



Europastry increases its net turnover by 10.9% in the second quarter of 2024 and increases its Adjusted EBITDA margin to 17.3%

The Company confirms its solid growth prospects thanks to an increase in its customer base, product innovation, and the quick integration of DeWi Back in Germany.

Ongoing Q3 trading performance reinforces the current growth acceleration trend, with year-on-year net turnover growth of 15.7% for the July-August period.

Adjusted EBITDA margin improves compared to the previous year thanks to the continued focus on the foodservice and traditional bakery channels, its product mix, and new markets development.

The company considers that it is in a solid position to meet its objectives of net turnover growth for 2024E of low-to-mid teens while it continues to increase its margins.

4 September 2024- Europastry, S.A. (“Europastry” or the “Company”), a specialist in premium quality frozen bakery products and a top-five player in the global frozen bakery market, accelerated its growth in the second quarter of the year.

Europastry increased its net turnover between April and June 2024 by 10.9% (of which approximately 3.6 percentage points was organic growth) compared to the same period in 2023, keeping the Company on track with its targets. The inorganic growth was driven mainly by the acquisitions of DeWi Back in March 2024 and the organic growth by the expansion of the client base and product innovation. This brings Europastry’s net turnover for the six months ended June 30, 2024 to €714m, representing a period-on-period increase of 7% compared to the six months ended June 30, 2023.

During the six months ended June 30, 2024, Europastry’s customer points of sale expanded by 11% compared to year-end 2023, reaching more than 89,000 customer points of sale as of June 30, 2024. During the same period, Europastry has continued to optimize its product mix, increase customer diversification, improve the profitability of the international segment and reinforce its position in Europe through its M&A strategy, including the recent acquisition of DeWi Back in March 2024, followed by the acquisition in August 2024 of De Groot Edelgebak, B.V., a Dutch distributor of frozen breads and pastries and a leader in the foodservice channel. In addition, the Company has continued to bolster its production platform, with a new cookie production line in its Oldenzaal (Netherlands) production center, expected to be operational by late 2024, and with the successful progression of the ongoing ramp-up to full capacity of a brioche bun production line in its Azuqueca de Henares (Spain) production center.



The United States and Mexico continue to accelerate Europastry's international diversification and have been drivers of increased profitability in its international segment. Additionally, Europastry's latest acquisitions reinforce its position in premium bakery for the foodservice channel in markets such as Germany, Benelux and the United Kingdom.

Margin expansion

For the six months ended June 30, 2024, Europastry's adjusted EBITDA¹ reached €114m, which represents a period-on-period increase of 15% compared to the same period in 2023. The Company's adjusted EBITDA margin² for the six months ended June 30, 2024 increased to 16.0% from 14.9% for the six months ended June 30, 2023.

This margin expansion drove the Company's strong cash generation, with an operating cash flow³ of €106m for the six months ended June 30, 2024.

In addition, Europastry made capex⁴ investments of €47m in the six months ended June 30, 2024. Its solid investment policy allows Europastry to grow organically, with an industry-leading innovation strategy that adapts to market trends and supports Europastry's customer retention.

Since June 30, 2024, Europastry's performance has remained in line with its target net turnover growth for 2024. During the months of July and August 2024, the Company achieved net turnover of €273m, representing an increase of 15.7% compared to July and August 2023. Approximately 8.5 percentage points of this growth was organic.

Jordi Gallés, Executive President of Europastry, commented: "The increases in net turnover and adjusted EBITDA confirm that our strategy is the correct one for us to continue building our market leadership and boost our future growth. Our strategy of international expansion, product innovation and value-generating acquisitions depicts a bright future for our company and places us in an excellent position to meet our objectives in the medium and long term of sales and margin growth."

Key financial highlights

	Q2 2023	Q2 2024	Change
Net turnover	350 €M	388 €M	11%
Adjusted EBITDA	57 €M	67 €M	18%
Adjusted EBITDA Margin	16.3%	17.3%	100 bps

	H1 2023	H1 2024	Change
Net turnover	667 €M	714 €M	7%

¹ Adjusted EBITDA calculated as net result for the period attributable to the Parent Company plus net result from non-controlling interests, corporate income tax, financial result, depreciation and amortization and impairment and profit/(loss) on disposals of fixed assets (EBITDA), plus or less certain adjusted operating items.

² Adjusted EBITDA margin calculated as adjusted EBITDA divided by net turnover.

³ Operating cash flow calculated as adjusted EBITDA less maintenance and other capex, less adjusted net working capital variation.

⁴ Capex calculated as growth capex and maintenance and other capex.

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Adjusted EBITDA	99 €M	114 €M	15%
Adjusted EBITDA Margin	14.9%	16.0%	110 bps

	July-August 2023	July-August 2024	Change
Net turnover	236 €M	273 €M	15.7%

About Europastry

Europastry is a family business specialized in frozen bakery. At our core, we are bakers ready to transform baking as we know it. Respecting and honoring the tradition of artisan baking is, along with our curious spirit and our tireless pursuit of innovation, the basis of all our work. Today, Europastry is present in more than 80 countries, through our more than 5,000 employees, 27 production centers and 30 regional sales offices.

MEDIA CONTACTS

Europastry –

Lucía Bueno, lbueno@europastry.com, +34 618 794 431

H/Advisors Tinkle –

David Stürken, david.sturken@h-advisors.global, +44 (0) 799 059 5913

Carlos Jaramillo, carlos.jaramillo@tinkle.es, +34 664 11 19 01

Xana Pena, xana.pena@tinkle.es, +34 674 73 47 82

Sarah Estébanez, sarah.estebanez@tinkle.es, +35 636 62 80 41