



## **Salov: positive balance also in the year of the perfect storm**

### **Sales volumes equaled in 2021 and 2020, turnover at +30%**

The Ordinary Shareholders' Meeting of Salov S.p.A. approved the 2022 consolidated financial statements, which closed by equaling the record sales volumes of the previous two years and recording a 30% increase in turnover despite the difficult market context. The constant investments in technologies and digitization and the sales and marketing activities carried out in recent years have allowed the Group to better manage the various markets and to confirm itself as competitive and growing.

**Massarosa, 22 May 2023** – The ordinary shareholders' meeting of Salov S.p.A., an industrial group among the main global players in the oil sector, approved the 2022 consolidated financial statements, which closed with a positive result both in terms of growth and consolidation.

The Salov Group, which has its headquarters and factory in Massarosa (Lucca) and which owns the historic brands Filippo Berio and Sagra, closed the 2022 financial year confirming the record sales volumes achieved in 2021 and 2020, equal to approximately 120 million liters. Consolidated turnover, mainly due to the inflation of production costs, recorded an annual increase of 30%, going from €376,769,000 to €491,456,000 and EBITDA, from €19,417,000 in 2021, rose at €20,081,000 (+4.1%).

#### **A very difficult 2022**

The results achieved by Salov in 2022 are remarkable especially considering the context in which they matured. If, in fact, 2021 had been a year of substantial adjustment of the markets until the last quarter after the upheaval of the pandemic, 2022 was heavily conditioned by the volatility of the geopolitical situation and by adverse climatic factors.

The explosion of the Ukrainian crisis has triggered an upward spiral of energy costs and commodities (glass, plastic, paper). Furthermore, the uncertainty about the availability of raw materials in seed oils, especially sunflower oil, has prompted many companies that use vegetable fats to shift their consumption from seeds to olives, contributing, with their purchases, to a sharp increase in prices. Added to this are the problems of the logistics sector, with the difficulties in respecting delivery times due to the limited availability of merchant ships and container ships, frequently blocked in Chinese ports due to the lockdowns.

The performance of the agricultural campaign in the western Mediterranean area definitely destabilized the olive oil market. In fact, the spring premises for a good 2022/23 harvest or in any case superior to 2021 were compromised by an exceptionally hot and dry summer. As a result, countries



such as Spain, Italy, Portugal and Tunisia have witnessed a drastic reduction in olive production forecasts, only minimally offset by the results of Greece and Turkey. The final effect has been a steady increase in the prices of olive oils as never before.

*"In such a chaotic and troubled year, being able to confirm all the financial and income parameters by seizing the correct compromise between the purely economic, financial and equity aspects was by no means a given" - comments Eng. Fabio Maccari, Chief Executive Officer of Salov S.p.A. "We have proven to be reactive in managing the various markets while maintaining a high level of competitiveness. Undoubtedly, the industrial investments and the commercial and marketing activities implemented in recent years have paid off, allowing us to grow both in Italy and abroad and not to suffer passively from the strong volatility of the markets."*

### **Growth in Italy and in foreign markets**

In Italy, Salov continues to grow, with the Filippo Berio and Sagra brands which, overall, bring the volume market shares held by the Group to 3.4% in the olive oil category and 6.2% in seed oils [source: NielsenIQ, tot. Italy, Full year 2022].

As regards Salov's presence on foreign markets, the paradigm shift in commercial activities in Belgium stands out, where the Group's presence has become direct through its own resident resource who interfaces directly with local retailers. Of absolute importance are also the performances recorded by Salov in Brazil, with the São Paulo branch which, just three years after its establishment, significantly improved product distribution and more than doubled its turnover.

Furthermore, the growth of Salov during 2022 is also evidenced by the new staff recruitments: 8 in Italy and 3 in the foreign branches which once again underline the attention to people and to the corporate organization of the near future despite the complex economic situation and market. A concrete demonstration of this is the Talent Garden project, in initiative which involved 25 young people for about six months in training activities aimed at identifying strengths and areas for improvement, creating support for individual growth and professional development paths.

### **Investments**

In 2022 Salov continued its policy of constant investments both in industry, aimed at increasing the efficiency of production lines and storage, and in digitization, an area in which the company's path has reached a very high level of progress.

Furthermore, in the second half of last year, the Group participated in various tenders within the framework of the PNRR with the aim of strengthening and anticipating the projects already envisaged, including the increase in storage capacity for extra virgin olive oil and the adaptation of the ecological area to facilitate the management, separation and storage of corporate waste. In total, between



interventions implemented and planned investments, the Company's financial commitment is in the order of 20 million euros.

### **Sustainability**

During the 2022 financial year, Salov also implemented its sustainable path, which began a few years ago, in a Sustainability Plan aimed at identifying the pillars and macro-actions to be developed in the short and medium term to enhance its development in this scope. After one evaluation and a sector and competitor benchmark, an analysis of the company status was carried out and the areas in which Salov stands out and those to be further implemented were identified. The Sustainability Plan includes 41 projects in many areas and company departments. Furthermore, 2022 will be reported by Salov with his second Sustainability Report, which will be released in September 2023.

The Salov Group has always been present in the Italian market with the historic **Sagra brand** and launched the **Filippo Berio brand** in Italy for the first time in 2019, a brand with over **150 years of history** present all over the world and in leading position in the USA, UK, Russia, Belgium, Switzerland, and Hong Kong.

In Italy, Filippo Berio is present with a dedicated range, capable of responding to an increasingly demanding consumer in terms of quality and, above all, traceability and sustainability. Thanks to the **Berio Method**, each stage of the production process is traced and certified starting from the field and from the application of sustainable integrated production techniques.