

## H1 2025 RESULTS

# Deoleo achieves €22M EBITDA, increases gross margin by 22% to €62M, and records a net profit of €2M

- EBITDA grew by 10% compared to the same period last year, demonstrating the effectiveness of the commercial strategy amid a normalized harvest context.
- Sales volume increased by 11%, directly responding to price reductions on the shelf, which enabled the company to capitalize on the recovery in consumption and gain 1.1 percentage points of market share in key markets such as Spain.
- Improved profitability allowed the company to double investment in its leading brands to €10M, a decisive strategic move aimed at strengthening brand value, connecting with consumers, and accelerating future growth.
- The company reduced its net debt by 5%, supported by cash generation and a 13% reduction in working capital, reinforcing its strong financial discipline.
- After successfully completing refinancing through 2029, the company is launching the “Evoo-lution” transformation plan to drive profitability over the next three years and align it with leading players in the fast-moving consumer goods sector.

**Madrid, July 30, 2025.** Deoleo, the world's leading olive oil company, has closed the first half of the year with a substantial improvement in its main profitability indicators and a solid strategic position for the future.

Performance in the first half of the year demonstrates the company's ability to capitalize on the normalization of the raw materials market, driving volume growth and strengthening margins. Deoleo increased its **sales volume** by 11% in direct response to shelf price reductions, allowing the company to take advantage of the rebound in consumer demand. Total sales declined by 14% compared to the same period last year, due to the pass-through of cost reductions to consumers, an essential move that helped reignite demand, which has risen significantly.

This positive performance is the result of the value strategy the company has consolidated to navigate recent challenging years, characterized by raw material shortages, price volatility, and declining consumption. The protection of unit margins and the focus on brand strength have placed Deoleo in an optimal position to capitalize on the current market recovery, driven by the 2024/2025 harvest growth (+64% in Spain) and a drop of over 50% in raw material prices. As a result, **gross margin** rose to €62M, up 22% compared to the same period last year.

In this context, **EBITDA** reached €22M, a 10% increase versus the first half of 2024, with growth recorded in most commercial business units. Group **net profit** rose to €2M, quadrupling the €0.5M recorded in the same period of the previous year.

### Brand investment and future transformation

Improved profitability has allowed Deoleo to double down on its commitment to long-term value. The company has doubled its investment in advertising and promotion to €10M to strengthen its leading brands, including Carbonell, Bertolli, and Carapelli.

In this regard, the Spanish market stood out with a positive response, achieving a 1.1 percentage point gain in market share.

**In the words of Cristóbal Valdés, CEO of Deoleo:** *"This semester's results, with double-digit growth in both volume and profitability, validate our strategy and mark the beginning of this new phase for Deoleo. In a normalized market environment, the company is showing strong margin management capabilities, strategic brand investment, and the ability to drive profitable growth. Moreover, to prepare the company for the future, we have achieved two fundamental strategic milestones during the period: first, securing long-term financial stability through the successful refinancing completed in March; and second, designing 'Evoo-lution', our comprehensive transformation plan to take Deoleo's profitability to the next level. 'Evoo-lution' initiatives should generate at least €30M in additional EBITDA by 2028, regardless of market growth resulting from a continued decline in prices".*

According to **Ignacio Silva, president of Deoleo:** *"These results demonstrate the soundness of our roadmap, already known to the market, leveraged by the defence of our unit margin and the strength of our brands, placing the consumer at the centre of our decisions. Now is the time to intensify our efforts in the necessary transformation of the sector, with the aim of ensuring fair remuneration for the entire value chain, based on excellence and quality, and highlighting the virtues of such an exceptional product as olive oil. We are convinced that by working in this direction, we will be better prepared for the challenges and uncertainties of the future."*

### **Solid financial position to drive growth**

Last March, with strong support from the group's two main shareholders, Deoleo successfully completed the refinancing of its entire financial debt. The agreement ensures the group's stability by extending debt maturities through 2029 and enhances its flexibility with a new €35M revolving credit facility. By the end of the first half, only €15M of this facility had been drawn, providing the company with ample liquidity to support its growth plans.

The positive business performance, along with a 13% reduction in working capital—mainly due to lower raw material prices—boosted operating cash flow to €19M (+5%). This also enabled a 5% reduction in net financial debt, improving the leverage ratio (Net Financial Debt/EBITDA), which now stands at 3.1x.

### **Impact of U.S. tariffs**

Amid recent developments in trade relations between the European Union and the United States, the latter has announced the imposition of a 15% tariff on all European-origin products, including olive oil. The company had anticipated and modeled all possible scenarios and has activated a series of measures to mitigate the short-term impact of the new tariffs on the business.

In the medium term, the company expects the effect of these tariffs to be partially offset by a more moderate raw material price environment. In addition, a communication and marketing plan targeting U.S. consumers has been launched, aiming to highlight the unique value and benefits of olive oil—a product for which domestic production in the U.S. covers only about 5% of national consumption.

### **Positive outlook: a solid roadmap for profitable and sustainable growth**

Looking ahead to the second half of the year, Deoleo is confident that the positive trend will accelerate. This confidence is grounded in the two strategic milestones achieved: the successful refinancing, which provides the necessary financial strength, and the launch of the "Evoo-lution" transformation plan, which is set to become a key driver of value creation for the company's stakeholders.

This plan, built around a set of already identified initiatives, aims to deliver incremental benefits over the next three years and bring the company's profitability in line with that of leading multinational players in the fast-moving consumer goods sector.

The company remains confident in meeting its year-end targets for EBITDA and cash generation, which will support its growth plans and enable continued systematic debt reduction.

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#### **Deoleo**

Deoleo is the world's number one olive oil company, with a presence in 43 countries across five continents. It operates production facilities in Spain and Italy and has commercial offices in 12 countries. Deoleo's portfolio includes 27 brands across olive oil, olives, sauces, and vinegars, featuring global leaders such as Bertolli—the world's top-selling olive oil brand—Carapelli, as well as iconic Spanish brands like Carbonell, Hojiblanca, and Koipe. For more information about Deoleo, please visit [www.deoleo.com](http://www.deoleo.com)

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