



COOPERATIVE ENTREPRENEURSHIP IN HARMONY WITH SOCIETY

Financial Report 2024

Credits

Editors: Sven De Backer

Concept & realisation: CIGAR.AGENCY BV - WWW.CIGAR.AGENCY

Production: JARY'S DIGITAL PRINTING

Photography: Milcobel CV

Also read **MILCOBEL'S SUSTAINABILITY REPORT**
at www.milcobel.com/en/sustainability

food.be
Small country. Great food.

1. Consolidated balance sheet after profit allocation

ASSETS

(in €)	Codes	PERIOD 2024	PERIOD 2023
Formation expenses	20	62,551	84,628
FIXED ASSETS	21/28	230,586,206	240,893,725
Intangible fixed assets	21	24,782,286	28,029,564
Positive consolidation differences	9920	867,804	
Intangible fixed assets	22/27	203,527,438	202,264,472
Land and buildings	22	85,336,311	83,842,482
Plant, machinery and equipment	23	99,384,172	89,175,414
Furniture and vehicles	24	4,884,027	7,735,689
Other tangible fixed assets	26	37,526	39,977
Assets under construction and advance payments	27	13,885,402	21,470,910
Financial fixed assets	28	1,408,678	10,599,689
Companies accounted for using the equity method	9921	1,345,996	10,481,734
Participating interests	99211	1,345,996	10,481,734
Other financial assets	284/8	62,682	117,955
Shares	284	7,788	7,788
Amounts receivable and cash guarantees	285/8	54,894	110,167
CURRENT ASSETS	29/58	260,412,351	299,517,009
Amounts receivable after more than one year	29	171,683	256,605
Other amounts receivable	291	171,683	256,605
Stocks and contracts in progress	3	163,500,654	159,833,337
Stocks	30/36	163,500,654	159,833,337
Raw materials and consumables	30/31	38,256,745	37,570,407
Finished goods	33	118,104,159	111,272,316
Goods purchased for resale	34	7,139,750	10,990,614
Amounts receivable within one year	40/41	91,649,114	127,627,180
Trade debtors	40	75,898,405	116,088,481
Other amounts receivable	41	15,750,709	11,538,699
Cash at bank and in hand	54/58	4,031,323	10,801,364
Deferred charges and accrued income	490/1	1,059,577	998,523
TOTAL ASSETS	20/58	491,061,108	540,495,362

EQUITY AND LIABILITIES

(in €)

	Codes	PERIOD 2024	PERIOD 2023
EQUITY	10/15	130,911,621	140,029,175
Contribution	10/11	41,733,409	44,820,646
Capital	10	41,733,378	44,820,615
Issued capital	100	42,883,010	46,059,890
Uncalled capital	101	1,149,632	1,239,275
Outside the capital	11	31	31
Share premium account	1100/10	31	31
Revaluation surpluses	12	29,270,112	29,270,112
Consolidated reserves	9910	58,592,341	64,401,612
Translation differences	9912	2,580	2,580
Capital subsidies	15	1,313,179	1,534,225
PROVISIONS AND DEFERRED TAXES	16	19,601,884	19,703,145
Provisions for liabilities and charges	160/5	5,802,757	6,282,814
Pensions and similar obligations	160	1,152,740	1,133,197
Other liabilities and charges	164/5	4,650,017	5,149,617
Deferred taxes	168	13,799,127	13,420,331
AMOUNTS PAYABLE	17/49	340,547,603	380,763,042
Amounts payable after more than one year	17	94,356,373	131,467,152
Financial debts	170/4	89,471,054	125,669,169
Credit institutions	173	89,471,054	125,669,169
Other amounts payable	178/9	4,885,319	5,797,983
Amounts payable within one year	42/48	244,401,008	248,443,005
Current portion of amounts payable after more than one year falling due within one year	42	36,338,540	29,011,905
Financial debts	43	15,000,000	—
Credit institutions	430/8	15,000,000	—
Trade debts	44	161,569,020	174,234,856
Suppliers	440/4	161,569,020	174,234,856
Advances received on contracts in progress	46	837,501	1,014,581
Taxes, remuneration and social security	45	27,411,389	27,047,293
Taxes	450/3	2,988,841	5,730,116
Remuneration and social security	454/9	24,422,548	21,317,177
Other amounts payable	47/48	3,244,558	17,134,370
Accruals and deferred income	492/3	1,790,222	852,885
TOTAL LIABILITIES	10/49	491,061,108	540,495,362

2. Consolidated income statement

(in €)	Codes	PERIOD 2024	PERIOD 2023
Operating income	70/76A	1,312,880,871	1,315,379,912
Turnover	70	1,291,493,578	1,305,500,104
Stocks of finished goods and work and contracts in progress: increase (decrease)	71	6,831,843	-8,148,540
Other operating income	74	12,391,159	15,230,389
Non-recurring operating income	76A	2,164,291	2,797,959
Operating expenses	60/66A	1,299,291,587	1,317,349,957
Goods for resale, raw materials and consumables	60	921,055,992	946,387,107
Purchases	600/8	920,291,465	948,506,230
Stocks: decrease (increase)	609	764,527	-2,119,123
Services and miscellaneous goods	61	189,314,517	185,405,154
Remuneration, social security charges and pensions	62	138,575,640	133,807,266
Depreciation of and other amounts written down on formation expenses, intangible and tangible assets	630	32,878,705	33,316,142
Amounts written off stocks, contracts in progress and trade debtors: additions (write-backs)	631/4	-52,653	1,920,208
Provisions for liabilities and charges: additions (uses and write-backs)	635/8	-140,709	486,978
Other operating expenses	640/8	7,719,812	7,669,619
Depreciation on positive consolidation differences	9960	45,674	—
Non-recurring operating expenses	66A	9,894,609	8,357,483
OPERATING PROFIT (LOSS)	9901	13,589,284	-1,970,045
Financial income	75/76B	3,517,550	3,798,294
Recurring financial income	75	3,517,550	3,798,294
Income from current assets	751	2,951,352	3,367,166
Other financial income	752/9	566,198	431,128
Financial charges	65/66B	13,037,901	12,299,485
Recurring financial charges	65	13,037,901	12,299,485
Debt charges	650	10,879,275	10,273,690
Other financial charges	652/9	2,158,626	2,025,795
PROFIT (LOSS) FOR THE PERIOD BEFORE TAXES	9903	4,068,933	-10,471,236

(in €)	Codes	PERIOD 2024	PERIOD 2023
Transfer from deferred taxes	780	476,541	1,711,900
Transfer to deferred taxes	680	855,338	649,295
Income taxes	67/77	10,147,109	2,288,376
Taxes	670/3	17,312,333	2,405,934
Adjustment of taxes and reversal of tax provisions	77	7,165,224	117,558
PROFIT (LOSS) OF THE PERIOD	9904	-6,456,973	-11,697,007
Share in the result of companies to which the equity method has been applied	9975	231,817	129,842
Profit	99751	231,817	158,916
Loss	99651	—	29,074
CONSOLIDATED PROFIT (CONSOLIDATED LOSS)	9976	-6,225,156	-11,567,165
Of which:			
Share of the group in the result	99762	-6,225,156	-11,567,165

3. Explanatory disclosures

1. List of the consolidated subsidiary companies and companies included using the equity method

NAME, full address of the REGISTERED OFFICE and for an enterprise governed by Belgian law, the COMPANY IDENTIFICATION NUMBER	The equity method (¹)	Proportion of capital or contribution held (²) (in %)	Change of percentage of capital held or contribution held (as compared to the previous period)
Milcobel Dairy - BE 0870.017.447 - Public limited company Fabriekstraat 141, 9120 Kallo (Beveren-Waas), Belgium	F	100.00	0.00
Kaasimport Dupont - BE 0405.109.216 - Public limited company Lieven Bauwensstraat 9, 8200 Sint-Andries, Belgium	F	100.00	0.00
Cheeseline - BE 0441.187.078 - Public limited company Lieven Bauwensstraat 9, 8200 Sint-Andries, Belgium	F	100.00	0.00
Camal - BE 0412.859.912 - Public limited company Route de Légipont 12, 4671 Blégny, Belgium	F	100.00	0.00
Ysco - BE 0472.336.451 - Public limited company Fabriekstraat 141, 9120 Kallo (Beveren-Waas), Belgium	F	100.00	0.00
Ysco France sas Avenue de la 2e DB 53, 61208 Argentan, France	F	100.00	0.00
Ysco holding France sas Rue de la Gare 3087, 59299 Boeschepe, France	I	100.00	0.00
Kaasbrik - BE 0423.910.091 - Public limited company Industriepark 1216, 3545 Halen, Belgium	F	100.00	0.00
Milcobel Asia LTD. Room 7/03, 7F, Austin Tower, Austin Avenue 22-26, Tsim Sha Tsui, Hong Kong	F	100.00	0.00

NAME, full address of the REGISTERED OFFICE and for an enterprise governed by Belgian law, the COMPANY IDENTIFICATION NUMBER	The equity method (¹)	Proportion of capital or contribution held (²) (in %)	Change of percentage of capital held or contribution held (as compared to the previous period)
Héritage 1466 - BE 0425.964.513 - Public limited company Rue de Charneux 32, 4650 Herve, Belgium	E4	20.00	0.00
Kaasbrik - BE 0423.910.091 - Public limited company Industriepark 1216, 3545 Halen, Belgium	F	100.00	0.00

(1) F: Full consolidation

E3: Equity method used in a subsidiary company which is in liquidation, which has decided to cease activities or which can no longer be considered as carrying on the business (article 3:99 and 3:100 of the aforementioned Royal Decree).

E4: Equity method used in a joint subsidiary company where its activities cannot be closely integrated into the activities of the enterprise having the joint control (article 3:124, second al. of the aforementioned Royal Decree).

(2) Proportion of the capital or contribution of those enterprises being held by the enterprises included in the consolidated accounts and persons acting in their own names but on on these enterprises.

2. Consolidation criteria and changes in the consolidation scope

If of material significance, indicate the criteria used to apply the full consolidation, proportional consolidation and equity method and the cases, with justification, in which these criteria are departed from (pursuant to Article 3:156, I. of the Royal Decree of 29 April 2019 implementing the Belgian Code on Companies and Associations).

The full consolidation method is applied to all companies in which the consolidating company directly or indirectly exercises control, in law or in fact. Companies in which control is shared are included in the consolidated financial statements according to the full method or according to the equity method, depending on the degree of integration with Milcobel. Participating interests in associated companies were valued and included applying the equity method.

Information enabling a meaningful comparison with the consolidated financial accounts for the previous financial year, if the composition of the consolidated entity has undergone a significant change during the financial year (pursuant to Article 3:102 of the aforementioned Royal Decree)

In the last quarter of 2024, the entities Jokali and KJD Consult were liquidated and no longer included in the consolidation scope. This resulted in a change in consolidated reserves amounting to EUR 7M and negative impact on earnings amounting to EUR 52K. In July 2024, 100% shares of Kaasbrik Invest BV were acquired by Kaasbrik NV and will therefore be fully consolidated.

This produced a positive consolidation difference of EUR 913K, which will be amortised over 10 years.

3. Valuation rules

Indicate the criteria of material significance used for valuing the various items of the consolidated financial statements, in particular:

- for the formation and adjustment of depreciation, write-downs and provisions for liabilities and charges, as well as revaluations (pursuant to Article 3:156, VI.a. of the Royal Decree of 29 April 2019, implementing the Belgian Code on Companies and Associations).
- for the bases of converting amounts expressed or originally expressed in a currency other than the currency in which the consolidated financial statements are drawn up and of the accounting statements of subsidiaries and associated companies governed by foreign law (pursuant to Article 3:156, VI.b. of the aforementioned Royal Decree).



ASSETS

Formation expenses

Formation expenses are subject to linear depreciation at 20%.

Intangible fixed assets

Acquisitions and contributions of intangible fixed assets are booked to the assets side of the balance sheet at the acquisition price or contribution value and are subject to linear depreciation according to the following percentages:

	min.	max.
1. Research and development costs	20	20
2. Concessions, patents, licences, brands, etc.	10	20
3. Goodwill	10	20
4. Advance payments	0	0
5. Software	10	20

Consolidation differences

The consolidation differences represent the divergences between, on the one hand, the acquisition value and, on the other hand, the corresponding portion of equity on the date the shares were acquired or on a date close to it.

Insofar as these differences originate in an overvaluation or undervaluation of certain asset or liability items, they are allocated accordingly. The remaining difference is recorded in the consolidated accounts under the item ‘consolidation differences’ on the assets or liabilities side of the balance sheet, according to whether the acquisition value is greater or less than the share in shareholders’ equity (possibly revised).

Capitalised consolidation differences are subject to linear depreciation over a period between five and ten years. Additional or extraordinary depreciation is applied to these differences when, as a result of changes in economic conditions, retaining them at that value in the consolidated balance sheet can no longer be justified.

During 2024, as a result of the acquisition of Kaasbrik Invest, positive consolidation differences were identified that will be charged to earnings over a 10-year period. The Board considers the 10-year term reasonable in light of the expansion of shredding activities and the related future income.

Negative consolidation differences are booked to the liability side. They only benefit the consolidated P&L account to cover operating losses, due to reasons existing at the time of the acquisition (overcapacity, overstaffing) and within a limited period of time. They are booked to code 9960 ‘Depreciation of positive consolidation differences’.

Tangible fixed assets

Tangible fixed assets are booked to the asset side of the balance sheet at their acquisition price (including additional costs) or their contribution value.

In 2022, as part of the sale of a site by Milcobel Dairy NV, an independent valuation was performed on land located in Fabriekstraat in Beveren.

In 2023, the scope of this independent valuation was broadened to include all land owned by the group. This increased the value of land booked as tangible fixed assets by 14.5 million euro (rounded off). The ‘equilibrium value’ served as the basis, as calculated by the independent estimator, minus a downward safety margin of 25%.

The depreciation percentages are as follows:

	min.	max.
1. Industrial, administrative and commercial buildings	3	10
2. Plant, machinery and equipment	5	25
3. Vehicles	10	25
4. Office equipment and furniture	10	33
5. Other tangible fixed assets	3	20
6. Assets under construction and advance payments	0	0
7. Leasing and similar rights	according to the category to which the asset belongs	

Stocks

- Raw materials: acquisition value according to the weighted average price or lower market value on the balance sheet date for solid and liquid dairy products and for ice cream activities.
- Spare parts: acquisition value according to the weighted average.
- Consumables and goods purchased for resale: acquisition value according to the weighted average price or lower market value on the balance sheet date for solid dairy produce and for ice cream activities;
 - acquisition value according to the FIFO method or lower market value on the balance sheet date for liquid dairy produce;
 - acquisition value according to the weighted average price, according to the FIFO method or according to individualisation of the price of each component for the cheese distribution, according to the nature of the product. The acquisition value must not exceed the market value on the balance sheet date.
- Finished goods: valuation at the manufacturing price or market value, if this is lower on the balance sheet date;
 - the manufacturing price includes, in addition to the cost of purchasing raw materials, consumables and auxiliary materials, production costs directly attributable to an individual product or product groups.

As a result of operational issues following the SAP go-live (Project Syry), stock (scrap) amounting to EUR 2.4M was booked to the extraordinary result during 2024.

Amounts receivable after more than one year and within one year

Amounts receivable are included at nominal value. Write-downs are booked to these receivables when there is uncertainty about the collectability of the receivables.

Cash investments

Shares and fixed income securities: acquisition value
Credit balances with financial institutions: nominal value

Cash at bank and in hand

Valuation at nominal value.



LIABILITIES

Consolidated reserves

Group reserves include the reserves and results carried forward of the consolidating company, the Group's share of the results, net of dividends allocated, of the fully and proportionally consolidated companies and companies to which the equity method has been applied.

Revaluation surpluses

The land revaluation is based on an appraisal report prepared by an independent body with proven experience in transactions involving land, sites and buildings, whereby the estimated value must be verified against one or more actual transactions within the same location or municipality/province.

In 2022, as part of the sale of a site by Milcobel Dairy NV, an independent valuation was performed on land located in Fabriekstraat in Beveren.

In 2023, the scope of this independent valuation was broadened to include all land owned by the Group. This increased the value of land booked as tangible fixed assets by 14.5 million euro (rounded off). The 'equilibrium value' served as the basis, as calculated by the independent estimator, minus a downward safety margin of 25%.

Capital subsidies

Capital subsidies are valued at the nominal value after deducting deferred taxes.

Provisions for liabilities and charges

Based on a prudent estimate, the Board of Directors decides which provisions should be made to cover the

costs of early retirement, major repairs and maintenance, claims settlements, guarantees provided, hedging risks and any other risks and costs that are likely or certain as of the balance sheet date, but the extent of which is not yet known.

Deferred taxes and latent liabilities

Deferred taxes and latent liabilities are booked:

- to the differences resulting from the application of the Group's valuation rules in relation to the statutory valuation rules of the Group's companies
- to temporary differences between accounting and tax results
- to the allocated not yet depreciated capital subsidies and exempt capital gains included in the company's equity.

Amounts payable after one year and within one year

Amounts payable are booked at their nominal value.

Accruals and deferred income

Revenue and expenses are allocated to the period to which they apply.

Foreign currency

Foreign currency receivables and payables are valued at the exchange rate on the balance sheet date. Negative exchange rate differences are booked to the result. Positive exchange rate differences are booked to accruals and deferred income on the liabilities side.

4. Methods of calculating deferred taxes

Detailed description of the methods used to determine deferred taxes

Deferred taxes and latent liabilities are booked:

- to the differences resulting from the application of the Group's valuation rules in relation to the statutory valuation rules of the Group's companies
- to temporary differences between accounting and tax results;
- to the allocated not yet depreciated capital subsidies and exempt capital gains included in the company's equity.

DEFERRED TAXES AND LATENT LIABILITIES		
Deferred taxes	(168)	13,799,127
Future taxation (Pursuant to article 3:54 of the Royal Decree of 29 april 2019 in implementation of Company and Association Law)	1681	378,797
Deferred taxes (Pursuant to article 3:119 of aforementioned Royal Decree)	1682	13,420,330

5. Statement of formation expenses

		PERIOD 2024
Net book value at the end of the previous financial year	20P	84,628
Movements during the financial year		
Depreciation	8003	22,077
Net book value at the end of the financial year	(20)	62,551

6. Statement of intangible fixed assets

	CONCESSIONS, PATENTS, LICENCES, KNOW-HOW, BRANDS AND SIMILAR RIGHTS (code 211)	GOODWILL (code 212)	ADVANCE PAYMENTS (code 213)
Acquisition value at the end of the previous financial year	44,835,464	8,902,548	8,862,942
Movements during the financial year			
Acquisitions, including produced fixed assets	2,335,069	608,161	3,494,318
Sales and disposals	—	—	5,361,188
Transfers from one heading to another	1,412,578	—	-1,412,578
Other movements	—	—	-165,767
Acquisition value at the end of the financial year	48,583,111	9,510,709	5,417,727
Depreciations and amounts written down at the end of the previous financial year	28,095,440	6,475,950	—
Movements during the financial year			
Booked	3,621,468	384,362	—
Other movements	—	152,040	—
Depreciations and amounts written down at the end of the financial year	31,716,908	7,012,352	—
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR	16,866,203	2,498,357	5,417,727

7. Statement of tangible fixed assets

	LAND AND BUILDINGS (code 22)	PLANT, MACHINERY AND EQUIPMENT (code 23)	FURNITURE AND VEHICLES (code 24)
Acquisition value at the end of the previous financial year	132,362,405	441,884,524	50,487,634
Movements during the financial year			
Acquisitions, including produced fixed assets	1,155,406	9,057,483	1,007,656
Sales and disposals	95,514	1,688,276	1,200,691
Transfers from one heading to another	3,669,896	21,924,971	302,365
Other movements	1,419,340	204,929	6,457
Acquisition value at the end of the financial year	138,511,533	471,383,631	50,603,421
Revaluation surpluses at the end of the previous financial year	29,270,112	—	—
Revaluation surpluses at the end of the financial year	29,270,112	—	—
Depreciations and amounts written down at the end of the previous financial year	77,790,034	352,709,110	42,751,945
Movements during the financial year			
Booked	4,209,678	20,676,234	3,962,435
Cancelled owing to sales and disposals	95,514	1,588,850	999,214
Other movements	541,136	202,965	4,229
Depreciations and amounts written down at the end of the financial year	82,445,334	371,999,459	45,719,395
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR	85,336,311	99,384,172	4,884,027

	LEASING AND SIMILAR RIGHTS (code 25)	OTHER TANGIBLE FIXED ASSETS (code 26)	ASSETS UNDER CONSTRUCTION AND ADVANCED PAYMENTS (code 27)
Acquisition value at the end of the previous financial year	25,979	596,168	21,470,910
Movements during the financial year			
Acquisitions, including produced fixed assets	—	—	18,145,956
Transfers from one heading to another	—	—	-25,897,232
Other movements	—	—	165,767
Acquisition value at the end of the financial year	25,979	596,168	13,885,401
Depreciation and amounts written down at the end of the previous financial year	25,979	556,192	—
Movements during the financial year			
Booked	—	2,450	—
Depreciations and amounts written down at the end of the financial year	25,979	558,642	—
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR	—	37,526	13,885,402

8. Statement of financial fixed assets

PARTICIPATIONS		ENTERPRISES ACCOUNTED FOR USING THE EQUITY METHOD
Acquisition value at the end of the previous financial year	8391P	9,952,470
Movements during the financial year		
Sales and disposals	8371	9,367,555
Acquisition value at the end of the financial year	8391	584,915
Changes in equity of companies at the end of the previous financial year (equity method has been applied)	99941P	529,264
Movements during the financial year		
Share in the result for the financial year	999411	231,817
Changes in the equity of companies at the end of the financial year (equity method has been applied)	99941	761,081
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR	(99211)	1,345,996

PARTICIPATIONS		OTHER ENTERPRISES
Acquisition value at the end of the previous financial year	8392P	7,788
Acquisition value at the end of the financial year	8392	7,788
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR	(284)	7,788

AMOUNTS RECEIVABLE		OTHER ENTERPRISES
Net book value at the end of the previous financial year	285/8P	110,167
Movements during the financial year		
Additions	8582	247
Repayments	8592	55,520
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR	(285/8)	54,894

9. Statement of consolidated reserves

CONSOLIDATED RESERVES		
Consolidated reserves at the end of the previous financial year	9910P	64,401,612
Movements during the financial year		
Shares of the group in the consolidated income	99002	-6,225,155
Other movements	99003	415,884
<i>change in Group structure (Jokali - KJD Consult liquidation)</i>		415,884
CONSOLIDATED RESERVES AT THE END OF THE FINANCIAL YEAR	(9910)	58,592,341

10. Statement of consolidation differences and differences after applying the equity method

POSITIVE CONSOLIDATION DIFFERENCES		
Movements during the financial year		
Following an increase in the participation interest percentage	99021	913,478
Depreciation	99041	45,674
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR	99201	867,804

11. Statement of amounts payable and accruals and deferred income (liabilities)

BREAKDOWN OF AMOUNTS PAYABLE WITH AN ORIGINAL PERIOD TO MATURITY OF MORE THAN ONE YEAR, ACCORDING TO THEIR RESIDUAL TERM	DEBTS WITHIN ONE YEAR (code 42)	BETWEEN ONE AND FIVE YEARS (code 17)	OVER FIVE YEARS (code 17)
Financial debts	36,338,540	89,471,054	—
Credit institutions	36,338,540	89,471,054	—
Other amounts payable	—	4,885,319	—
TOTAL	36,338,540	94,356,373	—

12. Net turnover

NET TURNOVER		PERIOD 2024	PERIOD 2023
Total turnover of the Group in Belgium	99083	413,028,677	459,219,661
AVERAGE HEADCOUNTS (IN UNITS) AND PERSONNEL COSTS		PERIOD 2024	PERIOD 2023
Consolidating company and fully consolidated subsidiaries			
Average number of employees (in units)	90901	1,864	1,910
Blue-collar workers	90911	1,325	1,399
White-collar workers	90921	532	504
Executive staff	90931	7	7
Personnel charges			
Remuneration and social charges	99621	140,712,771	136,374,298
Pensions	99622	71,272	60,933
Average number of employees employed in Belgium by the companies concerned	99081	1,622	1,681
NON-RECURRING INCOME		PERIOD 2024	PERIOD 2023
Non-recurring operating income	76	2,164,291	2,797,959
Non-recurring operating income	76A	2,164,291	2,797,959
Write-back of depreciation and of amounts written off intangible and tangible fixed assets	760	—	1,501,043
Capital gains on disposal of intangible and tangible assets	7630	87,873	143,631
Non-recurring operating income	764/8	2,076,418	1,153,285
Including: <i>offsetting / miscellaneous</i>		2,076,418	1,153,285
NON-RECURRING CHARGES		PERIOD 2024	PERIOD 2023
Non-recurring charges	66	9,894,609	8,357,483
Non-recurring operating expenses	66A	9,894,609	8,357,483
Other non-recurring operating expenses	664/7	9,894,609	8,357,483
Including: reorganisation costs		4,941,532	—
costs arising from project Syry		2,400,000	5,763,172
offsetting / miscellaneous		2,462,031	2,594,312

INCOME TAXES ON THE RESULT		PERIOD 2024	PERIOD 2023
Difference between taxes allocated to the consolidated income statement for the financial year and previous financial years and taxes already paid or to be paid for those financial years, insofar as the difference is of material significance with respect to taxes payable in the future			
	998085	-13.749.244	-13,312,658

13. Rights and commitments not reflected in the balance sheet

RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET		PERIOD 2024
Commitments relating to transactions on exchange rate		99093
Amount, nature and form concerning litigation and other important commitments		14,932,376
Taking into account refinancing after year-end, we can say that all agreements were respected		
Minimum guaranteed turnover 2025 of EUR 8,220K for external storage		
Commitment to purchase raw materials and packaging 2024 amounting to EUR 108,604K.		
Retirement and survivors' pension obligations for employees or company directors, charged to companies included in the consolidation		
The company has taken out a group insurance policy with a Belgian insurance company for executives and white-collar workers. The costs are borne partly by the company and partly by the individual concerned.		
Nature and financial impact of significant events after the closing date not included in the balance sheet or the income statement		nil
Nature, commercial objective and financial consequences of transactions not reflected in the balance sheet		
Provided that the risks or benefits arising from such transactions are significant and insofar as the disclosure of such risks or benefits is necessary for assessing the financial position of the company		
The loans taken out under the facilities agreement are secured by assets of the subsidiaries		

14. Relationships with affiliated companies, associated companies and the other companies linked by participating interests

AFFILIATED COMPANIES		PERIOD 2024	PERIOD 2023
Financial fixed assets			
Participating interests	9261	1,345,996	10,481,734
Amounts payable			
Within one year	9351	—	14,455,871
	9371	—	14,455,871
Transactions with affiliated parties beyond normal market conditions		nil	nil

15. Financial relationships with

DIRECTORS, MANAGERS, INDIVIDUALS OR BODIES CORPORATE WHO CONTROL THE COMPANY WITHOUT BEING AFFILIATED COMPANIES, OR OTHER COMPANIES DIRECTLY OR INDIRECTLY CONTROLLED BY THESE PERSONS

PERIOD 2024

Total amount of remuneration granted in respect of their activities in the consolidating company, its subsidiaries and associated companies, including the amount of retirement pensions granted to former directors or managers in this regard

99097

432,490

THE STATUTORY AUDITORS AND THE PERSONS WITH WHOM THEY ARE COLLABORATING

PERIOD 2024

Auditors' fees for exercising a mandate as a statutory auditor at the level of the group headed by the company publishing the information

9507

175,314

Fees for exceptional services or special assignments performed at this group by the statutory auditors

Other audit assignments

95071

52,213

Other assignments apart from auditing

95073

5,000

Fees of the persons to whom the statutory auditors are linked in exercising a statutory auditor's mandate at the level of the group headed by the company publishing the information

9509

25,000

Fees for exceptional services or special assignments performed at this group by persons to whom the statutory auditors are linked

Tax consultancy assignments

95092

181

16. For every category of derivatives not measured at fair value

Category derivative financial instruments	Hedged risk	Speculation / coverage	Scope	Financial year: book value	Financial year: fair value	Previous financial year: book value	Previous financial year: fair value
Interest rate swap	Interest	Coverage	99579144	—	686,965	—	4,205,777

Consolidated annual report 2024

In accordance with legal and statutory obligations, we have the honour to report to you on the consolidated financial statements of Milcobel CV as of 31 December 2024.

ASSETS

INTANGIBLE FIXED ASSETS (EUR 24,782,286)

They mainly concern investments in software (EUR 1.1 million) and the acquisition of greenhouse gas emission rights (EUR 2.4 million).

TANGIBLE FIXED ASSETS (EUR 203,527,438)

Investments for the financial year amount to EUR 29.4 million.

FINANCIAL FIXED ASSETS (EUR 1,408,678)

The companies with participating interests (EUR 1,345,996) relate to Héritage 1466 SA.

STOCKS (EUR 163,500,654)

Stocks account for 33.3% of the balance sheet total and increased 2.3% compared with last year.

AMOUNTS RECEIVABLE WITHIN 1 YEAR (EUR 91,649,114)

Amounts receivable decreased 28.2% compared with last year.

LIABILITIES

PROVISIONS AND DEFERRED TAXES (EUR 19,601,884)

The deferred taxes and latent liabilities item (EUR 13,799,127) originates from the difference between the commercial and tax valuation of tangible fixed assets.

AMOUNTS PAYABLE AFTER MORE THAN ONE YEAR (EUR 94,356,373)

The financial debts mainly relate to term loans taken out with various banking institutions. In 2024, there is a shift between long-term and short-term loans.

AMOUNTS PAYABLE WITHIN 1 YEAR (EUR 244,401,008)

Amounts payable decreased 1.6% compared with last year due to a decrease in trade debts.

RESULTS

OPERATING RESULTS

Sales achieved in 2024 amount to EUR 1.291 billion. This is a slight decrease of 1.07% compared with last year.

Turnover can be broken down as follows:

- 880 million was achieved by dairy activities.
- 411 million was achieved by ice cream activities.

Operating expenses amounted to EUR 1.301 billion, a decrease of 1.4% compared with last year

FINANCIAL RESULTS

Debt charges increased 5.89% compared with last year.

EVENTS

MILCOBEL PREMIUM INGREDIENTS

At the European level, milk supply grew slightly in 2024, with an increase of 0.3%. Poland and France contributed to this growth, while Ireland, Germany and the Netherlands were responsible for the biggest decreases. After months of rising dairy quotations and milk prices, the market appeared to stabilise in October 2024. Nevertheless, fat prices remained historically high, in part due to a tight supply of milk. The butter quotation was characterised by strong fluctuations in the first half of 2024, with a rapid price increase from mid-May to early June, after which it stabilised. High cream prices led to cream being used more often for other purposes than butter production, resulting in less fresh butter on the market.

Milk powders demonstrated a relatively flat price trend in 2024 with the exception of whole milk powder, which followed the same trend as butter. Mozzarella prices only picked up until September, after which they fell considerably toward the end of the year.

In 2025, fat prices started off at one of the highest levels in the last 10 years. The uncertainty of supply in 2025 due to the imminent risk of animal diseases (Bluetongue and FMD) and many leaving the industry suggests that 2025 will be a good dairy year. Protein appears to remain relatively stable as it did in 2024.

In 2025, milk purchases will once again ensure that plants will be very well stocked at least in the first half of the year and even better in the 2nd half of the year than in 2024.

The project AMI will now contribute to milk prices all year in 2025 and thus contribute more to whey valorisation than in 2024. As far as Mozzarella is concerned, we aim to maximise valorisation with the single loaf blocks. Kaasbrik will have to consolidate its position in 2025 because many shredders have more capacity and are entering the market very aggressively.

The butter market promises to remain extremely volatile in 2025, albeit at relatively high levels. With regard to powder, we expect another increase in our powder plus volumes due to slightly more milk.

MILCOBEL CONSUMER PRODUCTS

2024 was a year in which we had to focus on rebuilding the foundation of the business. Problems following the go-live of SYRY/SAP in the last quarter of 2023 were so disruptive to our overall business that the first few months of 2024 were focused on rebuilding the service level, distribution operations, as well as regaining customer confidence.

Thanks to their unwavering focus, the right action plans and good cooperation, the teams managed to improve the service level step by step and return it to normal levels by summer 2024 with SL >90%, and in the last quarter back to around the industry expectations of 98% for the retail business.

Therefore, for MCP Q4 2024 served as a starting point for us to engage in discussions with our customers regarding higher volumes, for the further recovery of our brands, and we were able to continue price negotiations, as well as work on restoring customer confidence and our profitability. The joint efforts and focus on the right corrective actions are bearing fruit in our retail business (the Brugge brand is back at number 1, additional private label references, awards at the world cheese awards as well as at the Belgian Cheese Awards). The trick now will be to sustain and further strengthen these good results so that 2025 is the year the business turns around and sustainable profitable growth gets underway.

The effect of SYRY/SAP on our MCP business had a major impact at the end of 2023 and it continued to negatively affect our volumes in the first half of 2024. Supplying our customers in a proper and timely manner is and remains the absolute minimum condition for future cooperation and growth. And this applies to Retail, Omnichannel as well as Export. The most important benchmark for our customers is our service level. We also see this positive trend continuing in 2025.

Thanks to these interventions, we can say, based on objective market data from Nielsen, that our Brugge brand regained the top position in the cheese landscape in January 2025 in terms of value, and we implemented the necessary price increases both for our branded and private label cheeses. In 2025, we see customers increasingly returning to Dupont Cheese.

This means the top priority for 2025 is still to develop our branded cheeses with a particular focus on the further expansion of our 'Brugge Cheese'. We will continue to expand the distribution of our range among existing and new customers and support it through effective marketing campaigns and special offers, with TV campaigns starting up again in the first half of 2025. We are also working on great partnerships including the Brugge cheese croquettes at Quick that are already on sale.

Our private label offerings are also providing a lot of growth opportunities especially at hard discounters, where we have already received confirmation that in 2025, we may expand this range at both Aldi (young) and Lidl (mature), which means it will now be on the shelves at all the hard discounters in Flanders. We also want to rebuild our leadership on cheese service, and we will do this by motivating existing customers to order more from us, while we continue to provide a high level of service. Furthermore, we are focusing on winning back certain customers and are betting on a successful home fair in September 2025, which will showcase both our own brands and supplier products.

On 18 December 2024, Milcobel CV and Zuivelcoöperatie FrieslandCampina U.A. announced the intention to merge, with the aim of creating a strong foundation for the future for their members and stakeholders. The merger proposal will be developed, discussed and submitted to Milcobel shareholders and FrieslandCampina's members' council for approval in the first half of 2025. Approval from competition authorities is also required. The aim is to complete the merger by the end of 2025.

EVENTS AFTER THE BALANCE SHEET DATE

On 8 January 2025, the sale of YSCO to Davidson Kempner Capital Management LP was successfully completed. This transaction is in line with the strategy Milcobel set out to focus entirely on its core dairy business.

Proceeds from the sale of YSCO will be invested in improving production processes, optimising infrastructure and paying off long-term debt early. This creates direct value for Milcobel's dairy farmer members.

FINANCIAL INSTRUMENTS

In 2021, the Company signed long-term financing agreements with several banks to the amount of EUR 166.10 million. This ensures long-term financing. The Company uses these financing facilities for its investment expenditure, potential acquisitions and for general operational and working capital purposes.

Interest rate hedging is used for long-term interest-bearing debt in order to counter interest rate fluctuations (Interest Rate Swaps).

Forward foreign exchange contracts are primarily used to hedge currency risks arising from sales transactions.

RESEARCH AND DEVELOPMENT

There were no special activities in the area of research and development during the financial year.

RISKS AND UNCERTAINTIES

In addition to general business risks, the Milcobel Group faces specific risks inherent to a dairy company.

Rising geopolitical tensions and economic uncertainty, such as high inflation and exchange rate fluctuations, can impact production costs and margins.

Calamities can cause serious disruption in the supply of milk and the production and sales process. This risk is mitigated by the implementation of a quality assurance system (QAS).

Animal diseases such as the recent bluetongue and foot-and-mouth disease, for example, can severely disrupt milk supplies and affect results.

An important additional uncertainty concerns the future evolution of milk supply. More and more dairy farmers are leaving the industry, and this decline is no longer being absorbed by growth at other dairy farmers. Milk supply is declining. At the same time, the demand for dairy products is increasing.

Milk is becoming scarcer and the competition for milk from processors is rising. This has a positive effect on the price of milk, but at the same time it also has a direct effect on the market, on value creation, and thus ultimately on Milcobel. The increasing volatility of prices on the dairy market both of the milk raw material and derivatives also poses a risk. For example, correctly matching sales prices to raw material cost prices requires greater focus as well as different agreements with customers than in the past.

We also need to devote attention to increasing risks in terms of cyber security. Security continues to be heightened to minimise the risk of hacking. However, the latter can never be ruled out completely.

Kallo, 15 April 2025

Betty Eeckhaut
Chair

Bram Maes
Director

STATUTORY AUDITOR'S REPORT TO THE GENERAL MEETING OF SHAREHOLDERS OF MILCOBEL CV ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED ON 31 DECEMBER 2024

We submit to you our statutory auditor's report in the context of the statutory audit of the consolidated financial statements of Milcobel CV (the 'Company') and its subsidiaries (collectively referred to as 'the Group'). It contains our report on the consolidated financial statements and other requirements imposed by the applicable laws and regulations. It forms a whole and is indivisible.

We were appointed in our capacity as statutory auditors by the general meeting of 20 June 2023, in accordance with the proposal of the Board of Directors issued on the recommendation of the Works Council. Our mandate expires on the date of the general meeting deliberating on the financial statements for the financial year ended on 31 December 2025. We have conducted the statutory audit of the Company's consolidated financial statements for seventeen consecutive financial years.

REPORT ON THE CONSOLIDATED ACCOUNTS

Unqualified opinion

We have carried out the statutory audit of the Group's consolidated financial statements, which comprise the consolidated balance sheet as of 31 December 2024, the consolidated income statement for the financial year ended on that date and the explanatory notes. The consolidated financial statements show a consolidated balance sheet total of EUR 491,061,108 and the consolidated income statement closes with a consolidated loss for the financial year of EUR 6,456,973.

In our opinion, the consolidated financial statements provide a fair and true picture of the Group's assets and financial position as of 31 December 2024, and of its results for the financial year ended on that date, in accordance with the financial reporting framework applicable in Belgium.

Basis for unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Belgium.

We also applied the international auditing standards approved by the IAASB, which apply on the current closing date and are not yet approved at the national level. Our responsibilities pursuant to these standards are described in more detail in the 'Statutory auditor's responsibilities for the audit of the consolidated financial statements' section of our report. We have complied with all ethical requirements relevant to the audit of the consolidated financial statements in Belgium, including those related to independence.

We have obtained the information and clarification required for our audit from the Board of Directors and the Company's appointees.

It is our belief that the audit evidence we obtained is sufficient and appropriate as a basis for our opinion.

Responsibilities of the Board of Directors in preparing the consolidated financial statements

The Board of Directors is responsible for preparing the consolidated financial statements that provide a fair and true picture in accordance with the financial reporting framework applicable in Belgium, and for the internal controls the Board of Directors deems necessary to enable the preparation of consolidated financial statements that are free from any discrepancy of material significance, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for estimating the Group's ability to ensure its continuity, disclosing, where appropriate, matters related to its continuity, and using the continuity assumption, unless the Board of Directors intends to liquidate the Group or discontinue its operations, or has no realistic alternative but to do so.

Statutory auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements, taken as a whole, are free from any discrepancy of material significance, whether due to fraud or error, and to issue a statutory auditor's report that includes our opinion. A reasonable degree of assurance is a high level of assurance, but is not a guarantee that an audit performed in accordance with ISAs will always detect a discrepancy of material significance if one exists. Discrepancies may occur as a result of fraud or error and are considered to be of material significance if they can reasonably be expected, individually or collectively, to influence economic decisions made by users on the basis of these consolidated financial statements.

When conducting our audit, we comply with the legal, regulatory and normative framework applicable to the audit of financial statements in Belgium. However, a statutory audit provides no assurance as to the future viability of the Group

or the efficiency or effectiveness with which the Board of Directors has taken charge or will take charge of the Group's operations. Our responsibilities regarding the continuity assumption used by the Board of Directors are described below. As part of an audit conducted in accordance with the ISAs, we apply our professional judgment and maintain a professional-critical attitude throughout the audit. We also perform the following tasks:

- Identifying and assessing the risks that the consolidated financial statements contain a discrepancy of material significance, whether due to fraud or error, determining and performing audit procedures that respond to those risks, and obtaining information relevant to the audit that is sufficient and appropriate to provide a basis for our opinion. The risk of a discrepancy of material significance going undetected is greater if the discrepancy is due to fraud than if it is due to error, because fraud may involve collusion, falsification of documents, intentional failure to record transactions, intentional misrepresentation or circumvention of internal controls;
- Planning and performing the Group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the Group to serve as a basis for forming an opinion on the consolidated financial statements. We are responsible for directing, supervising and reviewing the audit activities performed for the purpose of the Group audit. We remain solely responsible for our opinion;
- Obtaining insight into internal controls relevant to the audit, with the objective of designing audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls;
- Evaluating the appropriateness of the accounting policies used and evaluating the reasonableness of the estimates made by the Board of Directors and the related disclosures;
- Concluding whether the continuity assumption used by the Board of Directors is acceptable, and concluding, based on the audit evidence obtained, whether there is an uncertainty of material significance related to events or circumstances that may cast significant doubt on the Group's ability to ensure its continuity. If we conclude that an uncertainty of material significance exists, in our statutory audit report we are required to draw attention to the related disclosures in the consolidated financial statements, or, if those disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory audit report. However, future events or circumstances may result in the Group being unable to ensure its continuity;
- Evaluating the overall presentation, structure and content of the consolidated financial statements, and whether the consolidated financial statements reflect the underlying transactions and events in a manner that results in a fair and true picture;

- Obtaining sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group aimed at expressing an opinion on the consolidated financial statements. We are responsible for directing, supervising and conducting the Group audit. We remain solely responsible for our opinion.

Among other things, we communicate with the Board of Directors about the planned scope and timing of the audit and the significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

OTHER REQUIREMENTS IMPOSED BY LAWS AND REGULATIONS

Responsibilities of the Board of Directors

The Board of Directors is responsible for the preparation and the content of the annual report on the consolidated financial statements.

Statutory auditor's responsibilities

As part of our assignment and in accordance with the Belgian supplementary standard to International Standards on Auditing (ISAs) applicable in Belgium, our responsibility is, in all material aspects, to verify the annual report on the consolidated financial statements and to report on these matters.

Aspects concerning the annual report on the consolidated financial statements

After performing specific activities related to the annual report on the consolidated financial statements, we are of the opinion that this annual report is consistent with the consolidated financial statements for the same financial year, and that it has been prepared in accordance with Article 3:32 of the Belgian Code on Companies and Associations.

In the context of our audit of the consolidated financial statements, we are also responsible for considering, in particular on the basis of the knowledge obtained during the audit, whether the annual report on the consolidated financial statements contains a discrepancy of material significance, either information that is incorrectly stated or otherwise misleading. In light of the work we have performed, we do not have any discrepancy of material significance to report.

Statement regarding independence

- Our firm of company auditors and our network did not perform any assignments that are incompatible with the statutory audit of the consolidated financial statements, and our firm of company auditors remained independent of the Group during our mandate.
- The fees for additional assignments compatible with the statutory audit of the consolidated financial statements referred to in Article 3:65 of the Belgian Code on Companies and Associations were duly specified and broken down in the explanatory notes to the consolidated financial statements.

Antwerp, 30 April 2025

The statutory auditor

PwC Bedrijfsrevisoren BV/PwC Reviseurs d'Entreprises SRL

Represented by Filip Lozie*, Company Auditor

* Acting on behalf of Filip Lozie BV

Milcobel cv

Fabriekstraat 141 — 9120 Kallo

Tel +32 3 730 18 00 — Fax +32 3 730 19 00

info@milcobel.com — www.milcobel.com

Ed, June 2025

