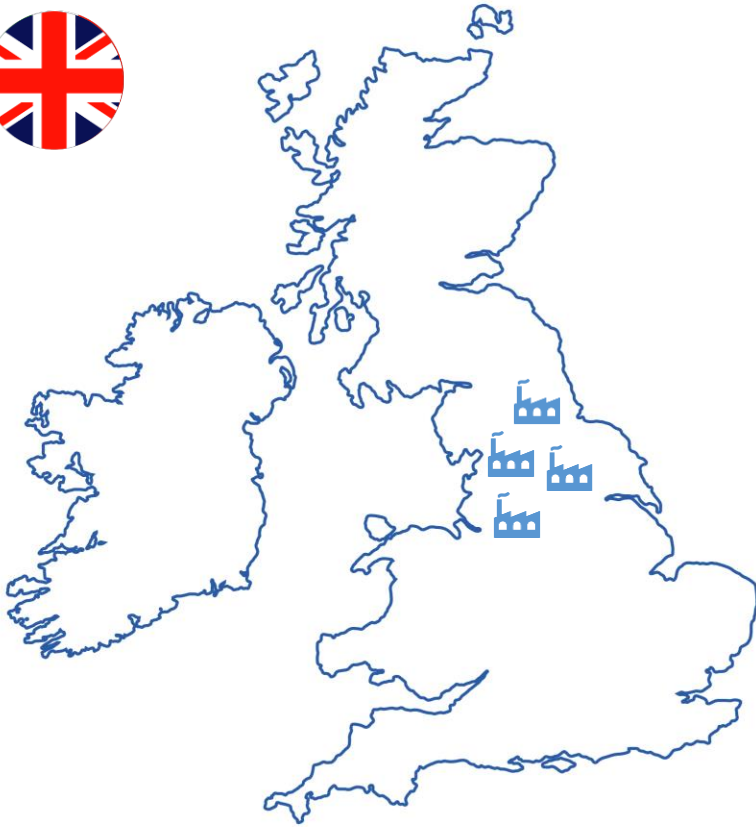
Organic / Non - GMO



Other



Plant distribution - UK




- **Leeds** – Dry snacking facility
- **Leeds** – Warehouse & distribution
- **Bradford** – Croutons & bread snacks
- **Durham** – Wet meals facility

 Plant with BIO certification

- **3 factories** and packing facility
- **Own label** capabilities across multiple categories
- Turnover **>130m**
- **50%** Branded/ **50%** OL mix
- **+900** employee

Key Facts

 **5 Pasta and bakery Product factories**
271k/-22 tons/year

 **1 plant for gluten free, protein free & baby food**
43k tons/year

 **7 Milk processing factories**
450k tons/year

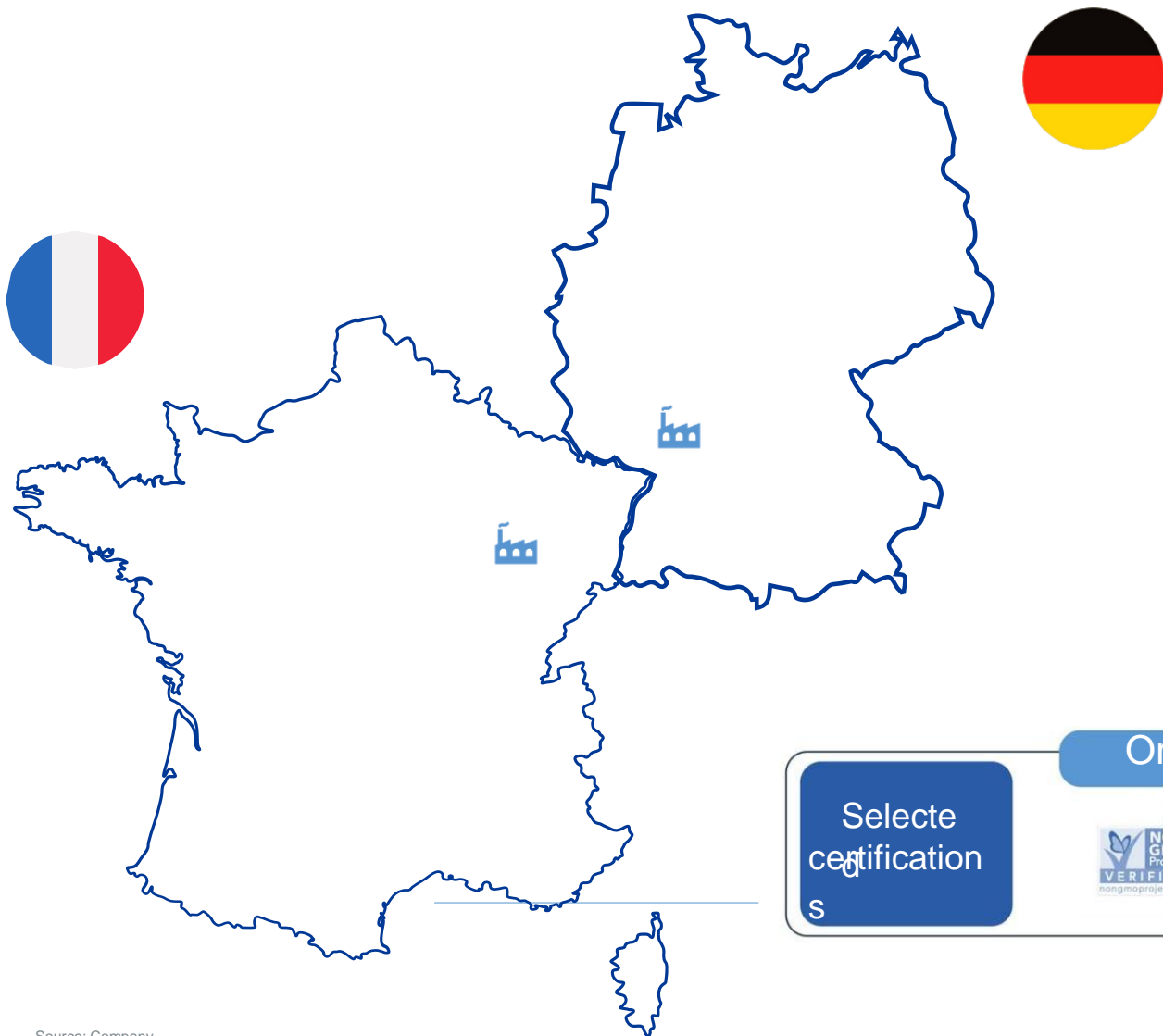
 **2 Mills**
200k tons/year

 **4 plants for instant foods**


Selected certifications



Plant distribution - Germany and France



Key Facts

- **Mannheim – Pasta** 
45,000 tons/year
- **Ludres – Baking mixes**
25,000 tons/year

ca. 200 km distance from Ludres to Mannheim
allowing for easy transportation to and from
Central Europe’s most important economies

 Plant with BIO certification

Selecte certification

Organic / Non -

Othe

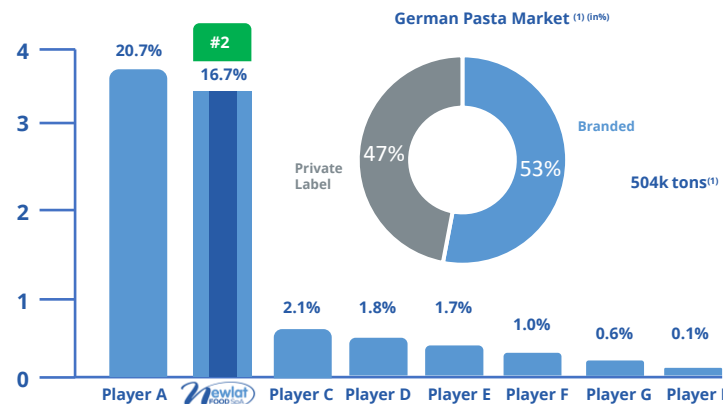


Attractive positions in major European Food segments with potential to grow in Health & Wellness market

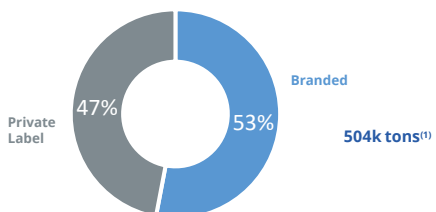


Newlat is the leading player on branded pasta market in Germany

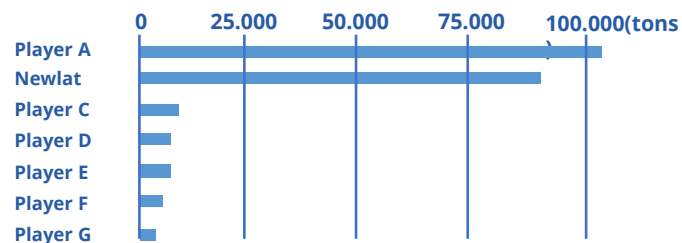
Competitive landscape ⁽¹⁾



German Pasta Market ⁽¹⁾ (in %)



Top producers - Germany branded⁽²⁾



- **#2 player** in the resilient German Pasta market (~5x larger than the closest competitor).

- In Germany, Newlat is present in **both branded Italian and German segments**.

- **#1 German branded pasta producer** with Birkel / 3 Glocken brands.

- **#2 Italian branded pasta producer** with Pezzullo and Delverde brands.

- **Strong market positions** in the Italian market.

- **#2 largest player** in Bread substitutes
- **#3 largest player** in Rusks.
- **#3 largest player** in Fresh milk, UHT milk and mascarpone, with a leading position in terms of production capacity.
- **#5 largest player** in instant noodles only 1 year after category launch with positive sales trend YoY.

- **High-valued potential** of Newlat to address the **fast growing whole wheat and gluten-free food categories**, especially for pasta and bakery product.



Newlat has attractive market positions in its key segments (Italy)^{(3) (4)}

Milk and dairy products



UHT milk



Fresh milk



Butter

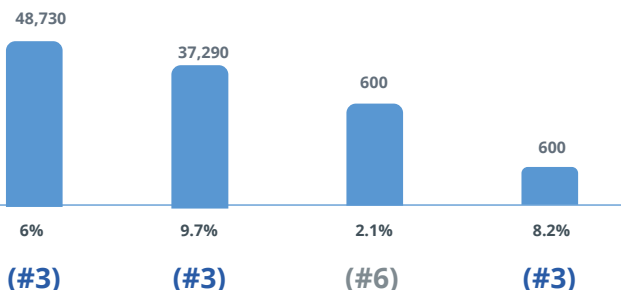


Mascarpone

Market Size
In volume
(tons)

Market
Market share

Ranking



Pasta and bakery products



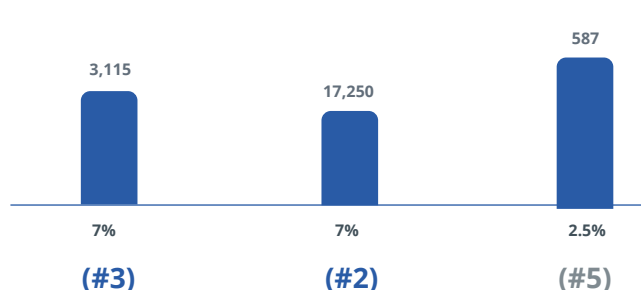
Rusks



Bread substitutes



Instant noodles*

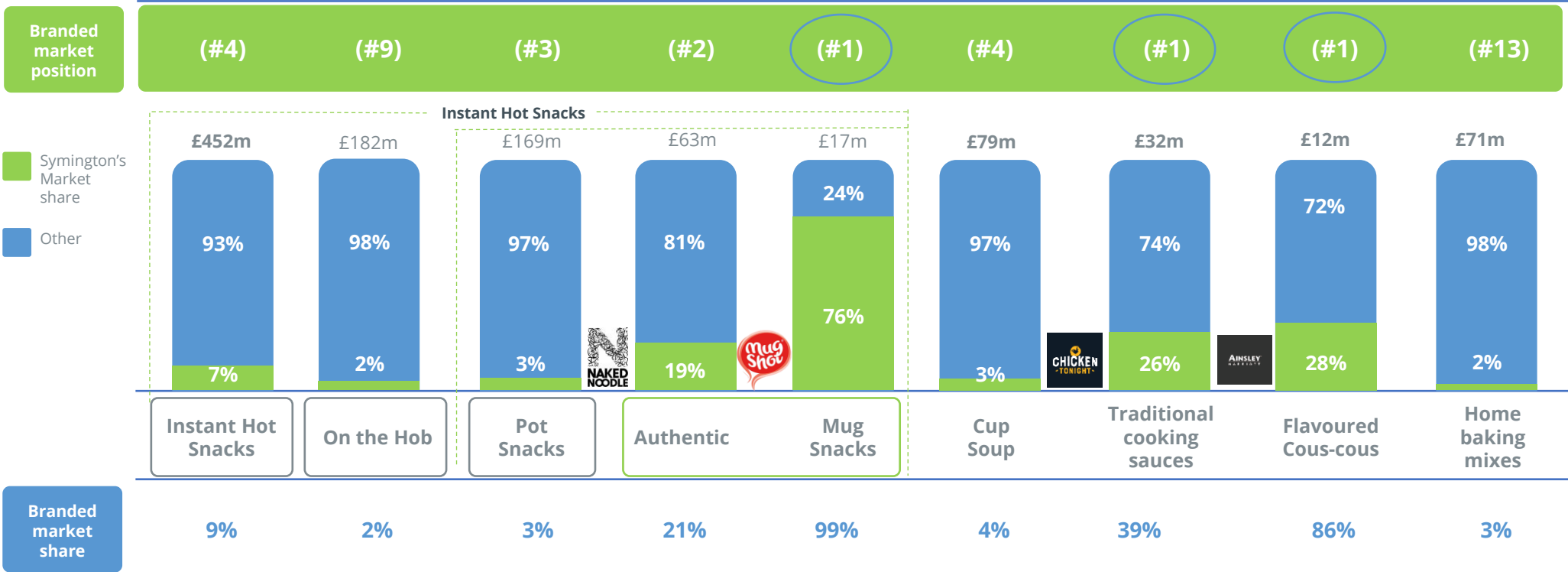


Sources: company information, IRI

Notes: Notes: (1) As per Circana, YTD Sep-23 data in volume market share; (2) As per Circana, MAT Sep-23 full year data in volume (3) As per IRI, LTM Oct-23 data in volume; (4) Includes only large retailers sales;



Symington's holds leading market positions in each of its core categories



Note: On the Hob includes Block Noodle, Packet Pasta and Packet Rice.
Category data as of 12 Nov 2022 to 4 Nov 2023
Source: Nielsen





UPCOMING EVENTS

29 April

Annual Shareholders' Meeting

13 May

Q1 2024 Earnings release

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