



Annual report 2024

UELZENA EG AND GROUP



COMPANY

MILK PRODUCTION

The success in the core business of milk production is reflected in an attractive milk payout of 47.34 euro cents/kg. The supplied volume of raw milk decreased by just under five percent to 741 million kg, which is partly due to the outbreak of bluetongue disease in large parts of Europe, including our supply area.

Strategically, there is an even stronger focus on sustainability, driven by establishing a systematic carbon accounting approach along the supply chain.

GROUP RAW INGREDIENT DEVELOPMENT

Quantity in t	2024	2023
Raw milk	741,263	777,941
Cream	59,740	57,822
Skimmed milk/ Buttermilk concentrate	23,125	23,777
Sk.milk/Bmilk/ milk permeate	0	0
Total	824,128	859,540

The Uelzena Group payout for 2024 was an average of 47.34 cents/kg for raw milk with standard 4.0 % fat and 3.4 % protein (2023: 40.55 cents/kg).



KEY FIGURES

Despite a challenging market environment, the Uelzena Group closed the 2024 financial year with commercial success, consolidating their market position. Revenues rose to 1.03 billion euros and the group net profit totalled 17.4 million euros for the year. The economic stability of the company is emphasised by an equity ratio of 37.9 percent. Once again, the balance sheet has grown with fixed assets of nearly €190 million.

OVERVIEW OF GROUP FIGURES

	2024	2023
Turnover mil. €	1,029	929
Annual surplus mil. €	17.38	12.32
Fixed assets mil. €	190	186
Equity ratio %	37.9	35.9

Fundamental decisions for the future included strategic investments to the amount of more than 20 million euros and increasing the shareholding in BHI Biohealth International GmbH to 65 percent. The investment went towards digitalisation as well as planning the new cheese dairy, construction of which began in 2025, starting with subprojects.



GROUP TURNOVER

	2024 TEUR	2023 TEUR	Deviation TEUR
Delicatessen products			
Condensed milk products	37,685	39,445	-1,760
Milk fats	348,019	275,750	+72,269
Milk powder	197,629	232,436	-34,807
Cheese	131,347	120,046	+11,301
Speciality products	170,031	159,927	+10,104
Total main product groups	884,711	827,604	+57,107



UELZENA EG

Balance sheet and profit and loss account (excerpt)

BALANCE SHEET – ASSETS	31.12.2024	31.12.2023
	TEUR	TEUR
A. Fixed assets		
I. Intangible assets	13,547	1,818
II. Tangible assets	166,946	157,000
III. Financial assets	9,211	27,344
Total	189,704	186,163
B. Current assets		
I. Inventories	83,727	63,971
II. Receivables and other assets	94,540	80,422
III. Cash and bank deposits	18,803	13,551
Total	197,070	157,943
C. Accruals and deferrals	385	277
Total assets	387,159	344,383

BALANCE SHEET – LIABILITIES	31.12.2024	31.12.2023
	TEUR	TEUR
A. Equity		
I. Credit balances / II. Capital reserve	20,221	19,561
III. Revenue reserves	44,348	36,476
IV. Net profit incl. carry forward	76,682	67,655
V. Adjustment items for shares of other shareholders	5,413	0
Total	146,664	123,693
B. Difference from Capital consolidation	429	318
C. Provisions	30,250	31,239
D. Liabilities	208,989	189,097
E. Deferred tax liabilities	827	36
Total liabilities	387,159	344,383

PROFIT AND LOSS ACCOUNT	01.01.-31.12. 2024	01.01.-31.12. 2023
	TEUR	TEUR
Overall performance	1,063,944	933,425
Material costs	-901,077	-800,510
Gross profit	162,867	132,915
Staff expenditure	-70,153	-55,665
Depreciation	-19,463	-17,355
Other operational costs	-44,912	-39,161
Subtotal	28,339	20,733
Financial result	-3,588	-3,082
Taxes	-7,367	-5,323
Group profit	17,384	12,328
Profit share third-party shareholders	-486	-
Group profit after minority interests	16,898	-



UELZENA EG

Balance sheet and profit and loss account (excerpt)

BALANCE SHEET – ASSETS	31.12.2024	31.12.2023
	TEUR	TEUR
A. Fixed assets		
I. Intangible assets	1,096	1,379
II. Tangible assets	113,808	120,862
III. Financial assets	43,528	38,850
Total	158,432	161,092
B. Current assets		
I. Inventories	41,812	36,146
II. Receivables and other assets	143,485	121,698
III. Cash and bank deposits	6,492	7,744
Total	191,789	165,589
C. Accruals and deferrals	257	277
Total assets	350,478	326,958

BALANCE SHEET – LIABILITIES	31.12.2024	31.12.2023
	TEUR	TEUR
A. Equity		
I. Credit balances	20,221	19,561
II. Revenue reserves	55,558	52,686
III. Annual net profit	17,024	2,872
Total	92,803	75,119
B. Provisions	21,303	24,631
D. Accruals and deferrals	236,372	227,208
Total liabilities	350,478	326,958

PROFIT AND LOSS STATEMENT	01.01.-31.12. 2024	01.01.-31.12. 2023
	TEUR	TEUR
Overall performance	1,204,875	1,091,578
Material costs	-1,131,328	-1,014,936
Gross profit	73,547	76,641
Staff expenditure	-37,494	-36,829
Depreciation	-13,189	-13,746
Other operational costs	-25,570	-24,405
Subtotal	2,706	1,662
Financial result	22,078	2,688
Taxes	-2,348	-1,478
Annual net profit	17,024	2,872



PRODUCTS

MEASURABLE SUSTAINABILITY

To provide a more accurate measure of sustainability, the Uelzena Group is participating in the third round of the QM Dairy Sustainability Tool. Approximately 50 % of the dairy farms participated.

68 % of the holdings generate renewable energy on their farms and 85 % invest in animal-friendly stalls. To support the climate strategy, the carbon footprint is determined using the agricultural climate check tool "Agrar-Klimacheck" in collaboration with the Chamber of Agriculture in Lower Saxony. An updated tool is scheduled to be launched mid-2025. The company paid a bonus in order to highlight the importance of feedback from the milk producers. Another pilot project, which began in 2023, is designed to help reduce feed losses and improve climate efficiency.

PRODUCT DIVERSITY IN THE GROUP

In 2024, the focus was on implementing legal requirements and dealing with market risks. Within the scope of the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG), Uelzena analysed nearly

3,000 suppliers and 20 companies. All gave no cause for concern and no internal risks were identified. The company also launched the digital whistleblower system "Hintbox".

Preparations for the EUDR focused on the fields of cocoa and palm oil. Crop failures and the new conditions led to a drastic surge in the price of cocoa.

In the packaging sector, recyclable materials such as aluminium-free foils and cardboard bases were introduced. The transition to the Packaging and Packaging Waste Regulation (PPWR), which comes into force in 2025, has begun. At 81 %, the percentage of regionally procured raw materials and packaging remained stable.



GROUP SALES

The sales volume dropped slightly in 2024. Growth in the speciality products division did not offset the declines in the other groups. Sales in the milk fats group were also only just below the previous year's figure.

	2024 t	2023 t	Deviation t
Condensed milk products, delicatessen products	19,761	20,330	-569
Milk fats	48,623	48,984	-361
Milk powder	76,736	82,960	-6,224
Cheese	32,189	33,017	-828
Speciality products	46,560	45,044	+1,516
Total main product groups	223,869	230,335	-6,446

For more information on all action fields, please visit www.uelzena.de/en/sustainability/

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PRODUCTION

The Uelzena Group pursues an ecologically aware and resource-efficient production policy, which is consistent with statutory requirements such as the CSRD. In 2024, the focus at the Uelzen site was on a new condensate management system to reduce the consumption of natural gas and electricity, the construction of a 130-kWp photovoltaic system for the company's own requirements, upgrading the water treatment and on identifying leaks in the pipeline system. Waste management was also optimised by means of improved separation and testing reusable containers.

DIGITAL CONTROL AND STRATEGIC EXPANSION

Since 2024, a digital system to record operating data has been collecting real-time data on usage and emissions across the sites. Preparation for ISO-14001 certification is ongoing to systematically manage risks to the environment and climate. While it was possible to reduce the consumption of energy and

fresh water, further action is required for CO₂ emissions and wastewater. Further measures relate to the use of waste heat, renovating pipelines and using sustainable packaging.

The new cheese dairy construction in Bismark is a core project. About 3,000 tonnes of CO₂ should be saved annually by using heat pumps and solar power, linking financial and environmental targets.



EMPLOYEES

EMPLOYEES

	2024	2023
Total	1,089	845
Men	703	595
Women	386	250
Apprenticeship / work placement	54	51
Average age of staff in years	41.1	41.5
Average period of employment in years	11.8	12.2

The number of employees in the Uelzena Group increased to 1,089 on the reporting date. This rise is attributed to the increased shareholding

in BHI to 65 %, whereby the employees are fully assigned to the Group due to the Group consolidation. There were also 54 training contracts in the Group.

PROJECT ON COMPANY CULTURE

To boost the attractiveness of Uelzena as an employer, targeted measures were implemented in 2024 to attract new talent – in addition to contractual and operational payscale improvements. The company aims to connect with young talent early on with a comprehensive “trainee journey”, partnerships with schools and work placements. Further apprenticeships

will be added from 2025 to respond to the skills shortage – especially in the technical field.

Continued advancement within the company is actively promoted through a digital learning platform and structured programmes for future leaders. The company-wide introduction of the cultural programme “Transparent Together.” was a priority in 2024. Interdisciplinary workshops provided a space to strengthen the exchange of information, collaboration and a mutual understanding of core values such as appreciation, transparency and reliability.

Onboarding was also improved to provide new employees with a structured, customised integration process. The plan in 2025 is to further consolidate the Transparent Together programme, professionalise trainee marketing and expand digital learning opportunities.



REGIONAL RESPONSIBILITY

The Uelzena Group is closely connected to its local regions. The company group purchases 100 % of its raw milk from an area within 150 km of its sites and 16 % of its external services come from within the region. This is how the company secures jobs and supports local partners. In 2024, the focus was on facilitating children’s and youth projects as well as volunteer work. In total, more than €30,000 was given as donations and voluntary services.

SOCIAL COMMITMENT AND COMPLIANCE

Besides their annual Christmas donation, Uelzena also supports local initiatives and events. Employees can apply for up to 300 euros for volunteer work each year; this offer was taken

	2024	2023
Regional value of material	78 %	81 %
Regional value of services	16 %	17 %

up by 74 people in the company group in 2024.

A whistleblower system that is administered externally was introduced in 2024 to meet legal requirements. There were no reportable violations recorded. The existing volunteer support, donation and sponsoring programmes were continued. In 2025, the Group intends to develop its compliance structures and further integrate these with sustainability management.



WHO WE ARE WORKING FOR – THE AVERAGE DAIRY FARMS OF OUR MEMBERS

182	Cows
99 %	of lactating cows kept in stalls with most having access to the outside
266 ha	The area used agriculturally by
98 % of	predominantly commercial farms
85 %	Dairy production farms
49 yrs old	Average age of the farm operator
64 h	Weekly working time of the farm operator
6	Number of persons working on the farm

Source: QM Dairy Sustainability Tool 2023/2024, average taken from 374 farms

