EBRO FOODS GROUP

CONSOLIDATED FINANCIAL STATEMENTS
AND GROUP MANAGEMENT REPORT

for the year ended
December 31, 2023

(prepared in accordance with the
International Financial Reporting
Standards adopted
by the European Union)

EBRO FOODS GROUP

Consolidated Financial Statements and Consolidated Management Report for the year ended December 31, 2023

DATA TO BE TAGGED FOR XBRL FORMATTING PURPOSES

- ✓ Name of reporting entity or other means of identification: Ebro Foods, S.A.
- ✓ Explanation of change in name of reporting entity or other means of identification from end of preceding reporting period: There has been no change in the name of the entity or other means of identification.
- ✓ Domicile of entity: Paseo de la Castellana, 20, 28046 Madrid
- ✓ Legal form of entity: Public limited company (*sociedad anónima*).
- ✓ Country of incorporation: Spain
- ✓ Address of entity's registered office: Paseo de la Castellana, 20, 28046 Madrid
- ✓ Principal place of business: Paseo de la Castellana, 20, 28046 Madrid
- ✓ Description of nature of entity's operations and principal activities: Refer to Note 1 of the consolidated financial statements.
- ✓ Name of parent entity: Ebro Foods, S.A.
- ✓ Name of ultimate parent of group: Not applicable.
- ✓ Length of life of limited life entity: The reporting entity does not have a limited life.

EBRO FOODS GROUP
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 YEAR-END 2023 AND 2022
THOUSANDS OF EUROS

	Note	31/12/2023	31/12/2022
NON-CURRENT ASSETS		**2,244,485**	**2,231,038**
Intangible assets	8	425,095	429,480
Property, plant and equipment	9	854,035	824,450
Right-of-use assets	10	52,624	54,639
Investment properties	11	18,334	19,382
Financial assets	12	4,011	3,986
Investments in associates	14	47,132	43,235
Deferred tax assets	21	44,877	48,794
Goodwill	15	798,377	807,072
CURRENT ASSETS		**1,627,080**	**1,669,178**
Inventories	16	775,292	911,115
Trade and other receivables	12	438,907	474,625
Current tax assets	21	26,472	19,414
Taxes receivable	21	38,554	66,476
Other financial assets	12	5,564	2,116
Derivatives	12	2,225	1,457
Other current assets		10,078	9,025
Cash and cash equivalents	13	329,988	184,950
Non-current assets held for sale	5 & 25	0	0
TOTAL ASSETS		**3,871,565**	**3,900,216**

	Note	31/12/2023	31/12/2022
EQUITY		**2,222,133**	**2,198,280**
Equity attributable to equity holders of the parent	17	**2,185,159**	**2,164,438**
Share capital		92,319	92,319
Share premium		4	4
Restricted parent company reserves		21,633	21,633
Retained earnings		1,965,060	1,912,836
Translation differences		106,143	137,646
Non-controlling interests		**36,974**	**33,842**
NON-CURRENT LIABILITIES		**457,181**	**832,066**
Deferred income	18	15,800	10,919
Provisions for pensions and similar obligations	19	22,399	25,187
Other provisions	20	15,389	15,506
Financial liabilities	12	175,108	553,164
Deferred tax liabilities	21	228,485	227,290
CURRENT LIABILITIES		**1,192,251**	**869,870**
Other financial liabilities	12	728,359	394,833
Derivatives	12	773	2,843
Trade and other payables	12	430,825	438,370
Current tax assets	21	17,680	14,364
Taxes payable	21	13,746	14,745
Other current liabilities		868	4,715
Liabilities of non-current assets held for sale	5 & 25	0	0
TOTAL EQUITY AND LIABILITIES		**3,871,565**	**3,900,216**

The accompanying Notes 1 to 28 are an integral part of the consolidated statement of financial position at December 31, 2023.

EBRO FOODS GROUP
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
THOUSANDS OF EUROS

	Note	2023	2022
Revenue from contracts with customers	6	3,084,457	2,967,672
Change in inventories of finished goods and work in progress		-21,945	38,392
Own work capitalized		871	508
Other operating income	7	17,101	19,993
Raw materials and consumables used and other external expenses	6	-1,733,630	-1,727,697
Employee benefits expense	7	-370,441	-358,329
Depreciation and amortization	8, 9, 10 & 11	-102,874	-101,023
Other operating expenses	7	-597,288	-636,945
OPERATING PROFIT		**276,251**	**202,571**
Finance income	7	82,092	65,365
Finance costs	7	-89,877	-84,068
Impairment of goodwill	15	0	0
Share of profit of associates	14	5,391	1,939
PROFIT BEFORE TAX		**273,857**	**185,807**
Income tax	21	-68,846	-50,242
PROFIT FROM CONTINUING OPERATIONS		**205,011**	**135,565**
Profit after tax from discontinued operations	25	0	-917
PROFIT FOR THE YEAR		**205,011**	**134,648**
Attributable to:			
Equity holders of the parent		**186,964**	**122,059**
Non-controlling interests		18,047	12,589
		205,011	**134,648**

	Note	2023	2022
Earnings per share (euros)	17		
- From continuing operations			
Basic		1.215	0.799
Diluted		1.215	0.799
- From profit for the year			
Basic		1.215	0.793
Diluted		1.215	0.793

The accompanying Notes 1 to 28 are an integral part of the consolidated statement of profit or loss for the year ended December 31, 2023.

EBRO FOODS GROUP
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
THOUSANDS OF EUROS

		2023			2022		
	Note	Gross amount	Tax effect	Net amount	Gross amount	Tax effect	Net amount
1. Profit for the year				**205,011**			**134,648**
2. Other comprehensive income recognized directly in equity:		**-29,402**	**-433**	**-29,835**	**42,855**	**-2,562**	**40,293**
2.1 Other comprehensive income to be reclassified to profit or loss in subsequent periods		**-31,153**	**0**	**-31,153**	**32,399**	**0**	**32,399**
Translation differences	17	-31,153	0	-31,153	32,399	0	32,399
2.2 Other comprehensive income not to be reclassified to profit or loss in subsequent periods		**1,751**	**-433**	**1,318**	**10,456**	**-2,562**	**7,894**
Actuarial gains and losses	19	1,751	-433	1,318	10,456	-2,562	7,894
1+2 Total income and expense recognized during the period:	17			**175,176**			**174,941**
Attributable to:							
Equity holders of the parent	17			156,779			162,606
Non-controlling interests	17			18,397			12,335
				175,176			**174,941**

The accompanying Notes 1 to 28 are an integral part of the consolidated statement of recognized income and expense for the year ended December 31, 2023.

EBRO FOODS GROUP
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
THOUSANDS OF EUROS

			Equity attributable to equity holders of the parent								
	Equity	**Non-controlling**	**Total**	Share capital	Share premium	Restricted reserves	Retained earnings	Profit/(loss)	Interim dividend	Translation differences	Own shares
Balance at December 31, 2021	**2,133,190**	**31,563**	**2,101,627**	92,319	4	21,633	1,644,049	238,629	0	104,993	0
- Distribution of prior-period profit	**0**	0	**0**	0	0	0	238,629	-238,629	0	0	0
- Dividends paid	**-94,861**	-7,158	**-87,703**	0	0	0	-87,703	0	0	0	0
- Issue of shares	**121**	121	**0**	0	0	0	0	0	0	0	0
- Costs of issuing/cancelling shares	**-209**	0	**-209**	0	0	0	-209	0	0	0	0
- Gain/(loss) on own share sales	**-21**	0	**-21**	0	0	0	-21	0	0	0	0
- Transactions with non-controlling interests	**-3,314**	-3,019	**-295**	0	0	0	-295	0	0	0	0
- Other movements in equity	**-11,567**	0	**-11,567**	0	0	0	-11,567	0	0	0	0
Total distribution of profit and transactions with shareholders	**-109,851**	**-10,056**	**-99,795**	0	0	0	138,834	-238,629	0	0	0
- Profit for the year (as per statement of profit or loss)	**134,648**	12,589	**122,059**	0	0	0	0	122,059	0	0	0
- Change in translation differences	**32,399**	-254	**32,653**	0	0	0	0	0	0	32,653	0
- Change due to actuarial gains/(losses)	**10,456**	0	**10,456**	0	0	0	10,456	0	0	0	0
- Tax effect of gains/(losses) recognized in equity	**-2,562**	0	**-2,562**	0	0	0	-2,562	0	0	0	0
- Other movements in equity	**0**	0	**0**	0	0	0	0	0	0	0	0
Total recognized income and expense	**174,941**	**12,335**	**162,606**	**0**	**0**	**0**	**7,894**	**122,059**	**0**	**32,653**	**0**
Balance at December 31, 2022	**2,198,280**	**33,842**	**2,164,438**	92,319	4	21,633	1,790,777	122,059	0	137,646	0
- Distribution of prior-period profit	**0**	0	**0**	0	0	0	122,059	-122,059	0	0	0
- Dividends paid (note 17)	**-95,662**	-7,959	**-87,703**	0	0	0	-87,703	0	0	0	0
- Gain/(loss) on own share sales	**9**	0	**9**	0	0	0	9	0	0	0	0
- Transactions with non-controlling interests	**-8,706**	-7,306	**-1,400**	0	0	0	-1,400	0	0	0	0
- Other movements (notes 5 & 22)	**-46,964**	0	**-46,964**	0	0	0	-46,964	0	0	0	0
Total distribution of profit and transactions with shareholders	**-151,323**	**-15,265**	**-136,058**	0	0	0	-13,999	-122,059	0	0	0
- Profit for the year (as per statement of profit or loss)	**205,011**	18,047	**186,964**	0	0	0	0	186,964	0	0	0
- Change in translation differences	**-31,153**	350	**-31,503**	0	0	0	0	0	0	-31,503	0
- Change due to actuarial gains/(losses)	**1,751**	0	**1,751**	0	0	0	1,751	0	0	0	0
- Tax effect of gains/(losses) recognized in equity	**-433**	0	**-433**	0	0	0	-433	0	0	0	0
- Other movements in equity	**0**	0	**0**	0	0	0	0	0	0	0	0
Total recognized income and expense	**175,176**	**18,397**	**156,779**	**0**	**0**	**0**	**1,318**	**186,964**	**0**	**-31,503**	**0**
Balance at December 31, 2023	**2,222,133**	**36,974**	**2,185,159**	92,319	4	21,633	1,778,096	186,964	0	106,143	0

The accompanying Notes 1 to 28 are an integral part of the consolidated statement of changes in equity for the year ended December 31, 2023.

EBRO FOODS, S.A. GROUP
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
THOUSANDS OF EUROS

	Note (*)	2023	2022
Receipts from customers		3,129,134	3,016,229
Payments to suppliers and employees		-2,630,912	-2,961,991
Interest paid		-11,108	-6,575
Interest received		3,740	1,013
Dividends received		1,317	2,319
Other operating activity receipts / payments		27,461	25,809
Income tax paid	21	-41,146	-90,821
Net cash flows from operating activities	a)	**478,486**	**-14,017**
Purchase of fixed assets	b)	-141,670	-118,808
Proceeds from sale of fixed assets	c)	15,652	4,711
Purchase of financial assets (net of cash acquired)	d)	-1,628	-48,556
Proceeds from sale of financial assets and/or businesses	e)	0	22,700
Other investment activity proceeds / purchases		-239	353
Net cash flows from investing activities		**-127,885**	**-139,600**
Acquisition of own shares		-651	-665
Proceeds from sale of own shares		19	13
Dividends paid to shareholders (including NCI holders)	f)	-97,345	-96,528
Proceeds from borrowings		480,334	541,877
Repayment of borrowings		-584,648	-673,845
Other financing activity proceeds / payments and grants		2,180	10,918
Net cash flows used in financing activities		**-200,111**	**-218,230**
Translation differences arising on cash flows from foreign companies		-4,015	4,111
NET INCREASE/(DECREASE) in cash and cash equivalents		**146,475**	**-367,736**
Cash and cash equivalents, opening balance		184,950	539,239
Effect of year-end exchange rate on opening balance		-1,437	13,447
Cash and cash equivalents, closing balance	13	**329,988**	**184,950**

The accompanying Notes 1 to 28 are an integral part of the consolidated statement of cash flows for the year ended December 31, 2023.

(*) The cross-references to the corresponding Notes accompanying the consolidated financial statements are provided for qualitative purposes only; it is not always possible to provide cross-references to the precise amounts reported.

a) Cash flows from operating activities increased significantly year-on-year due to the sharp reduction in the Group's working capital requirement thanks to the reduction in farm-gate prices for most raw materials and changes in management of the value chain as a result of the new situation.

b) This balance, less the 3,230 thousand euros of differences between the cash outflows and accrual for accounting purposes of the additions to property, plant and equipment and intangible assets, explain the movements in new investments disclosed in Notes 9 and 10.

c) Corresponds basically to the amounts received from the sale of fixed assets.

d) The 2022 figure corresponds basically to the payment for the Inharvest business acquired.

e) The 2022 figure corresponds basically to the proceeds from the sale of Roland Monterrat.

f) This balance is made up of:
- Dividends paid to shareholders of the Parent in the amount of 87,703 thousand euros.
- Dividends paid to non-controlling shareholders and holders of stock options (put & call options) in the amount of 9,642 thousand euros.

1. GROUP INFORMATION

Ebro Foods, S.A., a Spanish public limited company (*sociedad anónima*), hereinafter the "Parent" or the "Company", was created by the merger by absorption of Puleva S.A. into Azucarera Ebro Agrícolas S.A. on January 1, 2001. On the occasion of that transaction, Azucarera Ebro Agrícolas, S.A.'s name was changed to Ebro Puleva, S.A. Later, at the Annual General Meeting of June 1, 2010, its registered name was changed again to its current name: Ebro Foods, S.A. The Company is the Parent of the international Ebro Foods Group (hereinafter, the "Group" or the "Ebro Group").

The Company's current registered office is in Madrid (28046), at Paseo de la Castellana, 20.

The Group's corporate object is to perform the following business activities in Spanish and foreign markets:

a) The production, preparation, sale, research, export and import of all manner of food and dietary products for both human and animal consumption, in addition to energy food products, including their by-products and waste, and, in particular, rice, pasta, sauces and all manner of nutritional products.

b) The production, exploitation and sale of all manner of food and soft and alcoholic beverages.

c) The use of by-products and the provision of services or products of all types relating to the aforementioned activities, including refrigeration cabinets, ice, industrial gas, steam, cold and energy.

d) The acquisition, lease, creation, installation, development and management of industrial, farming and livestock facilities in the food, nutrition and beverage (including alcohol) industries.

e) The performance of projects and installation work and the provision of all manner of technical assistance to other companies in the aforementioned industries; the creation, development, protection and use of patents, trademarks and other assets susceptible to intellectual property protection.

f) Staff training, computer programming or management, investment and monetization of resources, advertising and image, transport, distribution and sale and marketing activities that are ancillary or complementary to the aforementioned activities.

Those activities may be carried on through the subscription or acquisition of shares or other equity interests in companies with an identical or similar corporate purpose.

The Group currently operates in Spain and internationally. The revenue breakdown by geographic market is provided with the segment reporting disclosures (Note 6).

The 2022 consolidated financial statements were approved at the Annual General Meeting held by Ebro Foods, S.A. on June 6, 2023 and duly filed with Madrid's Companies Register.

The distribution of the profit of the Parent proposed by the directors of Ebro Foods, S.A. at a meeting of the Board of Directors on December 20, 2023 for submission for ratification at the upcoming Annual General Meeting is as follows:

Amounts relating only to the Parent's separate financial statements	Amount (€ 000)
Basis of appropriation:	
Unrestricted reserves	1,163,140
Profit for the year (as per statement of profit or loss)	33,561
	1,196,701

The profit generated by the Ebro Foods Group in 2023 makes it possible, as in prior years, to propose the payment of a cash dividend by Ebro Foods, S.A., with a charge against profit for the year and unrestricted reserves, of 0.66 euros per share, payable in the course of 2024, in a total amount of 101,551 thousand euros.

The dividend will be paid out in three equal instalments of 0.22 euros per share on April 2, June 28, and October 1, 2024.

Limitations on the distribution of dividends

Ebro Foods, S.A. is obliged to transfer 10% of profit for the year to a legal reserve until this reserve reaches an amount equal to at least 20% of share capital. That reserve cannot be distributed to shareholders unless it exceeds and only in the amount by which it exceeds the 20% threshold.

Once the legal and bylaw-stipulated requirements have been met, dividends may be distributed against profit for the year or freely distributable reserves, so long as the value of equity is not lower than or would not fall below share capital as a result of the distribution. Any profit recognized directly in equity may not be distributed either directly or indirectly for such purposes. If prior-year losses were to reduce the Parent’s equity to below the amount of share capital, profit would have to be allocated to offset these losses.

2. BASIS OF PREPARATION AND COMPARABILITY OF THE INFORMATION INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements are presented in thousands of euros (unless expressly stated otherwise). Transactions performed in other currencies are translated into euros using the accounting policies outlined in Note 3.

a) Basis of preparation

1. General accounting policies

The consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRSs) adopted by the European Union, in conformity with Regulation (EC) No. 1606/2002 of the European Parliament and of the Council.

These consolidated financial statements for the year ended December 31, 2023, which were authorised for issue by the Parent's directors on March 22, 2024, are pending approval by its shareholders at the Annual General Meeting; however, they are expected to be approved without modification. (Similarly, at the reporting date, the separate 2023 financial statements of Ebro Foods, S.A. and of its subsidiaries and associates had still to be ratified by their respective shareholders at the corresponding Annual General Meetings).

2. Use of estimates and assumptions

The Parent’s directors are responsible for the information included in these consolidated financial statements.

In preparing the accompanying consolidated financial statements, they have relied on occasion on estimates made by the management of the various Group companies in order to measure certain of the assets, liabilities, income, expenses and commitments recognized therein. Essentially, those estimates refer to:

- The estimates related to recoverability of the carrying amounts of intangible assets and goodwill for impairment testing purposes (Notes 8 and 15).
- The assumptions used in the actuarial calculation of pension and similar liabilities and obligations (Note 19).
- The estimated useful lives of intangible assets and property, plant and equipment (Notes 8 and 9).
- The assumptions used to calculate the fair value of financial instruments and put options (Notes 12 and 22).
- The probability of occurrence and amount of liabilities of uncertain amounts and/or contingent liabilities (Note 20).
- The estimates related to the recoverability of the carrying amount of deferred tax assets (Note 21).
- The estimates made in the studies and analyses assessing the impacts of climate change (Note 24).

Although these estimates and assumptions were made on the basis of the best information available at the date of authorising these consolidated financial statements for issue regarding the facts analysed, future events, specifically including events related with the current global geopolitical situation, particularly the war in Ukraine and the conflict in the Middle East (see below), could make it necessary to revise the estimates (upwards or downwards) in coming years. Changes in accounting estimates would be applied prospectively, recognizing the effects of the changes in estimates in the related consolidated financial statements.

The current global geopolitical situation, particularly the war in Ukraine and the conflict in the Middle East: Implications for the consolidated financial statements

More than two years on from the invasion of Ukraine by the Russian Federation on February 24, 2022, global uncertainty remains high. The international community reacted swiftly to that invasion, with many countries (including the European Union and United States) imposing sanctions on Russia and its people and lending military support to Ukraine. Since October 2023, the conflict between Israel and some of the regions around it has further undermined geopolitical stability and added more uncertainty to the financial and energy markets.

The difficulty in predicting how these conflicts will end and their obvious geopolitical implications mean that it is not currently possible to reliably estimate what potential impact the denouement of the conflicts and the international response to them could have on the Group's businesses. These situations continue to affect the availability and prices of certain commodities (those in which Russia and Ukraine are leading global producers and exporters, such as wheat and sunflower oil), the price of energy and other essential products and exchange rates.

In short, the post-pandemic era has been marked by unanticipated economic developments such as global supply chain friction, energy inflation (oil, gas and electricity) and financial market and exchange rate volatility, which has ushered in a period of high inflation (which proved persistent throughout 2023 despite abating somewhat) with scope for provoking recessionary episodes in Europe and the Americas and social tension, which have in turn triggered new monetary and economic policies in an attempt to curb and resolve the inflationary cycle. As a result, it is hard to estimate how these variables will evolve in the coming months.

Despite the uncertainty and impossibility of making reliable estimates, the Parent’s directors believe that the current situation and its consequences are not and should not have a material impact on the Group, underpinned primarily by the following considerations:

- The Group has no subsidiaries, branches or operations in the region affected by the armed conflict in Ukraine. The Group does not have (and has not had in the recent past) factories, customers or suppliers in Ukraine or Russia.

- Neither Russia nor Ukraine are or have been sources of wheat supply for the Group which, moreover, downsized its dry pasta business significantly in 2021 and 2020.

  As a result, its exposure to the potential impact of inflation in that commodity and its different varieties is considered low (as it should not go beyond the indirect effect that the reduction of wheat exports from Russia and Ukraine could have on the prices of wheat sourced from other markets).

- In the Middle East (Israel and surrounding regions), the Group only has very small (immaterial) sales presences.

- With respect to the global economic impact, the type of products made by the Ebro Group makes its businesses more resilient during times of crisis. As a result, the Group does not anticipate a significant decrease in customer demand, loss of suppliers or other adverse effects on its supply and distribution channels.

- As for energy costs, the measures announced by the European Union and other countries with the aim of (i) reducing dependence on oil and gas sourced from Russia; and (ii) mitigating the effect of the conflict on energy costs, should mean that those potential increases will not have a very significant impact on the Group's businesses.

On the basis of the most updated information available, in order to duly reflect the prevailing and prospective impact of the situation induced by these conflicts on the financial situation, performance and cash flows of the Ebro Group, the following specific disclosures are made:

1. To date there have been no net adverse ramifications on the Ebro Group's financial position, earnings performance or cash flows.

2. In 2023, the trend in sales was positive and akin to that observed in 2022 and 2021.

3. Despite the complexity of the current circumstances, based on the information available for recent months, these situations had a small net impact on the Ebro Group in 2023, very much in line, therefore, with that observed in 2022 and 2021.

4. The Ebro Group continues to take the steps required to tackle these situations and minimize their impact. It believes that the current situation is circumstantial and, based on its most recent estimates and its liquidity position as of the reporting date, will not compromise its ability to continue as a going concern.

5. Asset and liability measurement conventions at December 31, 2023 and additional information. As disclosed in Note 2.d below, the Group has used the same accounting policies to prepare the 2023 consolidated financial statements as it used to prepared the 2022 set.

Below is a list of the asset and liability accounts that may have been affected by these extraordinary developments in light of the consequences they have had for the Ebro Group:

- The current circumstances constitute significant extraordinary events and, therefore, under prevailing accounting standards, require the fine-tuning and possibly the expansion of the level of disclosures provided in the consolidated financial statement Notes. The Group has therefore expanded the information provided in these consolidated financial statements where necessary.

- None of the situations described above has had a significant adverse effect on the Ebro Group's direct activities; nor have they given rise to the need to recognize any impairment losses of significance.

- In terms of its financial liabilities, the Group did not encounter any problems whatsoever in relation to the refinancing of any debt, the arrangement of new financing agreements or its ability to service its financial obligations in 2023. Financial liability management unfolded exactly as anticipated, in keeping with the natural and normal maturity schedules.

- Note, in keeping with IFRS 9, in relation to the estimation of expected credit losses on our accounts receivable, that there have been no significant changes in the assumptions or judgements used to analyse the Group's accounts receivable with respect to those used at year-end 2022 (i.e., the analysis performed did not indicate the need to recognize any additional extraordinary losses on account of the current circumstances).

- As for the Group's lease contracts (IFRS 16), there have been no changes in the agreements as a result of the ongoing conflicts.

- Lastly, the Group has concluded that the prevailing extraordinary circumstances have not had any impact on the recognition of deferred tax assets or the utilization of tax credits in keeping with IAS 12, the measurement of fair value in keeping with IFRS 13 or the measurement of provisions or onerous contracts in accordance with IAS 37.

In light of the foregoing, the Parent's directors believe that these events do not imply the need to make any adjustments whatsoever to its financial statements for the year ended December 31, 2023.

3. Materiality assessment

These consolidated financial statements omit information and disclosures that do not require detailed breakdown on account of their qualitative importance and were not deemed material or relevant in accordance with the materiality or significance concept defined in the IFRS Conceptual Framework, considering the consolidated financial statements of the Ebro Group as a whole.

b) Comparability

For comparative purposes, the Group presents, in addition to the figures for the year ended December 31, 2023, for each item in the consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of cash flows, consolidated statement of changes in equity, consolidated statement of recognized income and expense and the Notes to the consolidated financial statements, the figures for the year ended December 31, 2022.

It was not necessary to restate the prior-year figures in order to make them comparable year-on-year.

c) Changes in the scope of consolidation

Notes 4 and 5 detail the main changes affecting the consolidation scope in 2023 and 2022, outlining the corresponding consequences in terms of accounting methods used.

3. MEASUREMENT STANDARDS

The most significant accounting policies applied in the preparation of these consolidated financial statements are set out below:

a) Basis of consolidation

Subsidiaries

All of the companies over which the Group has control are fully consolidated in these financial statements. Control is the power to affect an investee's returns through the ability to direct its relevant activities.

When the Group acquires a business, that business's assets, liabilities and contingent liabilities are measured at their acquisition-date fair values. The difference between the cost of the business combination and the fair value of the net assets acquired is recognized as goodwill if positive and as a gain on a bargain purchase in profit and loss if negative.

The results of companies acquired during the year are consolidated from the effective date of acquisition. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All material intra-group balances relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests

Non-controlling interests are determined at the acquisition date at their percentage interest in the fair value of the acquired business, i.e., including their share of goodwill.

Put options written over non-controlling interests (NCI)

As detailed in Notes 12.2 and 22, the Group has closed a number of business combinations in recent years in which it has acquired the majority of the target companies' voting rights and, by extension, control. When structuring those transactions it wrote certain put options over the NCI holders' shares.

Whenever the Group acquires a business without acquiring all of the voting shares, it analyses the acquisition terms from a technical standpoint. The purpose of that analysis is to determine whether: (1) the terms of the transaction substantiate the conclusion that the Group has entered into a forward-purchase contract for the NCI shares, in which case IAS 32 applies; or (2) the terms of the transaction evidence that the Group has not acquired 100% of the NCI shares, in which case IFRS 10 applies.

a) Forward-purchase contract (applying IAS 32) – the Group is obliged to acquire the percentage of shares still in the hands of the NCI holders at a fixed price. That fixed price is grossed up by the corresponding percentage interest in any profits that have not been distributed on the date of purchase of the NCI holder shares. In this instance, it is understood that the Group has deferred payment for 100% of the shares, such that the NCI shares are recognized as if they had already been acquired at the time of the business combination and any changes in the liability payable to the NCI holders are recognized in profit or loss.

b) Not a forward contract (applying IFRS 10):

- Acquisition-date measurement: on the acquisition date, the Group recognizes the non-controlling interests, in keeping with paragraph 10 of IFRS 3, at their proportionate share in the fair value of the business acquired (considering, therefore, the business acquired).

- Subsequent measurement and classification: IFRS does not provide specific guidance for accounting for put options written over NCI which irrevocably oblige the Group to purchase their shares. As a result, the Group, in keeping with customary practice and the interpretations by the main audit firms and experts in the field, does the following at each year-end:

  1. It determines the value at which the non-controlling interests would have been recognized, including an updated allocation of profit or loss, any changes in the consolidated statement of comprehensive income that are recognized in equity and any dividends declared during the reporting period, in accordance with IFRS 10;

2. It then derecognizes the non-controlling interests as if they had been acquired on that date (year-end).
3. It recognizes a financial liability at the present value of the amount payable as consideration for the NCI holders' put options in accordance with IFRS 9.
4. The difference between the figures arrived at under items 2) and 3) above is recognized against equity.

Associates

The Group's investments in associates (companies over which it has significant influence but not control) are accounted for using the equity method. Under the equity method, an investment in an associate is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group’s share of the net assets of the associate since the acquisition date, adjusted for impairment charges as necessary.

The Group’s share of the results of operations of its associates is recognized, net of the related tax effect, in the consolidated statement of profit or loss or the consolidated statement of other comprehensive income, as warranted.

b) Foreign currency translation: results and financial position of foreign operations

The Group companies' separate financial statements are expressed in each company's functional currency.

On consolidation, their assets and liabilities are translated into euros using the year-end exchange rate; items of profit and loss are translated at the average exchange rate for the period; and the share capital, share premium and reserve accounts are translated using the historical exchange rate. The exchange differences arising on translation for consolidation purposes of investments in foreign subsidiaries and associates are recognized in equity under "Translation differences". The companies’ cash flows are translated to euros at the average exchange rate for the reporting period.

If there are non-controlling interests in these subsidiaries, the related translation differences are recognized under “Non-controlling interests” within equity.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the reporting date.

On disposal of an investment in a foreign subsidiary or associate, the translation differences relating to that particular foreign operation, deferred in equity until the transaction date, are recognized in the consolidated statement of profit or loss.

c) Foreign currency transactions and balances

Each Group company translates its transactions in foreign currencies to its respective functional currency using the rate prevailing on the transaction date. Differences arising on settlement of these transactions or translation of monetary assets and liabilities denominated in currencies other than each Group company's functional currency are recognized in profit or loss.

d) Cash and cash equivalents

Cash and cash equivalents are mainly certificates of deposit, short-term deposits, short-term marketable securities, short-term government bonds and other money market assets with a maturity of three months or less, and bank deposits with a maturity of more than three months from the date of acquisition but immediately drawable without incurring any kind of penalty. Those assets are valued at cost, which is deemed a fair approximation of their realizable amount.

e) Property, plant and equipment and investment properties

Items of property, plant and equipment and investment properties are stated at the lower of:

- Acquisition (or production) cost, net of accumulated depreciation and accumulated impairment losses, if any.
- Their recoverable amount, i.e. the amount that will be recovered via the cash-generating units to which they belong or via their sale, capital appreciation or a combination of the two.

For items of property, plant and equipment and investment properties acquired in business combinations, acquisition cost equates to their fair value on the date that the Group obtained control, determined using appraisals carried out by independent experts, as detailed in section a) above.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is its carrying amount on the date of the change in use.

If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the reporting period in which they are derecognized.

In the event that management detects indications that these assets may be impaired, the corresponding impairment losses are recognized.

Borrowing costs directly attributable to the construction of a qualifying asset are capitalized as part of the cost of the asset until such assets are commissioned. Extension, upgrade or improvement costs that represent an increase in productivity, capacity or efficiency or an extension in the useful life of assets are capitalized as an increase in the cost of the corresponding assets.

Upkeep and maintenance costs are expensed in the year they are incurred.

Items of property, plant and equipment are depreciated on a straight-line basis over their respective useful lives, taking into consideration actual depreciation sustained through operation, usage and wear and tear, as follows: The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end.

Depreciation rates	
Buildings and other structures	1.0% to 3.0%
Plant and machinery	2.0% to 20%
Other fixtures, tools and furniture	8.0% to 25%
Other PP&E	5.5% to 25%

Assets acquired under finance lease agreements, i.e., when the Group assumes substantially all the risks and rewards incidental to ownership, are capitalized, recognizing the present value of the total lease liability in tandem. Lease payments are apportioned between finance charges and principal (reduction of the lease liability) so as to achieve a constant rate of interest on the remaining balance of the liability. Leased assets are depreciated on a straight-line basis over the useful life of the assets, using the rates shown above.

Operating lease payments are recognized as an operating expense in profit and loss on a straight-line basis over the lease term.

f) Right-of-use assets and lease liabilities

Right-of-use assets: The Group recognizes right-of-use assets at the lease commencement date (i.e., the date on which the underlying asset is made available for use).

Right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses and are adjusted for any remeasurement of the lease liability. The cost of right-of-use assets includes the amount of the lease liability at initial recognition, initial direct costs incurred and lease payments made at or before the commencement of the lease, less any lease incentives received.

Unless the Group is reasonably certain it will obtain ownership of the leased asset at the end of the lease term, right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease liabilities: At the lease commencement date, the Group recognizes lease liabilities at the present value of the lease payments to be made during the lease term. Lease payments include fixed payments (including in-substance fixed lease payments) less any incentives receivable, variable lease payments that depend on an index or a rate, and the amounts expected to be payable under residual value guarantees. Lease payments also include the exercise price of a purchase option if the Group is reasonably certain to exercise that option and the payment of penalties for terminating the lease. Variable lease payments that do not depend on an index or a rate are expensed in the period in which the event or condition that triggers those payments occurs.

To calculate the present value of its lease payments, the Group uses a discount rate equivalent to its incremental borrowing rate at the date of commencement of the lease if the interest rate implicit in the lease is not readily determinable.

After initial recognition, the measurement of a lease liability is increased by the interest accrued and reduced by lease payments made. In addition, the carrying amount of lease liabilities is remeasured if the lease is modified, if there is a change in the assessment of the lease term, a change in in-substance fixed lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term and low-value leases: The Group applies the recognition exemption allowed for short-term leases (i.e., leases that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option). It also applies the permitted recognition exemption to leases of equipment of low value (i.e., less than 5 thousand euros). Lease payments for short-term leases and leases for which the underlying asset is of low value are recognized as an expense on a straight-line basis over the lease term.

Significant judgements and estimates made to determine the term of leases with extension options: The Group determines the lease term as the non-cancellable period of the lease, together with both the periods covered by an option to extend the lease if it is reasonably certain to exercise that option and the periods covered by an option to terminate the lease if it is reasonably certain not to exercise that option.

In some of its leases, the Group has the option of extending the lease for an additional three to five years. The Group applies judgement in assessing whether it is reasonably certain to exercise those options. To do so, it considers all the relevant facts and circumstances that create an economic incentive for it to exercise the option to extend the lease.

After first-time recognition, the Group reassesses the lease term upon the occurrence of a significant event or significant change in circumstances that is within its control and affects whether it is reasonably certain to exercise (or not exercise) the option to extend the lease (e.g., a change in sales strategy).

g) Intangible assets (excluding goodwill and greenhouse gas emission allowances)

Intangible assets are recognized at their acquisition or production cost, which is reviewed continually, and written down for impairment, as warranted, as described in Note 3.h) below. Intangible assets with finite lives are amortized; their residual values, amortization periods and amortization methods are reviewed annually. The assets included under this heading are the following:

- <u>Development costs</u>: The costs incurred on specific projects for the development of new projects for sale or internal use that are reasonably certain to be recovered are capitalized and amortized on a straight-line basis over the period of expected future benefit from the date of completion.

  Recovery is regarded reasonably assured when it is considered technically feasible and the Group has the ability and intention to complete the asset and use it or sell it and it is expected to generate future economic benefits.

- <u>Trademarks, patents and licences</u>: Capitalized development expenditure is recognized under this heading when the corresponding patent or similar protection is obtained. This heading also includes new trademarks or brand names acquired from third parties (recognized at their acquisition cost) and those acquired in business combinations (recognized at their fair value on the date control is obtained). Based on an analysis of all the relevant factors, the Group has determined that there is no foreseeable limit to the period of time for which its most significant trademarks will generate net cash inflows for the Group, which is why it has classified them as intangible assets with indefinite useful lives. Nevertheless, it reviews that indefinite useful life assessment every year.

  Those that are amortized are amortized over their estimated useful lives, which vary between 10 and 20 years.

- <u>Computer software</u>: Computer software includes the amounts paid for title to or the right to use computer programmes and the costs incurred to develop software in-house, to the extent that the software is expected to be used for several years. Software is amortized on a straight-line basis over its useful life, which is usually around three years.

  Software maintenance expenses are expensed in the year incurred.

h) Goodwill

Goodwill is the excess of the consideration transferred in exchange for control of a business and the acquisition-date fair value of the share of the net assets acquired, including the portion attributable to non-controlling interests, as detailed earlier in this Note. Goodwill in respect of investments in associates is recognized in the consolidated statement of financial position within “Investments in associates”, while any corresponding impairment losses are recognized under “Share of profit of associates” in the consolidated statement of profit or loss.

When the price of a business combination includes contingent consideration, the acquisition price includes the present value of such contingent consideration.

Goodwill is not amortized but is tested for impairment annually. Any impairment of goodwill indicated by such tests is recognized immediately in profit or loss and cannot be reversed in subsequent years.

Similarly, gains from a bargain purchase are recognized in the consolidated statement of profit or loss once the Group has confirmed the fair value of the net assets acquired.

Whenever the Group disposes of a subsidiary or associate to which goodwill has been allocated, the amount of such goodwill is included in the carrying amount in order to determine the gain or loss on disposal.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill derecognized under these circumstances is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

i) Impairment of non-financial assets

The Group tests its assets for impairment every year.

If its impairment tests indicate that an asset's recoverable amount is less than its carrying amount, the asset is written down to its recoverable amount by recognizing an impairment loss in the consolidated statement of profit or loss. An asset’s recoverable amount is the higher of its realizable value and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using an appropriate discount rate.

If an asset being tested for impairment does not generate cash inflows that are largely independent of those from other assets or groups of assets, the impairment test is performed in respect of the group of assets to which it belongs (cash-generating unit or CGU).

The recoverable value of intangible assets with indefinite useful lives is reassessed annually (annual impairment test) or whenever there are indications that such assets may be impaired. The reversal of an asset impairment loss is recognized in the consolidated statement of profit or loss.

j) Non-current assets held for sale and discontinued operations

Non-current assets classified as held for sale and discontinued operations are measured at the lower of their acquisition cost and fair value less costs of disposal.

Assets are classified into this category when their carrying amount is expected to be realized through a sale transaction rather than through continuing use, the asset is available for immediate sale in its present condition and the sale is expected to qualify for recognition as a completed sale within one year.

k) Financial assets and financial liabilities

Financial assets

Financial assets are classified in accordance with how they are measured on the basis of the corresponding business model and the characteristics of the contractual cash flows. A financial asset is only reclassified from one category to another when there is a change in the business model used to manage the financial assets.

Financial asset acquisitions and disposals are recognized at the trade date, i.e., on the date the Group undertakes to acquire or sell the asset. Upon acquisition they are classified into one of the following categories:

a) Financial assets at amortized cost

These are non-derivative financial assets that are held in order to collect their contractual cash flows and those contractual cash flows represent solely payments of principal and interest. They are included in current assets, except for amounts maturing more than 12 months from the end of the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

Interest income from these financial assets is recognized in finance income and any gain or loss arising on their derecognition and any impairment losses are recognized directly in profit and loss as they arise.

b) Financial assets at fair value through profit or loss

These are assets that are acquired for sale in the short term. Derivatives are included in this category unless they are designated as hedging instruments. These financial assets are initially recognized and subsequently measured at fair value and any changes in fair value are recognized in profit and loss as they arise.

Equity instruments classified into this category are recognized at fair value and any gain or loss arising from changes in their fair value or as a result of their sale are similarly recognized in profit and loss as they arise.

The fair values of quoted investments are based on quoted prices (fair value hierarchy level 1). The fair value of investments in unlisted entities is established using valuation techniques, which include the use of recent arm's length transactions between knowledgeable, willing parties, reference to other instruments that are substantially the same and discounted cash flow analysis (levels 2 and 3). In the event that recent information available is insufficient to measure fair value or there is a wide range of possible fair value measurements and cost represents the best estimate within that range, such investments are recognized at cost less any impairment losses.

c) Equity instruments at fair value through other comprehensive income (FVOCI).

These are investments in equity instruments which the Group has opted to irrevocably designate as at fair value through other comprehensive income upon initial recognition. They are recognized at fair value and any gains or losses arising from changes in their fair value are recognized in other comprehensive income, except for the dividends received from those investments, which are recognized in profit or loss when the right to receive payment is established. Accordingly, no impairment losses are recognized on these investments. Changes in their fair value are not recycled to profit and loss when they are sold.

The fair value measurements made in the accompanying consolidated financial statements are classified using a fair value hierarchy articulated around the relevance of the inputs used to make the corresponding measurements. The hierarchy categorizes the inputs used in valuation techniques into three levels:

- Level 1 inputs: Fair value measurements based on quoted prices in active markets for identical instruments. These measurements are based on quoted prices at the reporting date.

- Level 2 inputs: Fair value measurements based on inputs that are observable for the asset or liability. The fair value of financial assets included in this category is determined by using valuation techniques. Those valuation techniques maximize the use of available observable market-based inputs and rely as little as possible on entity-specific estimates.

If all the significant inputs required to measure fair value are observable, the instrument is included in Level 2. If one or more of the significant inputs required to measure fair value are not observable market inputs, the instrument is included in Level 3.

- Level 3 inputs: Measurements based on inputs that are not based on observable market data.

Financial assets are derecognized when the contractual rights to the related cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership of the assets. If substantially all the risks and rewards have been retained, the financial asset is not derecognized; instead the Group recognizes a financial liability in the amount of any consideration received in exchange for the transfer.

Agreements for the transfer of account receivables are considered non-recourse factoring agreements if the risks and rewards of ownership of the receivables have been transferred substantially.

The financial asset impairment model is based on expected credit losses. The Group accounts for expected credit losses, and any changes therein, at every reporting date, to reflect changes in credit risk since the date of initial recognition, without waiting for an impairment event to occur.

The Group applies the general expected loss approach for all its financial assets except for trade and other accounts receivable that do not contain a significant financing component; it applies the simplified approach for those qualifying assets.

Under the general approach, the Group recognizes the expected loss from a financial asset default on either a 12-month or lifetime basis, depending on whether there has been a significant increase in credit risk since initial recognition. Under the simplified approach, the Group recognizes a loss allowance from the outset based on lifetime expected credit losses using available information about past events (such as historical customer default rates), current conditions and forward-looking estimates (macroeconomic factors such as the outlook for GDP, unemployment, inflation, interest rates, etc.) that could affect the creditworthiness of its debtors.

Financial liabilities

a) Financial liabilities at amortized cost

Borrowings are initially recognized at fair value, less any transaction costs incurred. Any difference between the amount received and the redemption value is recognized in profit and loss over the borrowing repayment term using the effective interest method. These financial liabilities are subsequently measured at amortized cost.

In the event that a modification in the contractual terms of a liability at amortized cost does not result in its derecognition (a non-substantial modification), the contractual cash flows from the refinanced debt are calculated using the original effective interest rate and any resulting modification gain or loss is recognized in profit or loss on the date of the modification.

Borrowings are classified as current liabilities unless they mature more than 12 months from the reporting date or the Group is entitled to automatically roll them over.

Trade and other current accounts payable are financial liabilities and are initially recognized at fair value; they do not explicitly accrue interest and are recognized at their face value. Non-current borrowings are those due more than 12 months from the reporting date.

<u>b) Financial liabilities at fair value through profit or loss</u>

These are liabilities that are incurred with the intention of repurchasing them in the short term. Derivatives are included in this category unless they are designated as hedging instruments. These financial liabilities are initially recognized and subsequently measured at fair value and any changes in fair value are recognized in profit and loss as they arise.

l) Derivatives and other financial instruments

The Group uses certain financial derivatives to manage its exposure to movements in exchange and interest rates. All of these derivatives are measured at fair value, regardless of whether or not they are designated as hedges, their fair value being their market value in the case of listed instruments, and valuations based on option valuation models or discounted cash flow analysis in the case of unlisted instruments. The following criteria are used for recognition purposes:

- Cash flow hedges: the gains and losses derived from the restatement to fair value at the reporting date of derivatives designated as hedges, to the extent effective, are recognized directly in equity (net of tax) until the committed or forecast transaction is realized, at which point they are reclassified to profit or loss.

Gains and losses on ineffective hedges are recognized directly in profit or loss.

- Hedges of a net investment in a foreign operation: the gains and losses derived from the measurement at fair value of these investments in respect of the portion of the hedge deemed effective are recognized, net of tax, directly in equity under “Translation differences” and are reclassified to profit or loss when the hedged investment is disposed of. Gains and losses on ineffective hedges are recognized directly in profit or loss.

- Accounting treatment for financial derivatives not designated as hedges or not qualifying for hedge accounting: the gains and losses arising from the restatement to fair value of these financial instruments are recognized directly in the consolidated statement of profit or loss.

m) Inventories

Inventories are measured at their weighted average acquisition or production cost.

The acquisition price includes the amount stated on the invoice plus all additional costs incurred until the goods are stored in the warehouse.

Production cost is determined by adding to the cost of acquiring raw materials and other consumables, manufacturing costs directly attributable to the product and the corresponding portion of indirect costs attributable to the product in question, to the extent such costs are incurred during the manufacturing period. If the selling price less estimated costs of completion and the estimated costs necessary to make the sale are less than the costs indicated above, the inventories are written down for impairment.

n) Deferred income - Grants

The grants received by the Group are accounted for as follows:

a. Non-repayable grants related to assets: these grants are measured at the amount awarded and reclassified to profit and loss on a straight-line basis over a period of 10 years, which is roughly equivalent to the average period during which the assets financed by such grants are depreciated. They are presented on the liability side of the consolidated statement of financial position.

b. Grants related to income: when a grant relates to an item of expense, it is recognized as income in the period that the costs it is intended to compensate are expensed.

o) Pension commitments and similar obligations

The Group manages several defined benefit and defined contribution pension plans. The cost of providing benefits under defined benefit plans is determined using the projected unit credit method.

The defined benefit commitment is calculated by independent actuarial experts annually for the most significant plans and regularly for the rest. The actuarial assumptions used to calculate the Group's obligations depend on each country's economic situation. The various funds may be funded through an external fund or through internal provisions.

For defined benefit plans funded externally, any deficit in the fair value of the plan assets with respect to the present value of the obligation as a result of actuarial gains or losses is recognized directly in equity net of the related tax effect, and any changes in past service costs are recognized in profit or loss. A gain is only capitalized in respect of a surplus to the extent that it represents a future economic benefit, in the form of refunds from the plan or a reduction in future contributions.

Actuarial gains and losses arise mainly as a result of changes in actuarial assumptions or differences between estimated and actual variables.

In the case of defined benefit plans, the actuarial cost charged to the consolidated statement of profit or loss is the sum of the current service cost, interest cost, the expected return on any plan assets and the past service cost, while any material actuarial gains and losses are recognized directly in retained earnings within equity.

Contributions to defined contribution plans are charged to the consolidated statement of profit or loss when they are made.

Pursuant to the prevailing collective bargaining agreement and other non-binding agreements, Ebro Foods, S.A. is obliged to pay bonuses for long service to certain of its permanent employees upon retirement at the legally-stipulated age or early retirement.

In accordance with the applicable collective bargaining agreements and other non-binding agreements, the Riviana Group (USA) and certain European Group companies are obliged to make annual supplementary payments of various kinds and other bonuses for long service and retirement, where applicable, to certain of their permanent employees upon retirement at the legally-stipulated age or early retirement.

The provision recognized represents the present value, calculated by means of actuarial studies, most of which performed by independent experts, of the future payment obligations of the companies concerned to their former and current employees in connection with the aforementioned retirement bonus obligations, net of the present value of the financial assets in which the related funds are invested. These plans are managed independently by a management committee made up of employees, executives and third parties.

In addition, some Group companies grant their employees certain voluntary retirement bonuses of undetermined amount. Those bonuses, which are scantly material, are recognized as an expense when they are paid. The other Group companies do not have similar obligations or have obligations that are scantly material.

p) Other provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is considered probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

They are measured at the year-end estimate of the amounts (at their present value) that will be required to discharge probable or certain liabilities arising as a result of lawsuits or other outstanding obligations.

If an outflow of resources is considered possible but not probable, the Group does not recognize a provision but discloses the nature of the contingent liability in the Notes to the annual consolidated financial statements.

Restructuring provisions are recognized only when the Group has a constructive obligation, which is deemed to exist when a detailed formal plan identifies the business concerned, the locations affected, the function and number of employees who will be compensated for terminating their services, a detailed estimate of the associated costs, and when it will be implemented, and a valid expectation has been raised among those affected that the restructuring will be carried out because the plan has started to be implemented or because the main features of the plan have been announced to those affected by it. Those provisions are estimated on the basis of their economic substance and not just their legal form.

q) Income tax

Current tax expense is recognized in the consolidated statement of profit or loss, except for current income tax relating to items recognized directly in equity, the tax effect of which is recognized in equity.

Deferred tax is provided using the liability method. Under this method, deferred tax assets and liabilities are recognized on the basis of the temporary differences between the carrying amounts of the assets or liabilities and their tax bases and are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities that arise from items recognized in equity are directly credited to or charged against equity. Deferred tax assets and unused tax credits are recognized to the extent that it is probable that sufficient taxable profit will be available to allow the benefit to be utilized and they are written down if this expectation changes. Deferred tax liabilities associated with investments in subsidiaries and associates are not recognized unless the Parent has the power to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

r) Revenue from contracts with customers

The Group's core business is the sale of food products to end consumers and the supply of food-related raw materials to third parties. That business involves the sale of finished food products and food-based raw materials to customers and that is generally the only performance obligation to be satisfied. Revenue is recognized when control of the asset is transferred to the customer, which is customarily when the goods are delivered.

With respect to variable consideration (discounts), despite the fact that: (i) the types of arrangements vary widely; (ii) the volume of information required to make the corresponding estimates is considerable; and (iii) the estimation process is intrinsically subjective in nature, the Group believes it does not make judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers (as per paragraph 123 of IFRS 15), as the variable consideration (discounts) included in its contracts is realized within a relatively short period of time, the Group has ample historical experience with respect to its customers' behaviour and the subjectivity involved in the estimation required is very low.

In addition, the discount estimation process is framed by adequate preventive and supervisory controls and an appropriate level of segregation of duties and involves skilled professionals with the experience required to make the estimates in keeping with the applicable accounting rules.

The Group has two main types of customers: retailers and industrial customers. Discounts are more diverse and varied in the retail segment. Below is a description of the types of discounts given and how they are treated for accounting purposes under IFRS 15:

–Volume discounts - these are accrued by Group customers as a function of certain sales volume thresholds and are unknown at the time of executing the contracts or placing an order. Therefore, these discounts are estimated at each year-end as a function of the sales thresholds reached and those the Group deems it is probable its customers will reach at the time of estimation.

Therefore, given that volume discounts generally depend on future events (sales volumes to be reached), they are treated as variable consideration and are recognized as a reduction of revenue in the consolidated statement of profit or loss.

–Discounts for prompt payment - in this instance, the consideration receivable by the Group in exchange for fulfilling its main performance obligation of delivering goods and services depends on whether its customers make use of this discount by paying promptly. As with the volume discounts, the Group estimates the volume it expects to be paid for at the discount, recognizing that estimate as a reduction of revenue at year-end.

–There are other discounts related with contracts with customers that may be fixed or variable and are tied to concepts such as preferential aisle positioning (slotting fees), new product promotions, anniversary discounts, etc. Such discounts are commercial and promotional in nature and commonplace in the retail sector. In general, all those discounts are treated as a reduction of revenue: in the contracts they can be identified as a service included in or intrinsic to the product delivery performance obligation, constituting a reduction in the transaction price and not, therefore, a distinct service or a cost for the customer in exchange for such services.

These terms and conditions are negotiated with customers annually or more frequently depending on their nature and following negotiations at the behest of the latter. However, promotions entailing a related service with a cost for the customer, e.g., in-store tastings, are accounted for as a cost. They are recognized as a 'service provided by the customer'.

s) Environmental disclosures

Expenditure incurred under initiatives taken or that have to be undertaken to manage the environmental effects of the Group’s business operations and that deriving from environmental commitments are considered environmental expenses.

Capitalized assets acquired or produced by the Group for the purpose of long-lasting use in its business operations whose main purpose is to minimize environmental damage and/or enhance environmental protection, including assets intended to make the Group's operations less contaminating, are considered environmental capital expenditure. Those assets are accounted for using the same criteria as other items of property, plant and equipment of the same nature.

t) Greenhouse gas emission allowances

The Group recognizes its greenhouse gas emission allowances as intangible assets with an infinite useful life. Allowances received for free under the various national allocation plans are measured at their fair value at the time of receipt and a deferred income balance is recognized in the same amount.

Since 2013 the Group is no longer obliged to meet allowance requirements and will therefore not be allocated additional free allowances.

u) Own shares

Own equity instruments that are reacquired (own shares or treasury shares) are deducted from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Group’s own equity instruments.

v) New and amended standards and interpretations

The measurement standards (accounting policies) applied in preparing the accompanying consolidated financial statements are consistent with those used to prepare the 2022 consolidated financial statements with the exception of the following new and amended standards and interpretations (none of which has been early adopted by the Ebro Group):

1) Standards and amendments published by the International Accounting Standards Board (IASB) and adopted by the European Union for application in Europe for annual periods beginning on or after January 1, 2023:

   Certain standards and standard amendments became applicable for the first time from January 1, 2023 (including the amendments to IFRS 8 and IAS 1) but did not have any impact on these consolidated financial statements.

Amendments to IAS 12 derived from International Tax Reform - Pillar Two Model Rules

IAS 12 has been amended in the wake of International Tax Reform - Pillar Two Model Rules. In May 2023, the IASB issued its amendments to IAS 12 *Income taxes* as a result of the Pillar Two global minimum tax rules published by the OECD Inclusive Framework on Base Erosion and Profit Shifting. Those amendments introduce, provisionally, a mandatory temporary exemption to the accounting for deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules. They also introduce additional disclosure requirements for affected entities to help users of their financial statements better understand an entity's exposure to Pillar Two income taxes. The amendments related with the mandatory temporary exemption and the related disclosure requirements already took effect in 2023.

The Pillar Two legislation has been enacted or substantively enacted in several jurisdictions in which the Group operates. That legislation will be effective in annual periods beginning on or after January 1, 2024. The Group falls under the scope of the legislation that has been enacted or substantively enacted and has assessed its potential exposure to the Pillar Two rules in 2024 (Note 21).

2) At the date of authorising the accompanying consolidated financial statements for issue, the following new and amended standards and interpretations have been published but are either effective for reporting periods beginning after December 31, 2023 or are still pending adoption by the European Union. None of the upcoming standards has been adopted early by the Group.

The Group intends to apply the new standards, interpretations and amendments issued by the IASB whose application is not mandatory in the European Union when they are effective, to the extent applicable to the Group. The Group is in the process of analysing their impact but estimates that their first-time application will not have a significant impact on its consolidated financial statements.

(THOUSANDS OF EUROS)

4. SUBSIDIARIES AND ASSOCIATES

Ebro Foods, S.A. has the following direct and indirect investments in subsidiaries and associates:

SUBSIDIARIES AND ASSOCIATES	Ownership interest, %		Parent company		Registered office	Business activity
	31-12-23	31-12-22	31-12-23	31-12-22		
Dosbio 2010, S.L.	100.0%	100.0%	EF	EF	Madrid (Spain)	Flour production
Fincas e Inversiones Ebro, S.A.	100.0%	100.0%	EF	EF	Madrid (Spain)	Agricultural holding
Arotz Foods, S.A.	100.0%	100.0%	EF	EF	Madrid (Spain)	Production of canned vegetables
Riviana Foods Inc. (Group) (Riviana)	100.0%	100.0%	EF	EF	Houston, Texas (USA)	Production and sale of rice and pasta
Ebro Foods, Gmbh. (Group) (EFG)	100.0%	100.0%	EF/Boost	EF/Boost	Hamburg (Germany)	Holdco
EF Alimentación, S. DE R. L. DE C.V.	100.0%	100.0%	EF	EF	Mexico	Sale and marketing of rice
Fundación Ebro Foods	100.0%	100.0%	EF	EF	Madrid (Spain)	Foundation
Ebro Financial Corporate Services, S.L.	100.0%	100.0%	EF	EF	Madrid (Spain)	Insurance and finance
Herba Foods, S.L.U. (HF)	100.0%	100.0%	EF	EF	Madrid (Spain)	Investment management
Herba Ricemills S.L.U. (HR)	100.0%	100.0%	EF	EF	Madrid (Spain)	Production and sale of rice
Herba Nutrición S.L.U. (HN)	100.0%	100.0%	EF	EF	Madrid (Spain)	Production and sale of rice
Semola, S.r.l. (SEM)	100.0%	100.0%	EF	EF	Naples (Italy)	Investment management
Riso Scotti, S.p.a. (Group) **(A)**	40.0%	40.0%	EF	EF	Milan (Italy)	Production and sale of rice
Geovita Functional Ingredients, S.R.L. **(B)**	52.0%	52.0%	EF	EF	Vercelli (Italy)	Production and sale of pulses
Santa Rita Harinas, S.L. **(B)**	52.0%	52.0%	EF	EF	Guadalajara (Spain)	Production and sale of flour
Ebro Frost North America, Inc.	100.0%	100.0%	Riviana	EF	Houston (USA)	Production and sale of rice and pasta
Fallera Nutrición, S.L.	100.0%	100.0%	HN	HN	Valencia (Spain)	Production and sale of rice
Tilda Limited (Tilda)	100.0%	100.0%	EF	EF	London (UK)	Production and sale of rice
Tilda International DMCC	100.0%	100.0%	Tilda	Tilda	Dubai (UAE)	Sale and marketing of rice
Tilda Rice Limited	100.0%	100.0%	Tilda	Tilda	London (UK)	Dormant
Ebro UK	100.0%	100.0%	Tilda/S&B	Tilda/S&B	London (UK)	Administration
Ebro Tilda Private Limited	100.0%	100.0%	EF	EF	New Delhi (India)	Sale and marketing of rice
Herba Germany, GmbH	100.0%	100.0%	EFG	EFG	Hamburg (Germany)	Trademark holdco
Euryza, Gmbh.	100.0%	100.0%	EFG	EFG	Hamburg (Germany)	Sale and marketing of rice
Reiskontor Handels Gmbh	100.0%	100.0%	Euryza	Euryza	Stuttgart (Germany)	Dormant
Transimpex, Gmbh **(B)**	55.0%	55.0%	EFG	EFG	Hamburg (Germany)	Sale and marketing of rice
Fentus 61, Gmbh	100.0%	100.0%	EFG	EFG	Stuttgart (Germany)	Dormant
T.A.G. Nahrungsmittel Gmbh.	100.0%	100.0%	EFG	EFG	Stuttgart (Germany)	Dormant
Bertolini Import Export Gmbh.	100.0%	100.0%	EFG	EFG	Mannheim (Germany)	Dormant
Ebro Frost Holding, Gmbh (Efrost)	55.0%	55.0%	HF	HF	Munich (Germany)	Investment management
Ebro Frost Denmark, AS.	100.0%	100.0%	Efrost	Efrost	Orbaek (Denmark)	Production and sale of rice and pasta
Ebro Frost Germany, Gmbh.	100.0%	100.0%	Efrost	Efrost	Munich (Germany)	Production and sale of rice and pasta
Ebro Frost UK, Ltd.	100.0%	100.0%	Efrost	Efrost	London (UK)	Production and sale of rice and pasta
S&B Herba Foods, Ltda. (Group) (S&B)	100.0%	100.0%	HF/R. Int.	HF/R. Int.	London (UK)	Production and sale of rice
Riceland Magyarorszag, KFT.	100.0%	100.0%	HF/EF	HF/EF	Budapest (Hungary)	Sale and marketing of rice
Ebro Belgium, NV (Boost)	100.0%	100.0%	HF / NC	HF / NC	Merksem (Belgium)	Production and sale of rice
Mundi Riso S.R.L.	100.0%	100.0%	HF	HF	Vercelli (Italy)	Production and sale of rice
Mundi Riz, S.A. (MR)	100.0%	100.0%	HF	HF	Larache (Morocco)	Production and sale of rice
Agromeruan, S.A.	100.0%	100.0%	MR	MR	Larache (Morocco)	Farmland concessionaire
Rivera del Arroz, S.A.	100.0%	100.0%	MR	MR	Larache (Morocco)	Rice farming
Katania Magrheb, S.A.R.L	100.0%	100.0%	MR	MR	Larache (Morocco)	Sale and marketing of rice
Arrozeíras Mundiarroz, S.A.	100.0%	100.0%	HF	HF	Lisbon (Portugal)	Production and sale of rice
Josep Heap Properties, Ltda.	100.0%	100.0%	HF	HF	Liverpool (UK)	Investment management
Risella OY	100.0%	100.0%	HF	HF	Helsinki (Finland)	Sale and marketing of rice
Herba Bangkok, S.L. (Group) (HB)	100.0%	100.0%	HF	HF	Bangkok (Thailand)	Production and sale of rice
Herba Cambodia CO, Ltd	100.0%	100.0%	HB	HB	Cambodia	Sale and marketing of rice
Ebro India, Ltda.	100.0%	100.0%	HF/EF	HF/EF	New Delhi (India)	Production and sale of rice
Ebrosur, S.R.L.	100.0%	100.0%	HF	HF	Argentina	Sale and marketing of rice
Ebro Rice Handling, S.A.	100.0%	100.0%	HF	HF	Merksem (Belgium)	Logistics
La Loma Alimentos, S.A.	100.0%	100.0%	HF	HF	Argentina	Production and sale of rice
Neofarms Bio, S.A.	100.0%	60.0%	HF	HF	Argentina	Sale and marketing of rice
Indo European Foods Limited	100.0%	100.0%	HF	HF	London (UK)	Production and sale of rice

(THOUSANDS OF EUROS)

SUBSIDIARIES AND ASSOCIATES	Ownership interest, %		Parent company		Registered office	Business activity
	31-12-23	31-12-22	31-12-23	31-12-22		
Ebro Foods Netherlands, B.V. (EFN)	100.0%	100.0%	HF	HF	Amsterdam (Netherlands)	Investment management
Ebro Foods Netherlands Brands, B.V.	100.0%	100.0%	EFN	EFN	Amsterdam (Netherlands)	Production and sale of rice
Lassie, B.V.	100.0%	100.0%	EFN	EFN	Amsterdam (Netherlands)	Industrial operations
Lassie Property, B.V.	100.0%	100.0%	EFN	EFN	Amsterdam (Netherlands)	Industrial operations
Rice & Cereals Consultancy BV (RCC)	100.0%	100.0%	EFN	EFN	Belgium	Holdco
Ebro Ingredients, B.V. (Group)(EI)	100.0%	100.0%	EFN/HF/RCC	EFN/HF/RCC	Amsterdam (Netherlands)	Holdco and sale of rice
Mediterranean Foods Label, B.V.	100.0%	100.0%	EFN	EFN	Amsterdam (Netherlands)	Production and sale of rice
Gourmet Foods and Beverages Limited	100.0%	100.0%	EFN	EFN	London (UK)	Sale and marketing of rice
Nuratri, S.L.	100.0%	100.0%	HR	HR	Madrid (Spain)	Sale and marketing of rice
Nutramas, S.L.	100.0%	100.0%	HR	HR	Madrid (Spain)	Sale and marketing of rice
Nutrial, S.L.	100.0%	100.0%	HR	HR	Madrid (Spain)	Sale and marketing of rice
Pronatur, S.L.	100.0%	100.0%	HR	HR	Madrid (Spain)	Sale and marketing of rice
Vitasan, S.L.	100.0%	100.0%	HR	HR	Madrid (Spain)	Sale and marketing of rice
Yofres, S.A.	100.0%	100.0%	HR	HR	Seville (Spain)	Sale and marketing of rice
Herba Trading, S.A.	100.0%	100.0%	HR	HR	Seville (Spain)	Sale and marketing of rice
Formalac, S.L.	100.0%	100.0%	HR	HR	Seville (Spain)	Sale and marketing of rice
Eurodairy, S.L.	100.0%	100.0%	HR	HR	Seville (Spain)	Sale and marketing of rice
Española de I+D, S.A.	100.0%	100.0%	HR	HR	Valencia (Spain)	New product development and commercialization
Riviana International Inc. (R. Int.)	100.0%	100.0%	Riviana	Riviana	Houston (USA)	Investment management
Riviana Foods Canada, Co.	100.0%	100.0%	Riviana	Riviana	Montreal (Canada)	Production and sale of rice
Ebro Riviana de Guatemala, S.L.	100.0%	100.0%	R. Int.	R. Int.	Guatemala	Investment management
Ebro de Costa Rica, S.L.	100.0%	100.0%	R. Int.	R. Int.	San José (Costa Rica)	Investment management
R&R Partnership **(A)**	50.0%	50.0%	Riviana	Riviana	Houston (USA)	Production and sale of rice
N&C Boost N.V. (N.C. Boost)	100.0%	100.0%	R. Int.	R. Int.	Antwerp (Belgium)	Investment management
Lustucru Premium Food, SAS (EPF)	99.8%	99.8%	EF	EF	Lyon (France)	Investment management
Lustucru Riz, SAS	99.9%	99.9%	EPF	EPF	Lyon (France)	In liquidation
Lustucru Frais, SAS	100.0%	100.0%	EPF	EPF	Lyon (France)	Production and sale of food
Panzani Development, S.A.	100.0%	100.0%	EPF	EPF	Lyon (France)	Investment management
S.F.C. d'Investissements, SAS	100.0%	100.0%	EPF	EPF	Marseilles (France)	Industrial operations
Bertagni, Spa. (Bertagni) **(B)**	70.0%	70.0%	LPF	LPF	Verona (Italy)	Production and sale of pasta
Bertagni USA, Inc.	70.0%	70.0%	Bertagni	Bertagni	New York (USA)	Sale and marketing of pasta
Bertagni UK, Ltd.	56.0%	56.0%	Bertagni	Bertagni	London (UK)	Sale and marketing of pasta
TBA Suntra Beheer, B.V. (TBA)	100.0%	100.0%	EI	EI	Netherlands	Production and sale of rice
SBS Commodities BV	100.0%	100.0%	TBA	TBA	Netherlands	Sale and marketing of rice
Suntra Rice BV	100.0%	100.0%	TBA	TBA	Netherlands	Sale and marketing of rice
TBA Suntra BV	100.0%	100.0%	TBA	TBA	Netherlands	Sale and marketing of rice
Ebro Ingredients Netherlands, BV	100.0%	100.0%	EI	EI	Netherlands	Industrial operations
Ebro Ingredients Belgium B, BV	100.0%	100.0%	EI	EI	Belgium	Industrial operations
Ebro Ingredients Belgium C, BV	100.0%	100.0%	EI	EI	Belgium	Industrial operations
Ebro Ingredients Belgium F, BV	100.0%	100.0%	EI	EI	Belgium	Industrial operations
International Pulse Ingredients Co.	100.0%	100.0%	EI	EI	Netherlands	Dormant
Herba Ingredients SC BV	100.0%	100.0%	EI	EI	Belgium	Dormant
Euro Rice Flour, BV	100.0%	100.0%	EI	EI	Netherlands	Dormant
Pastificio Lucio Garofalo, Spa. (GAROF) **(B)**	52.0%	52.0%	SEM	SEM	Naples (Italy)	Production and sale of pasta
Garofalo Nordic, AB.	100.0%	100.0%	GAROF	GAROF	Sweden	Sale and marketing of pasta
Garofalo USA, Inc.	100.0%	100.0%	GAROF	GAROF	New York (USA)	Sale and marketing of pasta
Garleb, SAL.	70.0%	70.0%	GAROF	GAROF	Lebanon	Sale and marketing of pasta
Garleb, DMCC	100.0%	100.0%	GAROF	GAROF	Dubai (UAE)	Sale and marketing of pasta
Garofalo France, S.A.	100.0%	100.0%	Garof/EPF	Garof/EPF	Lyon (France)	Sale and marketing of pasta and sauces
Vogan & Company Ltd.	100.0%	100.0%	S&B	S&B	London (UK)	Dormant
Riviana Food Limited	100.0%	100.0%	S&B	S&B	London (UK)	Dormant
Joseph Heap & Sons Ltd. (J Heap)	100.0%	100.0%	S&B	S&B	London (UK)	Dormant
Anglo Australian Rice Ltd.	100.0%	100.0%	S&B	S&B	London (UK)	Dormant
Heap Comet	100.0%	100.0%	S&B	S&B	London (UK)	Dormant
AW Mellish	100.0%	100.0%	S&B	S&B	London (UK)	Dormant

(A) Associates consolidated using the equity method

(B) Companies fully consolidated due to the existence of a commitment to acquire the rest of these investees' equity (for a description of those commitments, refer to Note 22).

None of the subsidiaries or associates is publicly traded. The financial statements of all of the companies consolidated by the Group correspond to the same financial year-end, namely December 31, 2023 and 2022.

(THOUSANDS OF EUROS)

5. SIGNIFICANT TRANSACTIONS (BUSINESS COMBINATIONS, DISPOSALS, ETC.) CLOSED IN 2023 AND 2022 AND IMPACT ON COMPARABILITY

5.1 Business combinations of entities under common control in 2023

For internal management reorganisation purposes, at the end of 2023, 100% of the share capital of Ebrofrost North America, Inc. (USA), wholly owned by Ebro Foods, S.A., was sold to Riviana Foods, Inc. (likewise, a wholly-owned subsidiary). There were no other significant internal company restructuring transactions in 2023.

5.2 Business combinations of entities under common control in 2022

There were no internal company restructuring transactions in 2022.

5.3 Third-party business combinations undertaken in 2023 and 2022 and impact on comparability. Changes in consolidation scope:

Transactions in 2023:

In 2023, the Group purchased the 40% of Neofarms Bio, S.A. it did not already own for 2,090 thousand euros. There were no other business combinations in 2023.

Transactions in 2022:

Companies added to the consolidation scope and increases in shareholdings in 2022:			
Company affected	**Subgroup**	**%**	**Comments**
Ebro UK, Ltd. (UK)	Rice	100%	Company incorporation
InHarvest, Inc (USA)	Rice	100%	Outright acquisition of this business

Companies removed from the consolidation scope and decreases in shareholdings in 2022:			
Company affected	**Subgroup**	**%**	**Comments**
Roland Monterrat, S.A. (France)	Pasta	100%	Sale of this company

The most important transactions undertaken in 2022 were the following:

Acquisition of the InHarvest business in the US

On April 1, 2022, the Group, through its rice business, specifically its US subsidiary, Riviana Foods Inc., completed the acquisition of the assets comprising the business of InHarvest, Inc., an American company with an important presence in the industrial (B2B), food service and private label businesses, specialized in premium rice, quinoa and grains, in the US market.

The acquisition encompassed the two factories operated by InHarvest, located in Colusa and Woodland (California), strategically located in the country's western rice-growing region, where the Ebro Group did not have a manufacturing presence. The business employs approximately 140 people.

The Group's investment totalled 45.2 million euros. The acquisition was financed from own funds. The Group took effective control of this business on April 1, 2022, which was also the date of its first-time consolidation. The fair value of the net assets acquired at April 1, 2022 was as follows:

Acquisition of 100% of the Inharvest business (USA)	Date of first-time consolidation
	April 1, 2022
Thousands of euros	Fair value
Property, plant and equipment	19,709
Inventories	19,557
Other current assets	7,334
Total assets	**46,600**
Trade payables	781
Other current liabilities	617
Total liabilities	**1,398**
Total identifiable net assets at fair value	**45,202**
Goodwill arising on acquisition	0
Purchase consideration transferred	**45,202**
Non-controlling interests	0
Financed with financial liabilities and cash	45,202
Purchase consideration transferred	**45,202**
Net cash (debt) acquired with the subsidiary	0
Revenue since the acquisition date	31,904
Net profit contribution since the acquisition date	2,486
Revenue since January 1, (a)	45,041
Net profit contribution since 1 January (a)	3,513

(a) Estimate as if the businesses had been acquired on January 1, 2022

Sale of the Monterrat business (France)

In June 2022, the Group sold Roland Monterrat, a company which made fresh prepared dishes in France (*pâté en croûte*, sandwiches and *croque-monsieur*).

The consideration comprised (i) 10 million euros for the shares sold; and (ii) 12 million euros in respect of the account receivable by the Group from the company sold; it was collected in June, which is when the business was delivered to the buyer and the sale was recognized for accounting purposes.

Since 2015, that investment had generated a loss for the Ebro Group of 49.2 million euros (after tax), of which 25.9 million euros had already been recognized in prior years so that 23.3 million euros was recognized in 2022 (3.7 million euros as an operating loss and 19.6 million euros as a non-recurring loss). That business was part of the Ebro Group's Pasta segment.

In May 2021, the Ebro Group presented a claim for damages before Roland Monterrat's former shareholders (i.e., the shareholders that sold the company to the Ebro Group in September 2015).

That legal claim remains ongoing and the experts appointed by the parties are assessing the damages for presentation before the competent court. However, as a pre-trial measure, the competent court has embargoed the assets of some of the former shareholders being sued.

At the date of publishing these consolidated financial statements, it is impossible to say with reasonable certainty when this case will be settled or how much the Group can expect to receive. Nevertheless, the Ebro Group believes it has strong chances of being handed a favourable ruling that will enable it to receive a sum close to the amount invested in this business. However, the Group has not recognized any income in relation with this matter as applicable accounting rules preclude the recognition of contingent assets.

6. SEGMENT REPORTING AND REVENUE FROM CONTRACTS WITH CUSTOMERS

The operating segments are organised and managed separately by products and services; each segment represents a strategic business unit that sells different products and services different markets. Accordingly, the Group's segment reporting disclosures are articulated around its business segments, as the Group's risks and returns are shaped primarily by differences in the products and services provided.

Against this backdrop, the Ebro Foods Group is divided into the following business segments and/or activities:

- Rice business
- Fresh and premium dry pasta business
- Other businesses and/or activities

The Group structures its segment reporting disclosures around these businesses and/or activities. The financial information relating to these business segments is presented in the table provided at the end of this Note 6.

(THOUSANDS OF EUROS)

Rice business

Herba Group: Specialized in businesses related with rice, legumes and other grains. The Group has established itself as Europe's leading rice group and one of the world's most important players. It boasts an extensive and modern manufacturing base and an extensive sales network, doing business in more than 70 markets.

It is the leading European player in rice retailing, the food service segment and in the supply of rice, rice derivatives and ingredients for industrial purposes. It follows a multi-brand strategy underpinned by a deep portfolio of successful brands that boast strong recognition in their operating markets. These high-profile brands include: SOS, Brillante, La Fallera, La Cigala, Saludades, Lassie, Reis fit, Rix fis, Oryza, Bosto, Riceland, Risella, Peacock and Phoenix. The table below summarizes the Group's market shares in its main retail markets:

Country	By volume	By value	Ranking
Spain	24.99%	30.82%	#1
Portugal	15.94%	17.26%	#1
Belgium	22.71%	31.77%	#2
Germany	15.4%	20.8%	Joint leader
Netherlands	20.20%	28.00%	#1

Source: Nielsen or IRI

In parallel it supplies rice to Europe's leading food sector players:

- ✓ Beverage industries
- ✓ Industrial rice companies
- ✓ Baby food: cereals, baby food, etc.
- ✓ Pre-cooked dishes: non-refrigerated, dehydrated, frozen, etc.
- ✓ Animal and pet food

Riviana Rice Group: This is the unit specialized in the rice business in the US, specifically through Riviana, Inc., the largest rice company in the US, with rice processing and production facilities in Tennessee, Texas, Arkansas and California.

Riviana is the leading rice retailer in the US and boasts a variety of brands including Mahatma, Success and Minute, leaders in the traditional and instant and microwaveable rice segments.

The Group's overall market share in the US retail segment is 23.1% by volume; its footprint extends to growth segments such as aromatic and microwaveable rice and grains.

This subgroup also has an international presence in markets with long-standing trade ties with the US, several Caribbean nations and the Middle East, the latter through the Abu Bint brand, which is the leading player in the par-boiled rice segment in Saudi Arabia.

Tilda Group: Its main asset is the Tilda brand, a rice company deeply specialized in basmati with global brand recognition. It boasts a presence in several markets on all five continents and is particularly well known and well positioned in the UK, which is where it manufactures: approximately 60% of its sales stem from its home market. In the UK market it sells its products under a variety of brands and is the joint market leader by both volume (22.6%) and value (25.5%); it also commands a market share of 11.7% (by value) in Ireland.

Lustucru Premium Foods (France): This unit sells rice under two brands: Lustucru, devoted to conventional and quick-cook rice, and Taureau Ailé, specialized in select, premium-quality rice. Between the two brands, this unit is the number-one player in the French market, with a market share of 19.3% by volume and of 27.5% by value.

Premium Dry Pasta and Fresh Pasta Business

Lustucru Premium Group, fresh pasta France: This is the Group unit specialized in the fresh pasta business in France. It is the clear market leader with a share of 51.8% by volume and 44.8% by value. Thanks to its value-added customer proposition, it is the undisputed leader in the French market.

Its products are sold under the Lustucru brand and include fresh pasta, pan-fry gnocchis, snacks and ready-made dishes. It represents a growth segment and a launch pad for the Group's R&D effort.

Bertagni Group: Added to the Group in March 2018 following the acquisition of 70% of the shares of Bertagni (including an option over the remaining 30%), this business has factories in Vicenza and Alvio (Italy). Bertagni is known as the oldest filled pasta brand in Italy. An expert in the production and sale of fresh pasta in the premium fresh pasta segment, it combines the finest artisan pasta traditions with extraordinary product development and innovation capabilities.

Garofalo Group: This is the Group unit that specialises in the high-end dry pasta segment; its products enjoy protective geographic indications. Pastificio Lucio Garofalo is steeped in over two hundred years of history and marries tradition and innovation in the premium pasta business. It is based in Gragnano (at the back of the Bay of Naples), the region considered the cradle of pasta on account of its special micro-climate. It owns the Garofalo and Santa Lucia trademarks, among others.

This company has etched out a growth story in recent years, transforming from a small-sized local player into a leader in the Italian premium dry pasta segment (share of 6.6% by volume and 7.6% by value). Its brands are sold in most European markets and the US and its Santa Lucía brand is a best-selling pasta brand in eastern Africa.

Riviana Fresh Pasta Group: This subgroup includes the North American fresh pasta business, led by the Olivieri brand, which is the undisputed leader in the fresh pasta segment in Canada with a market share of 47.9% by volume and 54.5% by value (grocery stores, drug stores and mass market retailers). Olivieri makes and sells simple and filled fresh pasta products as well as a wide range of traditional and pan-fry gnocchi products.

Other businesses and/or activities

The most notable activity in this category:

Asset management:

This unit manages the Group's property that is not used in the core businesses (investment properties). Its purpose is to centrally control all of the Group's properties with a view to remaining abreast of their status, reducing costs and selling off those not used for industrial purposes after taking action to maximize their valuation prior to monetization.

Criteria used to allocate amounts to reportable segments

The restructuring effort and initiatives undertaken by the Group in recent years have enabled it to configure each of its main business segments separately, thereby facilitating their management, decision-making and financial control. Accordingly, the allocation of consolidated expenses, income, assets and liabilities among the segments derives from the amounts that belong directly to each.

It has not been necessary to establish criteria for allocating shared expenses and income or shared assets and liabilities among the segments other than in the French and Canadian businesses for which certain expenses were allocated on a *pro rata* basis (as is common practice in these kinds of situations) between the rice and fresh pasta units. Against this backdrop, although the non-financial fixed assets and liabilities and working capital structures dovetail with the needs of each business or activity, the financial structure shown by segment is determined by internal financial management criteria in keeping with appropriate and necessary centralisation and coordination at the Group level.

Inter-segment transactions

Although not material in relation to the total consolidated figures, inter-segment transactions have been eliminated for the purpose of determining the reportable segments' revenue, expenses and profits. Transfer prices between operating segments are on an arm’s length basis in a manner similar to transactions with third parties. Inter-segment transactions are eliminated on consolidation.

6.1 Geographic information

The geographic information is provided on the basis of the location of the Group's assets. Revenue from external customers is based on the geographic location of the customers. The detailed descriptions of each of the Group's business segment provided above indicate the geographic areas in which each operates. A summary of the businesses and/or activities carried out by the Group by geographic area is provided below:

- Spain: Herba's rice business and the Harinas de Santa Rita and Arotz businesses.
- Rest of Europe: essentially the businesses of Herba, Lustucru Premium Group (France, including Bertagni), Garofalo, Tilda, Kohinoor and Geovita.
- US & Canada: the Riviana business in the US and the Olivieri business in Canada; to a lesser extent, Bertagni, Tilda and Garofalo.
- Rest of world: essentially the rice business of Herba and some of the exports of Bertagni, Riviana and Garofalo.

The breakdown of assets and revenue provided by geographic market for continuing operations, without considering the place where the goods are produced, is provided in the next table (thousands of euros):

2022 - Geographic market	Spain	Europe	Americas	Other	TOTAL
Segment revenue	260,312	1,167,290	1,216,202	646,285	3,290,089
Inter-segment revenue	-31,290	-71,217	-179,360	-40,550	-322,417
Total revenue	**229,022**	**1,096,073**	**1,036,842**	**605,735**	**2,967,672**
Intangible assets	43,080	243,890	142,312	198	429,480
Property, plant and equipment and right-of-use assets	122,310	408,369	285,112	63,298	879,089
Other assets	346,276	1,264,399	766,690	214,282	2,591,647
Total assets	**511,666**	**1,916,658**	**1,194,114**	**277,778**	**3,900,216**
Capital expenditure	**20,103**	**62,422**	**36,297**	**2,576**	**121,398**

2023 - Geographic market	Spain	Europe	Americas	Other	TOTAL
Segment revenue	262,767	1,190,206	1,169,666	780,843	3,403,482
Inter-segment revenue	-16,267	-75,809	-115,188	-111,761	-319,025
Total revenue	**246,500**	**1,114,397**	**1,054,478**	**669,082**	**3,084,457**
Intangible assets	42,904	244,976	137,040	175	425,095
Property, plant and equipment and right-of-use assets	133,694	419,529	287,349	66,087	906,659
Other assets	281,198	1,254,913	795,865	207,835	2,539,811
Total assets	**457,796**	**1,919,418**	**1,220,254**	**274,097**	**3,871,565**
Capital expenditure	**18,896**	**58,172**	**65,466**	**2,366**	**144,900**

In two of the countries within the Group's markets, specifically the US and France, the revenue from contracts with customers and the unit's assets are material in comparison with those of the remaining countries (i.e., the countries other than Spain that account for over 10% of consolidated revenue and assets) and are thus broken down below (thousands of euros):

UNITED STATES	2023	2022
Segment revenue	1,169,666	1,050,762
Inter-segment revenue	-115,188	-158,466
Total revenue	**1,054,478**	**892,296**
Intangible assets	131,221	136,398
Property, plant and equipment	262,733	263,824
Other assets	750,814	722,332
Total assets	**1,144,768**	**1,122,554**
Capital expenditure	**57,256**	**25,287**

FRANCE	2023	2022
Segment revenue	448,117	442,010
Inter-segment revenue	-59,995	-57,148
Total revenue	**388,122**	**384,862**
Intangible assets	37,820	38,036
Property, plant and equipment	122,688	116,043
Other assets	242,836	242,334
Total assets	**403,344**	**396,413**
Capital expenditure	**30,904**	**36,936**

6.2 Segment information by business

The following tables provide information on the revenue and earnings of continuing operations, as well as certain asset and liability disclosures for the Group's reportable segments, for the years ended December 31, 2023 and 2022.

REPORTABLE SEGMENT DISCLOSURES - CONTINUING OPERATIONS

EBRO FOODS GROUP (Thousands of euros)	**TOTAL CONSOL. FIGURES**		**Rice Business (excl. North America)**		**North America Rice & Fresh Pasta**		**Fresh Pasta Business (excl. North America)**		**EF Holdco**		**Other Businesses & Consol. Adjustments**	
STATEMENT OF FIN'L POSITION	31-12-23	31-12-22	31-12-23	31-12-22	31-12-23	31-12-22	31-12-23	31-12-22	31-12-23	31-12-22	31-12-23	31-12-22
Intangible assets	425,095	429,480	186,366	185,057	137,040	142,312	79,195	79,455	21,191	21,351	1,303	1,305
Property, plant and equipment	906,659	879,089	373,936	356,511	287,347	285,109	234,797	227,522	888	963	9,691	8,984
Investment properties	18,334	19,382	16,608	22,107	0	0	0	0	8,400	8,464	-6,674	-11,189
Financial assets	9,575	6,102	6,752	3,368	20	21	2,615	2,517	146	146	42	50
Investments in associates	47,132	43,235	1	1	58,098	52,177	5	5	1,720,505	1,726,427	-1,731,477	-1,735,375
Deferred tax assets	44,877	48,794	16,063	19,887	9,702	8,306	7,444	7,195	6,529	6,529	5,139	6,877
Goodwill	798,377	807,072	192,492	190,788	288,833	299,232	309,295	309,295	0	0	7,757	7,757
Accounts receivable from group companies	0	0	88,897	76,482	70,217	120,309	32,582	27,191	46,475	104,181	-238,171	-328,163
Other current assets	1,621,516	1,667,062	839,990	895,089	493,217	453,376	271,903	291,626	20,039	32,471	-3,633	-5,500
	3,871,565	**3,900,216**	**1,721,105**	**1,749,290**	**1,344,474**	**1,360,842**	**937,836**	**944,806**	**1,824,173**	**1,900,532**	**-1,956,023**	**-2,055,254**
Assets held for sale	0	0	0	0	0	0	0	**0**	0	0	0	0
Total assets	**3,871,565**	**3,900,216**	**1,721,105**	**1,749,290**	**1,344,474**	**1,360,842**	**937,836**	**944,806**	**1,824,173**	**1,900,532**	**-1,956,023**	**-2,055,254**
Total equity	2,222,133	2,198,280	1,116,126	1,037,479	1,106,948	1,111,019	341,645	354,976	1,331,272	1,379,493	-1,673,858	-1,684,687
Deferred income	15,800	10,919	5,954	4,769	0	0	9,823	6,150	0	0	23	0
Provisions for pensions and similar obligations	22,399	25,187	10,046	11,643	3,249	2,654	4,914	4,999	2,865	4,000	1,325	1,891
Other provisions	15,389	15,506	1,538	2,165	441	655	2,348	1,317	10,976	11,240	86	129
Non-current & current financial liabilities	903,467	947,997	104,608	169,460	29,315	33,366	364,993	354,774	376,030	364,586	28,521	25,811
Deferred tax liabilities	228,485	227,290	61,383	63,225	94,026	94,627	35,868	35,562	36,649	33,466	559	410
Borrowings from group companies	0	0	205,049	247,391	29,738	29,920	18,987	21,076	59,825	96,771	-313,599	-395,158
Other current liabilities	463,892	475,037	216,401	213,158	80,757	88,601	159,258	165,952	6,556	10,976	920	-3,650
	3,871,565	**3,900,216**	**1,721,105**	**1,749,290**	**1,344,474**	**1,360,842**	**937,836**	**944,806**	**1,824,173**	**1,900,532**	**-1,956,023**	**-2,055,254**
Liabilities of non-current assets held for sale	0	0	0	0	0	0	0	0	0	0	0	0
Total liabilities	**3,871,565**	**3,900,216**	**1,721,105**	**1,749,290**	**1,344,474**	**1,360,842**	**937,836**	**944,806**	**1,824,173**	**1,900,532**	**-1,956,023**	**-2,055,254**
Capital expenditure for the year	144,900	121,398	50,895	47,368	57,256	30,987	35,570	41,732	216	306		
Capital employed	2,255,729	2,228,932	1,206,839	1,123,547	664,775	687,653	362,049	357,969	22,857	34,663		
ROCE	12.6	10.5										
Leverage	30.1%	29.8%										
Average headcount for the year	6,323	6,293										
Stock market data:												
Number of shares outstanding ('000)	153,865	153,865										
Market cap. at year-end	2,388	2,256	Millions of euros									
EPS	1.22	0.79										
Dividend per share (DPS)	0.57	0.57										
Underlying carrying amount per share	14.20	14.07										

Within "North America: Rice and Fresh Pasta", the breakdown of intangible assets and property, plant and equipment between the Rice and Fresh Pasta segments is as follows (thousands of euros):

	31/12/2023			**31/12/2022**		
	Rice	Pasta	TOTAL	Rice	Pasta	TOTAL
Intangible assets	131,223	5,817	137,040	136,399	5,913	142,312
Property, plant and equipment	262,730	24,617	287,347	263,819	21,290	285,109
	393,953	30,434	424,387	400,218	27,203	427,421

REPORTABLE SEGMENT DISCLOSURES - CONTINUING OPERATIONS

EBRO FOODS GROUP (Thousands of euros)	TOTAL CONSOL. FIGURES		Rice Business		Fresh/Premium Pasta Business		EF Holdco		Other Businesses & Consol. Adjustments	
STATEMENT OF PROFIT OR LOSS	31-12-23	31-12-22	31-12-23	31-12-22	31-12-23	31-12-22	31-12-23	31-12-22	31-12-23	31-12-22
External revenue	3,084,457	2,967,672	2,433,221	2,319,883	639,180	636,358	-1	542	12,057	10,889
Inter-segment revenue			10,494	9,603	13,040	15,187	4,863	3,853	-28,397	-28,643
Total revenue	**3,084,457**	**2,967,672**	**2,443,715**	**2,329,486**	**652,220**	**651,545**	**4,862**	**4,395**	**-16,340**	**-17,754**
Change in inventories	-21,945	38,392	-20,502	27,196	-1,341	9,709	0	0	-102	1,487
Own work capitalized	871	508	271	73	600	435	0	0	0	0
Other operating income	17,101	19,993	19,637	13,707	11,423	13,585	6,395	35,137	-20,354	-42,436
Raw materials and consumables used and other expenses	-1,733,630	-1,727,697	-1,436,100	-1,400,110	-304,656	-336,884	0	0	7,126	9,297
Employee benefits expense	-370,441	-358,329	-254,982	-238,434	-101,765	-106,098	-14,510	-14,348	816	551
Depreciation and amortization	-102,874	-101,023	-68,035	-67,165	-33,174	-32,147	-1,402	-1,500	-263	-211
Other operating expenses	-597,288	-636,945	-451,007	-451,578	-169,751	-196,960	-11,418	-11,062	34,888	22,655
Operating profit	**276,251**	**202,571**	**232,997**	**213,175**	**53,556**	**3,185**	**-16,073**	**12,622**	**5,771**	**-26,411**
Finance income	82,092	65,365	78,537	68,726	6,158	4,548	7,892	209,050	-10,495	-216,959
Finance costs	-89,877	-84,068	-80,587	-69,934	-9,679	-10,121	-7,358	-8,600	7,747	4,587
Impairment of goodwill	0	0	0	0	0	0	0	0	0	0
Share of profit of associates	5,391	1,939	1,341	1,382	0	0	0	0	4,050	557
Consolidated profit (loss) before tax	**273,857**	**185,807**	**232,288**	**213,349**	**50,035**	**-2,388**	**-15,539**	**213,072**	**7,073**	**-238,226**

6.3 Revenue from customer contracts

Disaggregated revenue disclosures. The Group's disaggregated revenue from contracts with customers:

Type of goods or services	31/12/2023				
(Thousands of euros)	**Rice**	**Pasta**	**Other**	**Inter-company**	**Total**
Sale of goods	2,435,086	647,591	12,597	-20,785	3,074,489
Rendering of services	6,118	3,572	3,820	-7,102	6,408
Revenue from royalties *et al.*	311	1,057	1,379	-1,391	1,356
Lease income	2,200	0	2	2	2,204
	2,443,715	**652,220**	**17,798**	**-29,276**	**3,084,457**

Type of goods or services	31/12/2022				
(Thousands of euros)	**Rice**	**Pasta**	**Other**	**Inter-company**	**Total**
Sale of goods	2,318,387	644,910	11,276	-21,955	2,952,618
Rendering of services	9,192	4,589	3,516	-6,030	11,267
Revenue from royalties *et al.*	170	2,046	887	-1,054	2,049
Lease income	1,737	0	1	0	1,738
	2,329,486	**651,545**	**15,680**	**-29,039**	**2,967,672**

The Group's core business is the sale of food products to end consumers and the supply of food-related raw materials to third parties. The Group's contracts with customers are contracts for the sale of finished food products and food-related raw materials and the delivery of those products and raw materials is generally the only performance obligation.

Revenue is recognized when control of the asset is transferred to the customer, which is customarily when the goods are delivered.

7. OTHER INCOME AND EXPENSE

7.1 Other operating income (thousands of euros)

		2023		2022
Government grants (related to income and grants)		3,030		3,006
Other operating income		10,223		15,180
Gains on disposal of fixed assets		1,867		232
Gains on disposal of investment properties		277		0
Reversal of non-current asset impairment provisions		239		204
Other income		1,465		1,371
Reversal of provisions for other lawsuits	591		680	
Other less significant items	538		691	
		17,101		**19,993**

Other income included the following less-recurring items in 2023:

- A gain of 1,867 thousand euros recognized on the sale of items of property, plant and equipment; a gain of 277 thousand euros on the sale of investment properties; and a gain of 239 thousand euros derived from the reversal of impairment allowances against items of property, plant and equipment.
- Income from the reversal of provisions of 591 thousand euros.
- The rest of other operating income related to grants and minor other operating items.

Other income included the following less-recurring items in 2022:

- A gain of 232 thousand euros recognized on the sale of items of property, plant and equipment and a gain of 204 thousand euros derived from the reversal of impairment allowances against items of property, plant and equipment.
- Income from the reversal of provisions for liabilities and pensions of 680 thousand euros.
- The rest of other operating income related to grants and minor other operating items.

7.2 Other operating expenses (thousands of euros)

		2023		2022
External services		(488,175)		(515,718)
Advertising expenditure		(86,314)		(77,161)
Research and development costs		(1,773)		(1,578)
Taxes/levies other than corporate income tax		(9,132)		(9,653)
Loss on sale, derecognition or impairment of property, plant and equipment		(1,850)		(5,358)
Losses on disposal of investees		0		(19,619)
Other provisions and charges recognized		(10,044)		(7,858)
Provisions for lawsuits and disputes	(1,327)		(1,726)	
Industrial and logistics restructuring charges	(4,650)		(4,911)	
New business and investment acquisition costs	(3,765)		(414)	
Other less significant items	(302)		(807)	
		(597,288)		**(636,945)**

The most significant less-recurring items included under other operating expenses in 2023:

- A loss of 1,850 thousand euros recognized on the derecognition, sale or restructuring of several pieces of industrial equipment and plant.
- Investment expenditure not eligible for capitalisation in the amount of 3,765 thousand euros.
- Charges for provisions and expenses for lawsuits and disputes with third parties in the amount of 1,327 thousand euros.
- Industrial restructuring charges and costs at certain centres totalling 4,650 thousand euros.

Other operating expenses included the following less-recurring items in 2022:

- A loss of 5,358 thousand euros recognized on the derecognition, sale or restructuring of several pieces of industrial equipment and plant.
- Investment expenditure not eligible for capitalisation in the amount of 414 thousand euros.
- Charges for provisions and expenses for lawsuits with third parties in the amount of 1,726 thousand euros.
- Industrial restructuring charges and costs at certain centres totalling 4,911 thousand euros.
- The loss recognized on the sale of Roland Monterrat in the amount of 19,619 thousand euros.

7.3 Finance costs and finance income (thousands of euros)

	2023	2022
Finance costs		
Third-party borrowings	(14,355)	(6,982)
Unwinding of discount on financial liabilities	(1,703)	(1,766)
Unwinding of discount on provisions for pensions and similar obligations	(1,169)	(1,076)
Losses on derecognition of financial assets and liabilities	(4)	(2)
Impairment provisions on other financial assets	(1,183)	(2,583)
Expenses/losses related to derivatives and financial instruments	(8,036)	(12,006)
Exchange losses	(63,427)	(59,653)
	(89,877)	(84,068)
Finance income		
Third-party loans	11,104	2,436
Gains on derecognition of financial assets and liabilities	0	3,524
Reversal of financial asset impairment provisions	2,673	187
Gains on derivatives and financial instruments	6,108	4,331
Exchange gains	62,207	54,887
	82,092	**65,365**
Net finance income/(cost)	**(7,785)**	**(18,703)**

7.4 Employee benefits expense

The breakdown of employee benefits expense and the average Group headcount in 2023 and 2022 and at each year-end (thousands of euros):

	2023	2022
Wages and salaries	(283,734)	(273,761)
Other benefit expense	(34,268)	(32,583)
Social security and similar costs	(42,299)	(40,384)
Cost of post-employment and similar benefits	(10,140)	(11,601)
	(370,441)	**(358,329)**

(THOUSANDS OF EUROS)

AVERAGE HEADCOUNT

AVERAGE	MEN		WOMEN		
2023	FIXED	TEMPORARY	FIXED	TEMPORARY	TOTAL
Executives	198	6	90	9	303
Skilled staff and middle management	614	7	267	4	892
Clerical and support staff	448	116	451	47	1,062
Production staff	2,367	673	649	311	4,000
Other staff	23	19	21	3	66
TOTAL	**3,650**	**821**	**1,478**	**374**	**6,323**

AVERAGE	MEN		WOMEN		
2022	FIXED	TEMPORARY	FIXED	TEMPORARY	TOTAL
Executives	201	3	87	6	297
Skilled staff and middle management	586	10	251	8	855
Clerical and support staff	399	122	464	29	1,014
Production staff	2,286	748	661	358	4,053
Other staff	24	22	24	4	74
TOTAL	**3,496**	**905**	**1,487**	**405**	**6,293**

YEAR-END HEADCOUNT

YEAR-END	MEN		WOMEN		
2023	FIXED	TEMPORARY	FIXED	TEMPORARY	TOTAL
Executives	197	5	97	7	306
Skilled staff and middle management	624	5	274	3	906
Clerical and support staff	429	108	459	37	1,033
Production staff	2,396	506	660	258	3,820
Other staff	22	20	24	4	70
TOTAL	**3,668**	**644**	**1,514**	**309**	**6,135**

YEAR-END	MEN		WOMEN		
2022	FIXED	TEMPORARY	FIXED	TEMPORARY	TOTAL
Executives	198	3	85	8	294
Skilled staff and middle management	587	12	260	6	865
Clerical and support staff	404	113	479	34	1,030
Production staff	2,324	583	703	271	3,881
Other staff	23	19	25	4	71
TOTAL	**3,536**	**730**	**1,552**	**323**	**6,141**

As required under article 260 of the Corporate Enterprises Act, it is hereby disclosed that the number of people employed by the Group in 2023 (2022) with a disability of a severity of 33% or higher averaged 54 (62) men and 28 (25) women, most of whom in the production staff categories.

8. INTANGIBLE ASSETS

The reconciliation of the carrying amount of intangible assets at the beginning and end of 2023 and 2022, detailing the amortization and impairment provisions recognized each year, is provided below (in thousands of euros):

Carrying amounts	Development costs	Patents & trademarks	Computer software	Intangibles in progress	Total
Balance at December 31, 2021	60	429,822	4,222	244	**434,348**
Balance at December 31, 2022	48	424,770	4,267	395	**429,480**
Balance at December 31, 2023	33	420,563	4,080	419	**425,095**

Gross carrying amounts	Development costs	Trademarks & patents	Computer software	Intangibles in progress	Total
Balance at December 31, 2021	**76**	**468,400**	**35,509**	**244**	**504,229**
Business combination					0
Business sales (exits)		(2,677)	(159)		(2,836)
Additions	5	38	2,071	151	2,265
Decreases		(28)	(7)		(35)
Translation differences		92	1,033		1,125
Transfers		4	(4)		0
Balance at December 31, 2022	**81**	**465,829**	**38,443**	**395**	**504,748**
Business combination					0
Business sales (exits)					0
Additions		142	1,900	24	2,066
Decreases			(86)		(86)
Translation differences		(2,245)	(662)		(2,907)
Transfers			233		233
Balance at December 31, 2023	**81**	**463,726**	**39,828**	**419**	**504,054**

Amortization and impairment	Development costs	Trademarks & patents	Computer software	Intangibles in progress	Total
Balance at December 31, 2021	**(16)**	**(38,578)**	**(31,287)**	**0**	**(69,881)**
Business combination					0
Business sales (exits)			228		228
Additions	(17)	(2,578)	(2,044)		(4,639)
Decreases		1	3		4
Translation differences		44	(1,024)		(980)
Transfers		52	(52)		0
Balance at December 31, 2022	**(33)**	**(41,059)**	**(34,176)**	**0**	**(75,268)**
Business combination					0
Business sales (exits)					0
Additions	(16)	(2,445)	(2,175)		(4,636)
Decreases			64		64
Translation differences		342	653		995
Transfers	1	(1)	(114)		(114)
Balance at December 31, 2023	**(48)**	**(43,163)**	**(35,748)**	**0**	**(78,959)**

Movements in 2023

The most significant movements under this heading during the year ended December 31, 2023:

- Additions totalling 2,066 thousand euros (mainly software).
- A decrease of 1,912 thousand euros due to translation differences.

- A decrease of 4,636 thousand euros on account of amortization charges for the year.
- A decrease of 22 thousand euros due to assets derecognized.
- An increase of 119 thousand euros due to transfers.

The most significant movements under this heading during the year ended December 31, 2022:

- Additions totalling 2,265 thousand euros (mainly software).
- An increase of 145 thousand euros due to translation differences.
- A decrease of 4,639 thousand euros on account of amortization charges for the year.
- A decrease of 2,608 thousand euros due to the deconsolidation (sale) of the intangible assets of Roland Monterrat and the derecognition of other intangible assets in the amount of 31 thousand euros.

Trademarks

At year-end 2023, there were four trademarks (year-end 2022: four) with an original aggregate cost of 41,829 thousand euros (year-end 2022: 42,024 thousand euros) that have been written down for impairment by 21,601 thousand euros in total (year-end 2022: 21,728 thousand euros).

Segment	Cash-generating unit: Trademarks	Number of trademarks	Balance at 31/12/2023		
			Gross	Impairment & amortiz.	Net amount
Rice	Herba Germany	2	21,065	(8,653)	12,412
Rice	Risella (Finland)	1	4,000	0	4,000
Rice	SOS business	3	33,315	(2,000)	31,315
Rice	Geovita (Italy)	3	1,970	0	1,970
Rice	Ebro India	1	72	0	72
Rice	Tilda Group	2	119,671	0	119,671
Rice	Riviana (US)	4	108,743	0	108,743
Rice	Riviana (US) SOS	4	16,920	0	16,920
Rice	Riviana (US) Rice select	4	4,109	0	4,109
Rice	Indo European Foods (UK)	1	16,993	0	16,993
Pasta	Riviana (Canada)	1	16,764	(10,948)	5,816
Pasta	Ebro Premium Foods (France)	3	36,400	0	36,400
Pasta	Garofalo (Italy)	3	34,576	0	34,576
Pasta	Bertagni (Italy)	1	6,169	0	6,169
Other	Harinas (Spain)	1	1,300	0	1,300
			422,067	(21,601)	400,466
Rice	Riviana (US) Rice select		6,296	(5,404)	892
Rice	Riviana (US) Rice select - Customer portfolio		1,702	(1,702)	0
Pasta	Canada - customer portfolio		3,444	(3,444)	0
Rice	Tilda Group - customer portfolio		21,863	(6,316)	15,547
Rice	Geovita - customer portfolio		4,872	(1,949)	2,923
Other indefinite-lived trademarks and patents			3,482	(2,747)	735
			463,726	**(43,163)**	**420,563**

The trademarks and patents included within intangible assets were either acquired directly or via business combinations. Virtually all of these assets have been assessed as having an indefinite useful life and have been valued using the cost model. Their carrying amounts have been allocated to the cash-generating units (CGUs) shown in the table above (thousands of euros).

(THOUSANDS OF EUROS)

The Group tested its trademarks for impairment in 2023 and 2022; most of the tests were performed by an independent expert, namely Kroll. Those impairment tests did not indicate the need to recognize any additional impairment losses in either 2023 or 2022.

The recoverable amount of the trademarks was determined using cash flow projections that are typically derived from budgets that cover a five-year horizon and are then projected for another five years (using the relief-from-royalty method).

The growth rates used to extrapolate the cash flow projections beyond the projection horizon and the discount rates applied to the cash flow projections for the most important CGUs in 2023 (2022) were:

Product	Trademark/Country or Business	Discount rate - Pre-tax		Discount rate - Post-tax		Growth rate, *g*	
		2023	2022	2023	2022	2023	2022
Rice	Herba Germany	9.00%	9.38%	7.13%	7.38%	2.45%	2.50%
Rice	SOS business (Spain, Netherlands and Portugal)	8.50% - 11.25%	9.0% - 10.38%	7% - 8.75%	7.38% - 9%	1.9% - 2.7%	2.35% - 2.8%
Rice	Geovita (Italy and France)	11.88%	11.13%	9.13%	9.13%	2.30%	2.35%
Rice	Riviana (US)	10.75%	10.50%	8.75%	8.50%	2.30%	2.50%
Rice	Riviana Abu Bint (Saudi Arabia)	13.00%	13.00%	10.25%	10.00%	1.60%	1.20%
Rice	Riviana (US) SOS	10.75%	10.50%	8.75%	8.50%	2.30%	2.50%
Rice	Tilda (UK)	11.38%	10.38%	9.13%	8.38%	2.55%	2.55%
Pasta	Riviana Canada	11.25%	10.25%	9.00%	8.00%	2.15%	2.35%
Rice and Fresh	Ebro France	9.75%	9.00%	7.88%	7.38%	2.35%	2.40%
Pasta	Garofalo (Italy and international)	11.88%	12.25%	9.13%	9.38%	2.30%	2.35%
Pasta	Garofalo (Africa and international)	10.50%	11.25%	9.63%	10.50%	2.30%	2.35%
Pasta	Bertagni (Italy)	11.88%	11.88%	9.13%	9.13%	2.30%	2.35%

The Group also performed sensitivity analysis, varying the two inputs deemed key to the valuation results: the discount rate and the growth rate (g). With respect to the assumptions used to calculate the trademarks' value in use, management believes that no reasonably-possible change in the key assumptions used would cause their carrying amounts to exceed their recoverable amounts, with the exception of those already deemed impaired.

More specifically, neither a 10% increase in the discount rates nor a 10% variation in the growth rates (g) used would trigger significant impairment charges.

9. PROPERTY, PLANT AND EQUIPMENT

The reconciliation of the carrying amount of the Group's property, plant and equipment at the beginning and end of 2023 and 2022, detailing the depreciation and impairment provisions recognized in each year, is provided below (in thousands of euros):

Carrying amounts	Land	Buildings	Plant and equipment	Other fixtures, tools & furniture	Other PP&E	PP&E In progress	Total
Balance at December 31, 2021	109,175	213,645	356,329	20,820	9,661	79,051	**788,681**
Balance at December 31, 2022	111,527	228,288	355,543	37,666	9,765	81,661	**824,450**
Balance at December 31, 2023	112,912	219,428	374,669	45,937	9,131	91,958	**854,035**

Gross carrying amounts	Land	Buildings	Plant and equipment	Other fixtures, tools & furniture	Other PP&E	PP&E In progress	Total
Balance at December 31, 2021	**117,197**	**354,538**	**884,497**	**79,997**	**24,751**	**79,051**	**1,540,031**
Business combination	3,936	11,249	4,429	36	14	45	19,709
Business sales (exits)	(1,355)	(15,205)	(21,342)	(1,165)		(1,676)	(40,743)
Additions	1,642	28,115	71,898	19,560	2,335	6,184	129,734
Decreases		(510)	(6,995)	(128)	(436)		(8,069)
Translation differences	(581)	3,544	6,236	448	(58)	(1,942)	7,647
Transfers	(1)	(36)	103	(71)		(1)	(6)
Balance at December 31, 2022	**120,838**	**381,695**	**938,826**	**98,677**	**26,606**	**81,661**	**1,648,303**
Business combination							0
Business sales (exits)							0
Additions	4,058	18,286	95,429	10,347	2,811	11,869	142,800
Decreases	(2,797)	(11,989)	(26,138)	(527)	(782)		(42,233)
Translation differences	(937)	(4,719)	(10,450)	(449)	(126)	(1,572)	(18,253)
Transfers	1,380	(1,561)	(479)	28	(1,016)		(1,648)
Balance at December 31, 2023	**122,542**	**381,712**	**997,188**	**108,076**	**27,493**	**91,958**	**1,728,969**

Depreciation and impairment	Land	Buildings	Plant and equipment	Other fixtures, tools & furniture	Other PP&E	PP&E In progress	Total
Balance at December 31, 2021	**(8,022)**	**(140,893)**	**(528,168)**	**(59,177)**	**(15,090)**	**0**	**(751,350)**
Business sales (exits)	58	6,569	11,940	472			19,039
Additions	(943)	(17,255)	(69,396)	(2,106)	(2,147)		(91,847)
Decreases		316	6,095	92	352		6,855
Translation differences	(404)	(1,437)	(4,261)	(483)	29		(6,556)
Transfers		(707)	507	191	15		6
Balance at December 31, 2022	**(9,311)**	**(153,407)**	**(583,283)**	**(61,011)**	**(16,841)**	**0**	**(823,853)**
Business combination							0
Business sales (exits)							0
Additions	(934)	(16,415)	(65,996)	(2,065)	(2,263)		(87,673)
Decreases	335	4,724	20,586	330	684		26,659
Translation differences	280	1,673	5,970	426	55		8,404
Transfers		1,141	204	181	3		1,529
Balance at December 31, 2023	**(9,630)**	**(162,284)**	**(622,519)**	**(62,139)**	**(18,362)**	**0**	**(874,934)**

The Group takes out all the insurance policies deemed necessary to cover risks that could affect these assets.

Additions under “PP&E under construction” include the amounts corresponding to projects related to the creation of new production lines and, in general, the upgrade of the quality of the Group's industrial processes, products and its assets' environmental performance.

Note that the Group obtained grants in relation to certain investments made by the various Group companies in 2023 and prior years, the amounts of which are disclosed in Note 18.

No material items of property, plant or equipment are used other than for business purposes.

Movements in 2023

The most significant movements under this heading during the year ended December 31, 2023:

- A decrease of 9,849 thousand euros due to translation differences.
- A decrease of 87,673 thousand euros due to depreciation charges.
- Additions of 142,800 thousand euros related to capital expenditure, essentially investments in technical upgrades and new facilities at the factories. The consolidated management report includes information about the most significant investments recognized under this heading in 2023.
- In 2023, the Group also sold or otherwise derecognized assets with a carrying amount of 15,813 thousand euros and reversed previously recognized impairment losses by 239 thousand euros.
- A decrease of 119 thousand euros due to transfers.

Movements in 2022

The most significant movements under this heading during the year ended December 31, 2022:

- An increase of 1,091 thousand euros due to exchange gains and of 8,162 thousand euros due to the monetary correction of the assets of La Loma Alimentos de Argentina.
- A decrease of 85,401 thousand euros due to depreciation charges and of 4,007 thousand euros due to impairment charges recognized against certain assets.
- Additions of 119,133 thousand related to capital expenditure, essentially investments in technical upgrades and new facilities at the factories.
- An increase of 19,709 thousand euros due to business combinations.
- In 2022, the Group derecognized assets with a carrying amount of 1,214 thousand euros.
- A decrease of 21,704 thousand euros due to the deconsolidation (sale) of the property, plant and equipment of Roland Monterrat.

The depreciation and impairment charges recognized on property, plant and equipment in the 2023 and 2022 consolidated financial statements break down as follows:

- In 2023: 87,673 thousand euros of depreciation charges and 239 thousand euros of impairment allowance reversals.

- In 2022: 85,401 thousand euros of depreciation charges; 4,007 thousand euros of new impairment allowances and 204 thousand euros of impairment allowance reversals.

The derecognition of items of property, plant and equipment in 2023 generated losses, on the one hand, of 1,850 thousand euros (2022: 1,351 thousand euros) and gains of 1,867 thousand euros (2022: 232 thousand euros), on the other (Note 7).

10. RIGHT-OF-USE ASSETS

Below is the breakdown of the carrying amount of the Group's right-of-use assets and lease liabilities and a reconciliation of the opening and closing balances:

Thousands of euros	Land	Buildings	Plant and equipment	Other fixtures, tools & furniture	Other PP&E	Accum. depreciation & impairment	Total	Financial liability (Note 12)
Balance at December 31, 2021	**9,141**	**61,743**	**10,380**	**1,929**	**5,455**	**(29,273)**	**59,375**	**(64,148)**
Business sales (exits)		(1)	(5,361)	(118)		4,620	(860)	361
Additions	(13)	2,235	1,524	578	1,687		6,011	(6,042)
Decreases		(1,067)	(359)	(323)	(1,288)	2,950	(87)	103
Translation differences	86	1,504	(49)	(10)	26	(388)	1,169	(1,362)
Transfers		(56)			5	49	(2)	(1)
Depreciation charges						(10,967)	(10,967)	
Finance costs								(1,766)
Lease payments								11,826
Balance at December 31, 2022	**9,214**	**64,358**	**6,135**	**2,056**	**5,885**	**(33,009)**	**54,639**	**(61,029)**
Business sales (exits) (Note 5)							0	
Additions	39	6,201	1,308	601	1,542		9,691	(9,691)
Decreases		(4,359)	(740)	(741)	(1,444)	6,841	(443)	463
Translation differences	(95)	(1,122)	14	1	(44)	535	(711)	869
Transfers			15		(15)		0	
Depreciation charges						(10,552)	(10,552)	
Finance costs								(1,703)
Lease payments								11,564
Balance at December 31, 2023	**9,158**	**65,078**	**6,732**	**1,917**	**5,924**	**(36,185)**	**52,624**	**(59,527)**

The reconciliation of the opening and closing balances of accumulated depreciation and impairment allowances (thousands of euros):

Accumulated impairment and depreciation Thousands of euros	Land	Buildings	Plant and equipment	Other fixtures, tools & furniture	Other PP&E	Total
Balance at December 31, 2021	**(1,837)**	**(16,117)**	**(6,947)**	**(1,051)**	**(3,321)**	**(29,273)**
Business sales (exits)			4,502	118		4,620
Additions	(517)	(7,077)	(1,453)	(440)	(1,480)	(10,967)
Decreases		992	359	315	1,284	2,950
Translation differences	(65)	(322)	25	7	(33)	(388)
Transfers		(66)	22		93	49
Balance at December 31, 2022	**(2,419)**	**(22,590)**	**(3,492)**	**(1,051)**	**(3,457)**	**(33,009)**
Business sales (exits)						0
Additions	(515)	(6,892)	(1,356)	(505)	(1,284)	(10,552)
Decreases		3,959	732	838	1,312	6,841
Translation differences	66	462	(7)	(6)	20	535
Transfers		(112)		(32)	144	0
Balance at December 31, 2023	**(2,868)**	**(25,173)**	**(4,123)**	**(756)**	**(3,265)**	**(36,185)**

In 2023, the Group recognized depreciation charges of 10,552 thousand euros (2022: 10,967 thousand euros).

The breakdown of the Group's lease liabilities by year of maturity and currency of denomination is as follows (thousands of euros):

CURRENCY	2024	2025	2026	2027	2028	Other	TOTAL
EUR	3,630	2,533	2,104	1,702	1,294	6,859	18,122
USD	4,311	4,354	4,370	4,388	4,545	7,357	29,325
GBP	961	576	460	811	455	4,594	7,857
INR	53	60	60	60	67	0	300
DKK	16	0	0	0	0	0	16
HUF	28	28	28	26	0	0	110
MAD	3	168	168	168	169	2,824	3,500
THB	158	115	24	0	0	0	297
Total	**9,160**	**7,834**	**7,214**	**7,155**	**6,530**	**21,634**	**59,527**

In 2023 and 2022, the Group recognized the following expenses in connection with short-term leases and leases over low-value assets.

	2023			2022		
Lease Expense in 2023 (Thousands of euros)	**Short-term contracts**	**Low-value contracts**	**Total expense**	**Short-term contracts**	**Low-value contracts**	**Total expense**
Contracts not capitalized:						
Buildings and offices	443		**443**	598		**598**
Plant and machinery	0		**0**	22		**22**
Warehouses	1,773		**1,773**	1,347		**1,347**
Industrial equipment	1,417	706	**2,123**	1,720	689	**2,409**
Other non-industrial equipment	245	571	**816**	55	224	**279**
Vehicles	314		**314**	273		**273**
Total	**4,192**	**1,277**	**5,469**	**4,015**	**913**	**4,928**
Lease expense in future years						
- In 2024	2,554	768	**3,322**			
- Between 1 and 5 years		1,050	**1,050**			
- Over 5 years		72	**72**			
	2,554	**1,890**	**4,444**			

It did not incur variable lease payments of significant amount.

11. INVESTMENT PROPERTIES

The reconciliation of the carrying amount of the Group's investment properties at the beginning and end of 2023 and 2022, detailing the depreciation and impairment allowances recognized in each year, is provided below (thousands of euros):

(THOUSANDS OF EUROS)

Carrying amounts	Land	Buildings	Total
Balance at December 31, 2021	17,758	1,640	**19,398**
Balance at December 31, 2022	17,758	1,624	**19,382**
Balance at December 31, 2023	16,776	1,558	**18,334**

	Gross carrying amounts			**Depreciation and impairment**		
	Land	Buildings	Total	Land	Buildings	Total
Balance at December 31, 2021	**18,385**	**5,273**	**23,658**	**(627)**	**(3,633)**	**(4,260)**
Additions			0		(16)	(16)
Decreases	0	0	0	0	0	0
Balance at December 31, 2022	**18,385**	**5,273**	**23,658**	**(627)**	**(3,649)**	**(4,276)**
Additions	34	0	34	(465)	(14)	(479)
Decreases	(1,352)	(97)	(1,449)	801	45	846
Balance at December 31, 2023	**17,067**	**5,176**	**22,243**	**(291)**	**(3,618)**	**(3,909)**

The depreciation charge recognized in 2023 amounted to 14 thousand euros (2022: 16 thousand euros), while impairment charges amounted to 465 thousand euros (2022: zero).

In 2023, the Group sold two investment properties, recognizing a gain of 277 thousand euros (Note 7). There were no significant movements under this account in 2022.

There are no restrictions on the monetization of the Company's investment properties or any proceeds from their disposal.

Investment properties are initially recognized at their acquisition cost. The investment properties with the most significant fair values correspond to the sites on which dismantled factories were located and some unoccupied buildings, located mainly in Spain. These properties' fair values represent the values at which the assets can be exchanged on the date of measurement between knowledgeable, willing parties in an arm’s length transaction, in keeping with the International Valuation Standards.

In determining their fair value, the properties are valued individually and separately and not as part of a portfolio of properties. In some instances, the Group used the benchmark valuations provided by independent appraisers (updated internally as warranted), while in others it used comparable valuation methodology to reflect the market paradigm and the prices at which assets with similar characteristics are being transacted, adjusting as needed for changes in economic circumstances arising since the comparable transaction dates.

That effort is coordinated by the Asset Management Unit which, as indicated in Note 6 above, is the business unit tasked with management and control of all of the properties that are not used in the Group's core business activities (investment properties), its remit being to remain abreast of their status, reduce costs and sell off those not used for industrial purposes after taking action to maximize their valuation prior to monetization.

As a result, the inputs used to determine these properties' fair value should be deemed level 3 for IFRS fair value hierarchy purposes. The fair value of the Group's investment properties at year-end 2023 was an estimated 46 million euros (year-end 2022: 48 million euros).

12. FINANCIAL INSTRUMENTS: FINANCIAL ASSETS AND FINANCIAL LIABILITIES

12.1 Financial assets

The breakdown of the Group's financial assets (other than its cash equivalents, detailed in Note 13) in thousands of euros, is provided below:

	31/12/2023			31/12/2022		
	Total	Non-current	Current	Total	Non-current	Current
Classification for statement of financial position purposes						
- Financial assets	**9,575**	4,011	5,564	**6,102**	3,986	2,116
- Trade and other receivables	**438,907**	0	438,907	**474,625**	0	474,625
- Derivatives	**2,225**	0	2,225	**1,457**	0	1,457
TOTAL FINANCIAL ASSETS	**450,707**	**4,011**	**446,696**	**482,184**	**3,986**	**478,198**
Classification for measurement purposes						
Financial assets at amortized cost:						
- Trade and other receivables	**438,907**	0	438,907	**474,625**	0	474,625
- Loans to associates	**1,122**	1,122	0	**1,122**	1,122	0
- Loans to third parties	**975**	752	223	**930**	687	243
- Deposits and guarantees	**6,359**	1,019	5,340	**2,908**	1,035	1,873
Financial assets at fair value through profit or loss						
- Shares in non-Group companies	**1,119**	1,118	1	**1,142**	1,142	0
- Derivatives	**2,225**	0	2,225	**1,457**	0	1,457
TOTAL FINANCIAL ASSETS	**450,707**	**4,011**	**446,696**	**482,184**	**3,986**	**478,198**

Deposits and guarantees

The balance recognized under “Deposits and guarantees” includes the deposits posted before government agencies in multiple countries to guarantee goods import quotas. The year-on-year increase in 2023 is attributable to one-off situations related with applications for import quotas under the regulations and schedules in place in each country.

Loans to third parties

There were no significant movements in 2023 or 2022. Of the total recognized under this heading: (i) 477 thousand euros (year-end 2022: 513 thousand euros) is denominated in euros; (ii) 483 thousand euros (403 thousand euros) is denominated in US dollars; and (iii) 15 thousand euros (14 thousand euros) is denominated in Mexican pesos. The maturity schedule for these non-current loans is: (i) 223 thousand euros in 2024; and (ii) 752 thousand euros in 2025.

Trade and other receivables

The breakdown of this heading at year-end 2023 and 2022 (in thousands of euros):

ITEM	31-12-23	31-12-23
Trade receivables	432,993	469,331
Due from associates	1,952	725
Miscellaneous receivables	12,254	15,285
Provision for impairment	(8,292)	(10,716)
TOTAL	**438,907**	**474,625**

For terms and conditions relating to related-party receivables, refer to Note 23. Trade receivables are non-interest bearing and are generally on terms of 30 to 85 days. At December 31, 2023, the ageing analysis of trade receivables is as follows (thousands of euros):

Ageing analysis	Gross	Impairment allowance	Net amount
Within 3 months	422,457	(1,361)	421,096
Past due by between 3 and 6 months	5,700	(1,348)	4,352
Past due by between 6 and 12 months	2,318	(1,768)	550
Past due by between 12 and 18 months	202	(202)	0
Past due by between 18 and 24 months	350	(350)	0
Past due by > 24 months	1,966	(1,966)	0
	432,993	**(6,995)**	**425,998**

No material amounts of trade and other receivables were past due but not impaired at either year-end.

The movements recognized by the Group under the provision for the impairment of trade and other accounts receivable in 2023 (2022): (i) net reversals of impairment allowances of 1,490 thousand euros (net additions of 2,537 thousand euros); (ii) the utilization of 1,264 thousand euros (1,020 thousand euros); (iii) the net recognition of zero euros (149 thousand euros) due to business combinations; and (iv) translation losses of 330 thousand euros (gains of 14 thousand euros).

There were no other significant movements in any other financial assets since December 31, 2022.

12.2 Financial liabilities

The breakdown of the Group's financial liabilities is provided below (in thousands of euros):

	31/12/2023			31/12/2022		
	Total	**Non-current**	**Current**	**Total**	**Non-current**	**Current**
Classification for statement of financial position purposes						
- Financial liabilities	**903,467**	175,108	728,359	**947,997**	553,164	394,833
- Trade and other payables	**430,825**	0	430,825	**438,370**	0	438,370
- Derivatives	**773**	0	773	**2,843**	0	2,843
TOTAL FINANCIAL LIABILITIES	**1,335,065**	**175,108**	**1,159,957**	**1,389,210**	**553,164**	**836,046**
Classification for measurement purposes:						
Financial liabilities at amortised cost:						
- Trade and other payables	**430,825**	0	430,825	**438,370**	0	438,370
- Bank borrowings	**561,512**	91,221	470,291	**662,324**	471,719	190,605
- Borrowings from other entities	**12,594**	9,775	2,819	**10,791**	7,803	2,988
- Lease liabilities (Note 10)	**59,527**	50,367	9,160	**61,029**	52,341	8,688
- Deposits and guarantees	**501**	57	444	**676**	649	27
At fair value through profit or loss						
- Financial liabilities structured as share options	**269,333**	23,688	245,645	**213,177**	20,652	192,525
- Derivatives	**773**	0	773	**2,843**	0	2,843
TOTAL FINANCIAL LIABILITIES	**1,335,065**	**175,108**	**1,159,957**	**1,389,210**	**553,164**	**836,046**

Note that the Group did not encounter any problems whatsoever in relation to the refinancing of any debt, the arrangement of new financing agreements or its ability to service its financial obligations in 2023. Financial liability management unfolded exactly as anticipated, in keeping with the natural and normal maturity schedules.

Trade and other payables

Set out below are the movements in this heading (thousands of euros):

	31/12/2023	**31/12/2022**
Trade accounts payable	341,489	359,824
Other liabilities	44,825	38,597
Employee benefits payable	44,193	39,005
Payable to associates	318	944
TOTAL	**430,825**	**438,370**

Trade payables are non-interest bearing and are normally settled on 60-80 day terms. Other payables are also non-interest bearing and have an average term of three months; they mainly correspond to payables related to the purchase of items of property, plant and equipment, the grant of trade discounts and rebates, and advertising and marketing initiatives.

Bank borrowings

There were no significant movements in the Group's non-current bank borrowings in 2023 with respect to year-end 2022:

At December 31, 2022, Ebro Foods, S.A. recognized non-current loans in a total amount of 350 million euros. The four non-current loans comprising that balance were all arranged at the end of 2021, carry interest at an average rate of 0.45% and mature in December 2024, so that they were reclassified to current borrowings at year-end 2023. The Group plans to repay those loans at maturity, either cancelling them using existing funds or refinancing them.

To finance its new factory in La Rinconada, Herba Ricemills, S.L.U. arranged up to 45 million euros of new long-term financing with three banks in 2019, specifically six-year credit agreements with one year for drawdown, a one-year grace period and repayment over the next five years. The Group had drawn down that financing by 18 million euros at December 31, 2023 (year-end 2022: 27 million euros).

The Group’s Italian subsidiary, Garofalo, has a number of non-current bank loans to finance its capital expenditure totalling 22.6 million euros, which mature between 2025 and year-end 2027 and bear interest at an average rate of 1.13%.

The Group’s French subsidiary, Lustucru Premium Group, has non-current bank loans totalling 54.5 million euros, which mature between 2025 and year-end 2028 and bear interest at an average rate of Euribor plus 0.35%.

As for current borrowings, the most significant development in 2023 was the following:

- The renewal of certain short-term credit facilities of amounts that are not material on aggregate with respect to total borrowings.

- In general, the terms of credit were very similar compared to those in force at year-end 2022, and the same can be said of the collateral and covenant requirements. The spreads applied to benchmark rates were slightly higher than in 2022.

The breakdown of the Group's bank borrowings by business segment or company and the corresponding maturities (in thousands of euros):

Breakdown of bank borrowings by segment or company	31-12-22	31-12-23	2025	2026	2027	2028	Other
- Of Ebro Foods, S.A	349,872	0	0	0	0	0	0
- Of Herba Group	20,902	13,988	12,783	636	444	125	0
- Of Ebro Group France	69,500	54,600	14,900	13,900	12,900	12,900	0
- Of Garofalo Group (Italy)	31,445	22,633	10,499	8,631	3,503	0	0
- Of Arotz Foods, S.A.	0	0					
Non-current bank borrowings	**471,719**	**91,221**	**38,182**	**23,167**	**16,847**	**13,025**	**0**
- Of Ebro Foods, S.A	14,453	375,634					
- Of Herba Group	113,129	51,684					
- Of Ebro Group France	21,122	14,968					
- Of Garofalo Group (Italy)	41,895	28,003					
- Of Tilda Group (UK)	6	2					
Current bank borrowings	**190,605**	**470,291**					
Total bank borrowings	**662,324**	**561,512**					

The breakdown of the above borrowings by currency of denomination is as follows (thousands of euros):

CURRENCY	31-12-22	31-12-23
EUR	592,638	522,477
USD	21,104	22,091
GBP	40,070	11,816
INR	187	266
THB	6,984	4,769
MAD	1,340	92
HUF	1	1
Total	**662,324**	**561,512**

As for the rest of the Group's bank borrowings, at year-end 2023, the various companies had arranged unsecured credit facilities with an aggregate limit of 381 million euros (year-end 2022: 432 million euros), of which 98 million euros (184 million euros) had been drawn down.

Some of the Garofalo group's credit facilities are secured by a mortgage over its factory and site in Italy for up to 40 million euros.

The Group also had the following reverse factoring, receivable discounting and trade finance lines and had issued the following sureties and other bank guarantees at year-end (thousands of euros):

At December 31, 2023 CREDIT FACILITIES ARRANGED	Amount drawn down	Amount undrawn	Total limit
Reverse factoring, receivables discounting and trade finance	8,180	88,019	96,199
Bank guarantee lines (Note 22)	66,352	61,850	128,202
Consolidated Group total	**74,532**	**149,869**	**224,401**

At December 31, 2022 CREDIT FACILITIES ARRANGED	Amount drawn down	Amount undrawn	Total limit
Reverse factoring, receivables discounting and trade finance	0	93,595	93,595
Bank guarantee lines	66,371	72,311	138,682
Consolidated Group total	**66,371**	**165,906**	**232,277**

Some of the bank loans require compliance with a series of covenants, specifically a series of ratios calculated on the basis of the consolidated financial statements of the Ebro Group, throughout the term of the loans. Any breach of the covenants would increase the related borrowing costs and in some cases would trigger a prepayment requirement. The Group was compliant with those covenants at both year-ends.

Lease liabilities

This heading recognizes the Group's financial liabilities on account of its lease liabilities under IFRS 16, which took effect on January 1, 2019 (liability in respect of lease payment obligations). Refer to Note 10.

Financial liabilities structured as options over non-controlling interests

At December 31, 2023, the Group recognized 269,333 thousand euros of financial liabilities structured as options over non-controlling interests (year-end 2022: 213,177 thousand euros) broken down as follows (refer to Note 22 for a breakdown of those commitments).

As for the rest of the financial liabilities structured as options over non-controlling interests, the most significant movement in 2023 and 2022 related to the increase in the corresponding liabilities due to their annual restatement to fair value (unwind of discount). Refer to Note 22.

When acquiring certain companies, in addition to the investments made in exchange for the shareholdings acquired in each, the Group has granted the other shareholder(s) put or similar options over the percentage not originally acquired (exercisable from a specific date either for a specific period of time or with no maturity). The acquisition price in the event those options are exercised will be determined as a function of the targets' average earnings metrics over a series of years, as well as other terms and conditions customary in arrangements of this nature.

There were no other significant movements in any other financial liabilities in 2023.

Financial flows

Below is the information needed to enable financial statement users to evaluate the changes in liabilities arising from financing activities, distinguishing between changes that involve cash flows and those that do not (such as foreign exchange gains or losses) (thousands of euros).

Financial liabilities Reconciliation of flows 2023	31/12/2022	Cash flows	Reclassif. sales/derec.	Movements in for. currency	Changes in fair value	New leases	Business combinations	Interest accrued	Reclassific. current/non-curr.	31/12/2023
Current borrowings	190,605	-113,858		-5,520				8,566	390,498	470,291
Non-current borrowings	471,719	10,000							-390,498	91,221
Lease liabilities	61,029	-11,564	-463	-869		9,691		1,703		59,527
Dividend payable	0									0
Derivatives	2,843	-400			-1,670					773
Guarantees and deposits received	676	-175								501
Other financial liabilities	223,968	1,803			56,156					281,927
Total liabilities arising from financing activities	950,840	-114,194	-463	-6,389	54,486	9,691	0	10,269	0	904,240

Financial liabilities Reconciliation of flows 2022	31/12/2021	Cash flows	Reclassif. sales/derec.	Movements in for. currency	Changes in fair value	New leases	Business combinations	Interest accrued	Reclassific. current/non-curr.	31/12/2022
Current borrowings	256,947	-126,385		-1,295				4,520	56,818	190,605
Non-current borrowings	523,463	5,007						67	-56,818	471,719
Lease liabilities	64,148	-11,826	-464	1,363		6,042		1,766		61,029
Derivatives	1,270	-4,087		-355	6,015					2,843
Guarantees and deposits received	84	948		-356						676
Other financial liabilities	199,783	7,684			16,375			126		223,968
Total liabilities arising from financing activities	1,045,695	-128,659	-464	-643	22,390	6,042	0	6,479	0	950,840

Below is a schedule of the maturities of all of these financial liabilities including all expected actual cash flows, estimated as of December 31, 2023 (thousands of euros):

	Statement of financial position 31-12-23
- Bank borrowings	561,512
- Borrowings from other entities	12,594
- Lease liabilities	59,527
- Deposits and guarantees	501
- Financial liabilities under vendor call options	269,333
- Derivatives	773
TOTAL FINANCIAL LIABILITIES	**904,240**
Estimated future flows:	
2024	735,500
2025	72,586
2026	33,499
2027	27,620
2028	23,666
Other	29,793
TOTAL FUTURE FLOWS	**922,664**

12.3 Risk management targets and policies and use of financial instruments

The primary objective of the Group's risk management policy is to safeguard the value of its assets and facilitate sustainable business growth by configuring an optimal capital structure tailored for the legislation in force in the countries in which it operates. In addition, its capital management policy is designed to preserve its credit metrics and to maximize shareholder value.

Its risk management strategy factors in key business performance indicators such as consolidated earnings, leverage, capital expenditure and business strategy with a view to enabling the Group to take substantiated decisions in order to deliver the above-mentioned objectives. The attached management report and corporate governance report provide additional information on the key business risks.

Capital management

The overriding objective of the Group's capital management is to safeguard the business's sustainability and maximize shareholder value. To this end it contemplates:

- The cost of capital, in keeping with industry calculation standards, with a view to combining debt and equity to optimise this cost.
- A leverage ratio that makes it possible to obtain and maintain the targeted credit ratings and ensure short- and long-term financing for the Group's projects.

The right combination of debt and equity, in order to optimise the cost of capital and enable adequate shareholder remuneration, business continuity and growth. Note that the Group is subject to capital requirements under certain long-term loan agreements and that it is in compliance with these covenants.

In recent years, the Group has been concentrating its activities in its key businesses by means of strategic acquisitions, while keeping leverage low.

NET DEBT (Thousands of euros)	2021	2022	*2022/2021*	2023	*2023/2022*
Equity	2,101,627	2,164,438	*3.0%*	2,185,159	*1.0%*
Net debt	504,723	762,635	*51.1%*	570,404	*-25.2%*
Average net debt	865,418	645,809	*-25.4%*	657,683	*1.8%*
Leverage	24.0%	35.2%	*46.7%*	26.1%	*-25.9%*
Leverage (average net debt) ***(1)***	41.2%	29.8%	*-27.5%*	30.1%	*0.9%*
EBITDA-A	301,860	334,622	*10.9%*	387,171	*15.7%*
Coverage	1.67	2.28		1.47	

(1) Leverage = Ratio of average net interest-bearing debt to equity (excluding non-controlling interests)

The accompanying Group management report provides the definition and reconciliation of the alternative performance measures shown in this table (net debt and average net debt).

Group leverage (expressed as net debt over equity attributable to equity holders of the parent) increased in 2022 as a result of the significant volume of working capital needed to tackle the inflationary pressures, which gradually began to ease in the second half of 2023. These exceptional circumstances, coupled with their astute management, translated in relatively high working capital levels in recent years but also steady earnings growth. This performance is reflected in the fact that the Group’s debt coverage ratio remains well under 2 times EBITDA-A (defined in the Group management report).

Financial risk management and use of financial instruments

The main financial instruments used by the Group are bank loans, bank overdraft facilities, equity instruments, derivative financial instruments, cash and short-term deposits. In addition, the Group has other financial assets and liabilities such as trade accounts receivable and payable.

These financial instruments expose the Group to market risks via variability in interest rates, in exchange rates and in the fair value of certain financial instruments. They also expose it to liquidity and credit risk.

The overriding objective of exchange rate risk management is to offset (at least partially) potential valuation losses on assets denominated in currencies other than the euro with savings, albeit smaller in magnitude, on liabilities denominated in the same currencies.

The financial instruments that are used to hedge this financial risk may or may not qualify for designation as accounting hedges (cash flow or fair value hedges, depending on the nature of the hedged item).

In order to manage the foreign currency and interest rate risks arising in the course of the Group's operations and, from time to time, potential movements in the prices of certain raw materials (gas), the Group uses derivative (mainly interest or exchange rate forward sale-purchase currency contracts and options over interest or exchange rates) and non-derivative (currency-denominated borrowings, forward currency contracts) financial instruments in order to minimize or ring-fence them.

Those hedges are arranged as a function of:

- Prevailing market conditions;
- Evolving management objectives; and
- The specific characteristics of the transactions giving rise to the financial risk being hedged.

The accounting policies used to measure those financial instruments are described in Note 3 above. The Board of Directors and senior management team review and establish the risk management policies applying to each and every one of these risks. The Board has delegated the development and oversight of the enterprise risk management system in its Audit, Control and Sustainability Committee and the Risk Committee.

Cash flow interest rate risk

This is the risk arising from borrowings, loans extended and cash and cash equivalent balances denominated in euros and/or foreign currencies and arranged at floating rates of interest, specifically the risk that the cash flows associated with interest payments/receipts will fluctuate because of changes in market interest rates.

The Group manages this risk by keeping a balanced portfolio of fixed and variable rate borrowings. The Group's policy is to minimize exposure to this risk, to which end it continually monitors market conditions with the support of external experts in order to arrange new instruments or change the terms of existing instruments in order to minimize exposure to variability in the cash flows or fair value of its financial instruments.

Management has performed sensitivity analysis with respect to the impact of 50 basis point fluctuations in interest rates on the Group's rate-sensitive financial assets and liabilities with an impact on consolidated earnings: the estimated impact on 2023 profit of such a change would be 2.4 million euros (2.7 million euros in 2022).

(THOUSANDS OF EUROS)

Average net debt was stable year-on-year but the remuneration earned on *ad-hoc* cash balances was higher and more constant as rates stabilised. As a result, potential rate increases were assumed to have a slightly smaller impact than the year before, considering that they would be passed through proportionately to asset positions.

The main assumptions used to perform this sensitivity analysis are as follows:

- The analysis only models the impact on financial instruments susceptible to significant changes in the event of upward or downward movements in interest rates.

- The only input varied is the rate of interest, with all other variables held constant in the model.

Effect of changes in interest rates

	2023				2022			
Income/(expense)	**-0.50%**	**-0.25%**	**0.25%**	**0.50%**	**-0.50%**	**-0.25%**	**0.25%**	**0.50%**
Profit before tax	2,442	1,220	-1,220	-2,442	2,736	1,368	-1,368	-2,736

Foreign Currency risk

This the risk arising from exposure to the impact of movements in exchange rates on assets, liabilities, net investments in foreign operations and transactions conducted in currencies other than the euro. As a result of the Group's investments in the US and UK, the carrying amounts of the Group's assets and liabilities are significantly exposed to changes in the USD / EUR and GBP / EUR exchange rates.

The Group is exposed to changes in commodity prices depending on its ability to pass price increases on to its customers. It is also exposed to fluctuations in exchange rates, particularly the US dollar (the benchmark currency for a significant portion of its business), and to movements in interest rates. The Group regularly reassesses its exposure to these risks and their potential impact on its key earnings and financial position indicators and strategy.

The US dollar depreciated by 3.48% against the euro in 2023. That had a relatively moderate impact on the consolidated financial statements in respect of the assets and business transactions not hedged, specifically generating exchange losses of around 36 million euros.

In addition, the Group has investments in the UK which could be impacted in the medium term by that country’s exit from the European Union, depending on the terms of the negotiations between the two parties. This subsidiary's and the Group's risk committees are monitoring this situation continually, trying the minimize the potential impact of movements in the exchange rate by arranging an appropriate hedging strategy for its business transactions. In 2023, the pound sterling appreciated against the euro by 2.06%, generating exchange gains of around 6.7 million euros.

Britain's withdrawal from the European Union ('Brexit') sparked significant uncertainty regarding the future of relations between the UK and the European Union, including in relation to the laws and regulations applicable going forward. The trade and cooperation agreement reached is deemed provisional. It provides a framework for trade relations but leaves numerous aspects of the future relationship between the EU and the UK open.

Although the free trade agreement goes a long way to dissipating uncertainty, the Ebro Group has taken measures to ensure the performance and profitability of its agreements to the extent possible. More specifically, those measures are articulated around ensuring the supply of raw materials by increasing buffer stocks, checking contract profitability by keeping close track of margins and potential cost overruns unrelated to the business and reducing the potential impact of volatility in the pound sterling.

Nevertheless, the Group does not expect any potential future disagreements to have a material impact on its financial statements as its most significant activity in the UK market is the sale of rice and related products that are considered staples; it therefore believes that even if new tariffs are imposed on the UK by the European Union, it will be possible to source rice from other markets in which the Group has a presence; moreover, much of the rice sold in the UK market is basmati and long-grain rice sourced from India/Pakistan and the US, respectively. The Group's non-current assets in the UK (including its manufacturing facilities) account for 12.64% of the Group total, while the revenue generated in the UK market in 2023 represented around 14.07% of the Group total.

The Group is also exposed to foreign exchange rate risk on account of its transactions. That risk arises from the purchases and sales made by the business units in currencies other than the functional currency. In the case of significant transactions, the Group's policy is to use foreign exchange forward contracts to eliminate or minimize the related exchange rate risk.

Certain Group companies in the rice (Herba Spain, S&B Herba, Herba Ingredients and Herba Bangkok) and pasta segments (Lustucru, Bertagni and Garofalo) write foreign currency future contracts and/or options in order to mitigate their transaction-related exposures. Those transactions are arranged to minimize currency risk but have not been designated as hedges for accounting purposes.

The contracts outstanding at year-end:

	Notional amount (thousands)	
Currency	**2023**	**2022**
USD	153,890	143,855
EUR	7,604	12,656
THB	343,845	14,052
GBP	200	94

Generally (for example, at year-end 2022), the Group is net long on US dollars; these contracts hedge raw material contracts benchmarked against the dollar entered into by Group subsidiaries that operate in a different local currency. At year-end 2023, in contrast, the Group was net short on US dollars. The euro positions are held by Group companies with functional currencies other than the euro which trade in euros, mainly UK companies.

(THOUSANDS OF EUROS)

Below is a sensitivity analysis, measured in terms of the impact on profit and loss, with respect to the Group's key exposures to exchange rate risk by currency and type of instrument. The instruments grouped under “Other financial instruments” are loans or cash positions denominated in the currency referenced that is different from the functional currency of the Group company that holds them and that do not qualify as accounting hedges.

The sensitivity analysis provided below should be understood as the Group's maximum exposure at a given point in time; in reality, the Group always hedges business transactions denominated in a currency to which management wants to mitigate exposure; however, those transactions do not qualify for hedge accounting on account of the complexity of matching flow timing.

The following assumptions were used to model the sensitivity of the Group's assets and liabilities to changes in exchange rates:

- The analysis only models the impact on financial instruments susceptible to significant changes in the event of fluctuations in exchange rates.
- Borrowings designated as effective hedges of net investments are excluded from this analysis.
- The only input varied is the rate of exchange, with all other variables held constant in the model.

Effect of changes in the Thai Baht relative to the euro

Due to derivatives:

	2023				2022			
Income/(expense)	-10.00%	-5.00%	5.00%	10.00%	-10.00%	-5.00%	5.00%	10.00%
Profit before tax	-655	-353	376	755	-511	-245	277	580

Effect of changes in the sterling relative to the euro

Due to derivatives:

	2023				2022			
Income/(expense)	-10.00%	-5.00%	5.00%	10.00%	-10.00%	-5.00%	5.00%	10.00%
Profit before tax	1,105	871	-871	-1,105	907	476	-476	-907

Due to other financial instruments:

	2023				2022			
Income/(expense)	-10.00%	-5.00%	5.00%	10.00%	-10.00%	-5.00%	5.00%	10.00%
Profit before tax	4,343	2,171	-2,171	-4,343	3,813	1,906	-1,906	-3,813

Effect of changes in the dollar relative to the euro, sterling and Baht

Due to derivatives:

	2023				2022			
Income/(expense)	-10.00%	-5.00%	5.00%	10.00%	-10.00%	-5.00%	5.00%	10.00%
Profit before tax	3,181	1,397	-1,659	-3,725	-2,518	-1,278	1,302	2,428

Due to other financial instruments:

	2023				2022			
Income/(expense)	-10.00%	-5.00%	5.00%	10.00%	-10.00%	-5.00%	5.00%	10.00%
Profit before tax	101	51	-51	-101	1,097	549	-549	-1,097

(THOUSANDS OF EUROS)

In addition to the exposure measured in terms of the impact on the consolidated statement of profit or loss, the next table illustrates the impact of movements in the EUR/USD and EUR/GBP exchange rates on the Group's net debt (excluding the derivatives shown in the table above). The position in US dollars is one of net cash so that appreciation of this currency implies a reduction in the Group’s net debt. The position in pound sterling at year-end 2023 is one of net borrowings, so that the result of the sensitivity analysis is the opposite.

Impact on borrowings

Changes in the USD

	2023				2022			
+ Borrowings / (- Borrowings)	-10.00%	-5.00%	5.00%	10.00%	-10.00%	-5.00%	5.00%	10.00%
Borrowings as per statement of financial position	18,517	9,258	-9,258	-18,517	4,628	2,314	-2,314	-4,628

Changes in the sterling

	2023				2022			
+ Borrowings / (- Borrowings)	-10.00%	-5.00%	5.00%	10.00%	-10.00%	-5.00%	5.00%	10.00%
Borrowings as per statement of financial position	-4,073	-2,036	2,036	4,073	-3,813	-1,906	1,906	3,813

Price risk in respect of other financial assets and liabilities

Certain of the Group's financial assets and liabilities expose it to price risk. The most significant exposure derives from the valuation of the put-call options over the shares of a series of companies (see below).

Liquidity risk

The Group's objective is to match its cash flow generation capabilities with its debt servicing and refinancing requirements. The Group aims to maintain a balance between continuity of funding and flexibility through the use of renewable credit facilities, bank loans with scope for grace periods to align them with the returns on the underlying assets and forward purchase contracts. In addition:

– the Group maintains significant liquidity at its subsidiaries in the US, Europe and the rest of the world.

– Management analyses the availability of cash periodically in order to identify in a timely manner any shortfalls of liquidity requiring suitable financing.

– The Group also has the possibility of (i) securing financing from banks other than those it usually works with; and (ii) upsizing and extending its current financing lines beyond 12 months from the end of the reporting period.

– Lastly, the Group evaluates the concentration of its liquidity risk regularly with a view to refinancing its debt if necessary. It has concluded that its liquidity risk is not significantly concentrated.

Note 12.2 analyses the Group's borrowings at year-end 2023 by maturity.

Credit (counterparty) risk

This is the risk that a counterparty will not meet its contractual obligations, generating a financial loss for the Group. This risk is mitigated by means of (i) careful selection of transactions and counterparty banks based on credit ratings and (ii) the negotiation of sufficient guarantees to mitigate this risk.

The Group has always taken a conservative approach to business transactions; it has local risk committees that continually review limits, open positions and automated system alerts. As a result, the Group's trade credit non-performance ratio has been historically low.

In addition, the sales and collections management departments work in a coordinated manner. Counterparties are selected on the basis of the credit ratings awarded by the credit insurance providers with which the Group works, these policies ultimately serving as guarantees. Lastly, the finance department analyses expected credit risk as a function of counterparty credit scoring, as prescribed in IFRS 9.

The Group's high level of geographic diversification results in a low level of customer credit risk concentration.

12.4 Fair value of financial instruments

The table below breaks down the carrying amounts and fair values of Group's financial assets and liabilities at year-end, in thousands of euros, other than its accounts payable and receivable and its cash and cash equivalents, whose carrying amounts are deemed an approximation of their fair value (in the case of financial assets, their fair value coincides with their carrying amount).

Financial assets	31/12/2023		31/12/2022	
	Carrying amount	Fair value	Carrying amount	Fair value
- Loans to associates	1,122	1,122	1,122	1,122
- Loans to third parties	975	975	930	930
- Deposits and guarantees	6,359	6,359	2,908	2,908
- Shares in non-Group companies	1,119	1,119	1,142	1,142
- Derivatives	2,225	2,225	1,457	1,457
	11,800	**11,800**	**7,559**	**7,559**

Financial liabilities	31/12/2023		31/12/2022	
	Carrying amount	Fair value	Carrying amount	Fair value
- Borrowings	574,106	562,587	673,115	653,258
- Lease liabilities	59,527	59,527	61,029	61,029
- Deposits and guarantees	501	501	676	676
- Financial liabilities structured as share options	269,333	269,333	213,177	213,177
- Derivatives	773	773	2,843	2,843
	904,240	**892,721**	**950,840**	**930,983**

Financial assets and liabilities measured at fair value: fair value hierarchy

All of the financial instruments measured at fair value are classified into one of the following levels depending on the inputs used to value them:

- Level 1. Use of quoted prices in active markets of identical assets and liabilities (without any adjustment)
- Level 2. Use of directly or indirectly observable inputs (other than level 1 quoted prices)
- Level 3. Use of unobservable inputs

	31/12/ 2023	Level 1	Level 2	Level 3
Financial assets				
Equity instruments	**1,119**	-	1,119	-
Derivatives	**2,225**	-	2,225	-
Financial liabilities				
Other financial liabilities	**269,333**	-	-	269,333
Derivatives	**773**	-	773	-

The Group does not hold any financial instruments whose fair value cannot be reliably measured. No instruments were transferred between the various fair value hierarchy levels in the course of the reporting period.

13. LIQUID ASSETS: CASH AND SHORT-TERM DEPOSITS

The breakdown of this heading at year-end 2023 and 2022 (in thousands of euros):

ITEM	31-12-23	31-12-22
Cash on hand and at banks	132,408	140,548
Short-term deposits and cash equivalents	197,580	44,402
TOTAL	**329,988**	**184,950**

Cash at banks earns interest at floating rates based on daily bank deposit rates.

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group. The deposits earn interest at the applicable stipulated rates. The fair value of the Group's cash and cash equivalents was 329,988 thousand euros at December 31, 2023 (184,950 thousand euros at year-end 2022).

Throughout the year the Group companies invested their occasional cash surpluses in repos and equivalent securities in order to generate a return on these balances. Those investments are mainly denominated in euros, with a portion denominated in US dollars. The average annual return earned on those investments was around 3.5% in 2023 (2022: 1.1%).

14. INVESTMENTS IN ASSOCIATES

The movements under this heading in 2023 and 2022 (in thousands of euros) are shown below:

Associate	Balance at 31/12/2022	Additions due to investments	Decreases due to disposals	Dividends paid	Profit/(loss) for the year	Translation differences	Other movements	Balance at 31/12/2023
Riso Scotti, S.p.a.	34,743			(400)	4,050	0	0	38,393
Associates of Riviana Foods Inc.	8,487			(786)	1,341	(308)	0	8,734
Other companies	5	0	0	0	0	0	0	5
	43,235	**0**	**0**	**(1,186)**	**5,391**	**(308)**	**0**	**47,132**

Associate	Balance at 31/12/2021	Additions due to acquisitions	Decreases due to disposals	Dividends paid	Profit/(loss) for the year	Translation differences	Other movements	Balance at 31/12/2022
Riso Scotti, S.p.a.	35,186			(1,000)	557	0	0	34,743
Associates of Riviana Foods Inc.	7,811			(1,187)	1,382	481	0	8,487
Other companies	5	0	0	0	0	0	0	5
	43,002	**0**	**0**	**(2,187)**	**1,939**	**481**	**0**	**43,235**

There were no significant movements under this heading in 2023 or 2022.

The associates of Riviana Foods, Inc. do not have material amounts of assets, income, borrowings or employees. The Ebro Group has not extended guarantees of material amount to any of its associates.

The most significant figures for the Scotti Group, using estimated financial statements at December 31, 2023, are as follows (in thousands of euros):

Thousands of euros	**31/12/2022**	**31/12/2023**
Trademarks, other intangible assets and goodwill	53,126	52,263
Property, plant and equipment	54,280	52,983
Other non-current assets	14,201	14,019
Current assets	107,354	84,281
Cash	14,959	56,712
Non-current, non-financial liabilities	-20,426	-20,214
Financial liabilities	-76,930	-74,572
Current, non-financial liabilities	-59,367	-69,165
Non-controlling interests	-339	-325
	86,858	95,982
Ownership interest acquired	40%	40%
	34,743	38,393
Revenue	310,500	326,670
Profit for the year	1,393	10,125
No. of employees	285	278

15. GOODWILL

The movements under goodwill in 2023 and 2022 (in thousands of euros) are shown below:

Segment	CGU or groups of CGUs	31/12/2022	Additions	Decreases & other	Impairment losses	Translation differences	31/12/2023
Rice	Danrice (Denmark)	14,524					14,524
Rice	Vogan (UK)	1,205				48	1,253
Rice	Riceland (Hungary)	2,184					2,184
Rice	Steve & Brotherton (UK)	1,711					1,711
Rice	Ingredients Group	11,198					11,198
Rice	SOS Business (Spain)	28,390					28,390
Rice	Ebro Frost (Germany)	14,606					14,606
Rice	Geovita (Italy)	22,894					22,894
Rice	Transimpex (Germany)	15,292					15,292
Rice	Tilda Group (UK)	80,491				1,656	82,147
Rice	Riviana Group (US)	299,231				(10,399)	288,832
Pasta	Ebro Group France	137,671					137,671
Pasta	Garofalo (Italy)	57,049					57,049
Pasta	Bertagni (Italy)	114,575					114,575
Other	Harinas Santa Rita (Spain)	6,051					6,051
		807,072	**0**	**0**	**0**	**(8,695)**	**798,377**
Total gross carrying amount		864,007	0	0		(8,695)	855,312
Accumulated impairment losses		(56,935)					(56,935)

Segment	CGU or groups of CGUs	31/12/2021	Additions	Decreases & other	Impairment losses	Translation differences	31/12/2022
Rice	Danrice (Denmark)	14,524					14,524
Rice	Vogan (UK)	1,336				(131)	1,205
Rice	Riceland (Hungary)	2,184					2,184
Rice	Steve & Brotherton (UK)	1,711					1,711
Rice	Ingredients Group	11,198					11,198
Rice	SOS Business (Spain)	28,390					28,390
Rice	Ebro Frost (Germany)	14,606					14,606
Rice	Geovita (Italy)	22,894					22,894
Rice	Transimpex (Germany)	15,292					15,292
Rice	Tilda Group (UK)	84,964				(4,473)	80,491
Rice	Riviana Group (US)	281,794				17,437	299,231
Pasta	Ebro Group France	152,791		(15,120)			137,671
Pasta	Garofalo (Italy)	57,049					57,049
Pasta	Bertagni (Italy)	114,575					114,575
Other	Harinas Santa Rita (Spain)	6,051					6,051
		809,359	**0**	**(15,120)**	**0**	**12,833**	**807,072**
Total gross carrying amount		866,294	0	(15,120)		12,833	864,007
Accumulated impairment losses		(56,935)					(56,935)

There were significant movements in both reporting periods that were attributable to exchange differences on the goodwill allocated to the Group's US and UK subsidiaries, mainly. The decrease in goodwill in 2022 was also brought about by the sale of Roland Monterrat that year.

The Ebro Group establishes its cash-generating units (CGUs) in accordance with the definition given in IAS 36 Asset impairment: “A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets”.

The Group accordingly defines its cash-generating units using geographical criteria and by legal entity as, in general, the legal entities located in each country are separate and their business is basically focused on one of the activities comprising the Group's business segments, i.e., rice or pasta.

The goodwill balances were generated by business combinations. Those assets were tested for impairment at year-end 2023 and 2022 (by an independent expert, Kroll); the resulting values were allocated to the cash-generating units or groups of cash-generating units indicated in the table above.

To test the assets for impairment, the Group calculated the value in use of each cash-generating unit (CGU) by discounting the associated cash flows, generally projected for a period of five years, and their terminal value, in turn calculated by projecting the last year's cash flows by a perpetuity growth rate.

The cash flow projections were based on historical information and the best estimates of each CGU’s management, underpinned by their budgets and medium-term business plans.

The resulting CGU fair values were additionally cross-checked using comparable multiples methodology. Note with respect to the projection exercise undertaken in recent years, the actual results have not yielded significant deviations necessitating material changes in the projections.

Although effectiveness of the new lease accounting standard, IFRS 16, from January 1, 2019 did not have a very significant impact on the Ebro Group, it did imply certain changes for impairment testing purposes from 2019. Specifically, it implied the following changes:

- The metrics used for cross-checking purposes were revised upwards on account of the recognition of right-of-use assets.

- The statement of profit or loss and financial position projections were also adjusted to eliminate lease expense, a concept that has been replaced by right-of-use asset depreciation and the finance cost corresponding to the new financial liability.

- The numbers factor in new cash outflows corresponding to the renewal of the lease agreements subject to the new standard and their impact during the projection time horizon and on the CGUs' terminal value.

(THOUSANDS OF EUROS)

- The discount rates used have been adjusted to reflect the new market situation, making sure that the comparable companies used use similar accounting policies.

The growth rates used to extrapolate the cash flow projections beyond the projection horizon and the pre- and after-tax discount rates applied to the cash flow projections for the most important CGUs in 2023 (2022) were:

Segment	CGU	Pre-tax rate		Post-tax rate		Growth rate, "*g*"	
		2023	2022	2023	2022	2023	2022
Rice	Frozen Foods (Germany and Denmark)	8.25%	8.13%	6.38%	6.38%	2.40%	2.45%
Rice	UK Business	10.75%	10.13%	8.13%	7.75%	2.55%	2.55%
Rice	Ingredients (Belgium and Netherlands)	8.75%	7.75%	7.13%	6.38%	2.30%	2.40%
Rice	SOS Business (Spain)	9.63%	9.63%	7.75%	7.75%	2.35%	2.40%
Rice	Geovita (Italy and France)	10.38%	10.13%	8.25%	8.13%	2.30%	2.35%
Rice	Transimpex (Germany)	8.25%	8.13%	6.38%	6.38%	2.40%	2.45%
Rice	Riviana Group (US)	10.00%	9.25%	8.00%	7.50%	2.30%	2.50%
Rice	Tilda Group (UK)	10.13%	9.63%	8.13%	7.75%	2.55%	2.55%
Pasta	Ebro Group France	8.75%	7.75%	7.13%	6.38%	2.35%	2.40%
Pasta	Garofalo (Italy and international)	10.75%	10.63%	8.25%	8.25%	2.30%	2.35%
Pasta	Bertagni (Italy)	10.63%	10.25%	8.13%	8.13%	2.30%	2.35%
Other	Harinas Santa Rita (Spain)	9.63%	9.63%	7.75%	7.75%	2.35%	2.40%

The key assumptions used to value each cash-generating unit (CGU) include: (i) the average rate of sales revenue growth modelled for the projection period; (ii) the compound average annual rate of growth in the EBITDA-A margin; (iii) the trend in working capital expressed as a number of days of sales; (iv) average annual capital expenditure, modelled as a percentage of projected EBITDA-A; (v) the discount rate; and (vi) the rate of growth in perpetuity (g).

The Group did not detect any indications that its intangible assets may have become impaired in 2023 or 2022. Moreover, the results of the impairment tests were satisfactory in both reporting periods.

As for the assumptions used to calculate the recoverable amount of the various CGUs to which goodwill has been assigned, management believes that no reasonably-possible change in the key assumptions used would cause their carrying amounts to exceed their recoverable amounts. That assessment is underpinned by the sensitivity analysis performed with respect to the two inputs deemed key to the valuation results:

Segment	CGU	Change necessary for the recoverable amount to fall to the unit's carrying amount	
		+ WACC (points)	- g (points)
Rice	Frozen Foods (Germany and Denmark)	a)	a)
Rice	UK Business	1.25%	-0.5%
Rice	Ingredients (Belgium and Netherlands)	0.5%	-0.5%
Rice	SOS Business (Spain)	0.25%	-0.5%
Rice	Geovita (Italy and France)	0.25%	-0.25%
Rice	Transimpex (Germany)	1.5%	-0.5%
Rice	Riviana Group (US)	a)	a)

Rice	Tilda Group	0.25%	-0.25%
Pasta	Ebro Group France	1.75%	-0.5%
Pasta	Garofalo (Italy and international)	0.75%	-0.5%
Pasta	Bertagni (Italy)	1.0%	-0.5%
Other	Harinas Santa Rita (Spain)	1.5%	-0.5%

a) CGUs in which it would take an increase in the WACC of over 2 percentage points and, simultaneously, a reduction in the rate of growth in perpetuity of over 0.5 percentage points (with respect to the values indicated in the table above) for their recoverable amount to decrease to their carrying amount.

16. INVENTORIES

The breakdown of inventories at year-end 2023 and 2022 (in thousands of euros):

ITEM	31-12-23	31-12-22
Goods held for resale	18,072	23,269
Raw materials	385,191	414,304
Consumables and replacement parts	16,058	17,225
Containers	36,367	43,290
Work in progress	32,998	63,593
Finished goods	241,838	285,352
By-products and waste	5,360	7,174
Prepayments to suppliers	58,021	64,452
TOTAL GROSS CARRYING AMOUNT OF INVENTORIES	**793,905**	**918,659**
Inventory impairment provision	(18,613)	(7,544)
TOTAL CARRYING AMOUNT OF INVENTORIES	**775,292**	**911,115**

At both reporting dates, the balance of prepayments to suppliers presented on the face of the consolidated statement of financial position mainly comprised payments made to rice growers and rice suppliers.

In addition, the Group was contractually committed to the purchase of 27,246 thousand euros of rice from rice growers and cooperatives at year-end 2023 (38,988 thousand euros at year-end 2022). The Group was also contractually committed to raw material and packaging material purchases in the US, Canada, France, Spain and Italy totalling 121,537 thousand euros (year-end 2022: 114,088 thousand euros).

The provision for the impairment of inventories increased in 2023 due to price volatility in certain raw material varieties in some international markets. The net provision for inventory impairment recognized in 2023 was 13,122 thousand euros (2022: 1,870 thousand euros), while 1,915 thousand euros of previously recognized provisions were utilized (2022: 3,155 thousand euros); no amounts were derecognized due to business disposals (2022: 571 thousand euros); and exchange gains on inventories amounted to 138 thousand euros (2022: losses of 225 thousand euros).

(THOUSANDS OF EUROS)

17. SHARE CAPITAL, RESERVES, EARNINGS PER SHARE AND DIVIDENDS

17.1 Capital and reserves

Share capital

The Parent's issued capital consisted of 153,865,392 fully subscribed and paid bearer shares with a par value of 0.60 euros each at both year-ends. The Company's shares are traded on the Spanish stock exchanges.

Ebro Foods, S.A. gleans the information regarding its significant shareholders and their shareholdings from the information they themselves provide directly to the Parent or the disclosures they make under applicable legislation on significant shareholdings and from information collected by it from its shareholders as part of the process of preparing its annual consolidated financial statements. Based on that information, the Parent's significant shareholders and their shareholdings at year-end are as follows:

Significant shareholder	2023					2022				
	% of voting rights attributed to the shares			% voting rights held through financial instruments	% of total voting rights	% of voting rights attributed to the shares			% voting rights held through financial instruments	% of total voting rights
	Direct	Indirect	Total			Direct	Indirect	Total		
Corporación Financiera Alba, S.A.	14.522	0.000	14.522	0.000	14.522	14.522	0.000	14.522	0.000	14.522
Sociedad Anónima Damm (via Corporación Económica Delta, S.A.)	0.000	11.686	11.686	0.000	11.686	0.000	11.686	11.686	0.000	11.686
Sociedad Estatal de Participaciones Industriales (via Alimentos y Aceites, S.A.)	0.000	10.360	10.360	0.000	10.360	0.000	10.360	10.360	0.000	10.360
Hercalianz Investing Group, S.L.	9.073	0.000	9.073	0.000	9.073	9.000	0.000	9.000	0.000	9.000
Grupo Tradifín, S.L.	7.961	0.000	7.961	0.000	7.961	7.961	0.000	7.961	0.000	7.961
Empresas Comerciales e Industriales Valencianas, S.L.	7.827	0.000	7.827	0.000	7.827	7.827	0.000	7.827	0.000	7.827
José Ignacio Comenge Sánchez-Real (through Mendibea 2002, S.L.)	0.002	5.381	5.383	0.000	5.383	0.002	5.362	5.364	0.000	5.364
Artemis Investment Management, LLP	0.000	4.082	4.082	0.000	4.082	0.000	3.160	3.160	0.000	3.160

Share premium

As for the share premium, the Consolidated Text of the Spanish Corporate Enterprises Act permits the use of the share premium account balance to increase share capital and provides no specific limitation with respect to its availability.

Virtually all of the share premium account was distributed in 2009 by means of the distribution of an in-kind special dividend paid in own shares.

Restricted reserves

Spanish enterprises that generate a profit are required to earmark 10% of net profit for the year to a legal reserve until such reserve is equivalent to 20% of share capital. The legal reserve cannot be distributed except in the event of dissolution but it can be used to offset losses insofar as other reserves are not available for this purpose, and to increase capital by the amount that exceeds 10% of capital after the increase. The Parent had fully endowed its legal reserve at both year-ends.

As for the restrictions on the reserves of the Group's subsidiaries, it is worth noting the existence of legal reserves at the Spanish subsidiaries and some of the international subsidiaries totalling approximately 25.4 million euros (24.8 million euros at year-end 2022) that are subject to the same legal reserve regime detailed above. The portion of such reserves arising on consolidation is included under retained earnings.

Consolidated retained earnings includes 38,531 thousand euros (year-end 2022: 38,531 thousand euros) corresponding to Herba Foods S.L.U. In addition, certain foreign subsidiaries have retained earnings which have not been distributed since consolidation within the Ebro Group. In both instances, the distribution of such retained earnings is contingent upon payment of the corresponding income tax or withholdings. Note that the taxable event - income tax or withholdings - would accrue whenever such distribution is ratified, something not expected to occur in the short or medium term.

Translation differences - foreign exchange translation differences reserve

The foreign exchange translation differences reserve is used to recognize the exchange differences arising from the translation of the financial statements of foreign subsidiaries. It is also used to recognize hedges of net investments in these entities. The breakdown of translation differences at year-end by company (in thousands of euros) is provided below:

	31-12-23	31-12-22
RIVIANA Group (US)	109,065	145,048
Herba companies	(14,525)	(12,462)
Tilda Group (UK and UAE)	11,665	5,007
Ebro Alimentación Mexico	(152)	(163)
Garofalo Group (Italy) - International business	(69)	(7)
Ebro Group France - International business	159	223
TOTAL	**106,143**	**137,646**

Own shares

In 2023, the Parent had the power to buy back and sell own shares under the scope of the authorization granted at the Annual General Meeting held on July 29, 2020 for a period of five years (and duly notified to the CNMV in keeping with prevailing legislation).

In 2023, under the scope of the employee share plan, it bought back 41,000 shares, sold 1,187 and delivered 39,813 own shares to employees. The Company did not hold any own shares at December 31, 2023.

In 2022, the Parent was likewise empowered to buy back and sell own shares under the scope of the authorization granted at the Annual General Meeting held on July 29, 2020 for a period of five years (and duly notified to the CNMV in keeping with prevailing legislation). In 2022, under the scope of the employee share plan, it bought back 42,500 shares, sold 852 and delivered 41,648 own shares to employees. The Company did not hold any own shares at December 31, 2022.

17.2 Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to ordinary equity holders of the Parent by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to ordinary equity holders of the Parent (after adjusting for interest on non-cumulative redeemable and convertible preference shares, of which Ebro Foods, S.A. did not have any at either year-end) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares (Ebro Foods, S.A. did not have any dilutive potential ordinary shares at either year-end).

The following table reflects the income (thousands of euros) and share data used in the basic and diluted EPS computations:

	31/12/2023	31/12/2022
Profit from continuing operations attributable to ordinary equity holders of the parent	186,964	122,976
Profit from discontinued operations attributable to ordinary equity holders of the parent	0	(917)
Profit attributable to ordinary equity holders of the parent	186,964	122,059
Interest on non-cumulative convertible and redeemable preference shares	0	0
Profit attributable to ordinary equity holders of the parent adjusted for the effect of dilution (non-cumulative convertible and redeemable preference shares)	186,964	122,059

	2023	2022
	Thousands	Thousands
Weighted average number of ordinary shares for basic EPS (*)	153,865	153,865
Effects of dilution from:		
Stock options	0	0
Redeemable preference shares	0	0
Weighted average number of ordinary shares adjusted for the effect of dilution	153,865	153,865

(*) Takes into account the weighted average effect of movements in own shares during the year.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorization of these financial statements.

17.3 Dividends

Distribution of the dividends approved at the Annual General Meeting of June 6, 2023 at which the Parent's shareholders ratified the motion to pay a cash dividend with a charge against 2022 profit and unrestricted reserves of 0.57 euros per share (before withholding tax), payable in the course of 2023 for a total outlay of 87,703 thousand euros. The dividend was paid out in three equal instalments of 0.19 euros per share (before withholding tax) on April 3, June 30, and October 2, 2023.

18. DEFERRED INCOME

The heading essentially includes grants related to assets and other items of deferred income that are not individually material. The movements under this heading in 2023 and 2022 (thousands of euros):

	Government grants		Other deferred income		TOTAL	
	31-12-23	31-12-22	31-12-23	31-12-22	31-12-23	31-12-22
Opening balance	10,448	10,306	471	20	10,919	10,326
Grants received	6,304	1,026	0	0	6,304	1,026
Additions due to GHG allowances	0	0	0	0	0	0
Other increases/decreases	444	(384)	(471)	646	(27)	262
Translation differences	1	(2)	0	0	1	(2)
Reclassified to profit or loss from continuing operations	(1,397)	(497)	0	(195)	(1,397)	(692)
Closing balance	**15,800**	**10,448**	**0**	**471**	**15,800**	**10,919**

The year-end balances mainly comprise grants relating to assets awarded to various Group companies in relation to certain fixed asset investment projects (to date these companies have satisfied all the conditions attached to their grant). The most significant increases in both years relate to grants awarded to companies in France and Italy to help fund the expansion of their factories.

The breakdown of grants by maturity is as follows (thousands of euros):

GRANTS RELATING TO ASSETS	Pending reclassification to profit or loss			
	< 1 year	2 - 5 years	> 5 years	Total
Breakdown of closing balance by maturity	1,130	4,294	10,376	15,800

19. PROVISIONS FOR PENSIONS (POST-EMPLOYMENT BENEFITS) AND SIMILAR OBLIGATIONS

The reconciliation of the opening and closing balances under this heading (in thousands of euros) is as follows:

	31-12-23 Total	31-12-22 Total
Opening balance	**25,187**	**35,088**
Translation differences	(70)	360
Disposals	0	(538)
Amounts utilized and paid	(12,624)	(11,160)
Amounts transferred to other accounts	344	(642)
Surplus provisions and employee departures	0	(142)
Amount provided for in the year for actuarial changes	(1,751)	(10,456)
Amount provided for in the year for unwind of discount	1,169	1,076
Amount provided for in the year for employee benefits expense	10,140	11,601
Amount provided for in the year for other operating expenses	4	0
Closing balance	**22,399**	**25,187**

The breakdown by type of post-employment commitment (in thousands of euros):

	31-12-23	31-12-22
Defined benefit obligations	9,297	10,417
Retirement bonuses and similar obligations	8,934	8,957
Senior management bonus schemes (Note 23)	4,168	5,813
TOTAL	**22,399**	**25,187**

The types of commitments extended by company/CGU are summarised below:

	Defined contribution pension commitments	Defined benefit pension commitments	Other defined benefit commitments	Retirement bonuses	Long-service bonuses	Termination or retirement benefits
Ebro Foods, S.A. (Spain)					Yes (a)	
Riviana Group (US & Canada)	Yes	Yes (b)	Yes (b)			
Ebro Group France				Yes (a)	Yes (a)	Yes (a)
Bertagni (Italy)						Yes (a)
Ebro Belgium (Herba) (Belgica)	Yes (c) 2007	Yes (c) 2006				Yes (a)
Herba Bangkok and Ebro India						Yes (a)
Garofalo (Italy)						Yes (a)
Geovita (Herba) (Italy)						Yes (a)
Mundiriso (Herba) (Italy)						Yes (a)
S&B Group (Herba) (UK)	Yes (d)	Yes (d)				
Ebro Foods, Gmbh (Germany)		Yes (a)		Yes (a)		
Euryza (Herba) (Germany)		Yes (a)				
Transimpex (Herba) (Germany)		Yes (a)				
Ebro Group Neth. (Herba) (Netherlands	Yes (e)	Yes (e)				
Herba Ricemills (Spain)				Yes (a)		

(a) Obligations not externalized. Managed and provided for in-house. Except for Garofalo (Italy), which has externalized a portion of its obligations.

(b) These obligations are managed externally. The administration, management and investment decision-making with respect to these assets is performed by a committee that is independent from the company's management.

(c) These became defined contribution obligations in 2007.

(d) Obligations to current employees were switched to a defined contribution benefit arrangement in 2007, while former employees continue to receive a defined benefit scheme.

(e) These became defined contribution obligations in 2014.

The next section outlines the most significant obligations on the basis of their relative materiality with respect to the overall obligation and/or because their specific circumstances warrant their individual disclosure.

19.1 Retirement bonuses and similar obligations

The breakdown by company or business is as follows (in thousands of euros):

	31-12-23	31-12-22
Ebro Group France	3,825	3,728
Herba Rice Group (Herba)	2,329	2,190
Garofalo (Italy)	383	367
Riviana American Group (Riviana)	2,192	2,431
Ebro Foods, S.A.	190	238
Other minor obligations	15	3
TOTAL	**8,934**	**8,957**

19.1.1 Ebro Foods, S.A.

The balance at year-end 2023 in respect of Ebro Foods, S.A. totals 190 thousand euros (year-end 2022: 238 thousand euros) and corresponds to the provision for the potential obligation to provide long-service bonuses to some of its employees. The Group is not legally required to externalise this obligation. The expense recognized in this respect was 13 thousand euros in 2023 (2022: 38 thousand euros), while the payments made totalled 61 thousand euros (2022: zero).

19.1.2 Ebro France Group companies

The Ebro Group France companies have obligations to their employees, mainly in respect of (i) retirement bonuses (provisions of 3,666 and 3,574 thousand euros at year-end 2023 and 2022, respectively); and (ii) long-service bonuses (159 and 154 thousand euros at year-end 2023 and 2022, respectively).

Those provisions were recognized based on actuarial calculations performed internally. The related total net expenditure recognized in 2023 amounted to 395 thousands euros (2022: 1,116 thousand euros); note that 78 thousand euros (2022: 829 thousand euros) was charged directly in equity as actuarial losses.

These provisions are funded in-house, albeit not by specific assets. The interest rate applied in 2023 was 3.17% (3.77% in 2022).

19.1.3 Herba Group companies

The collective bargaining agreements applicable at the subsidiaries in Italy, Belgium, Thailand and India include termination benefit obligations (voluntary or otherwise) for their employees. Those provisions were recognized based on actuarial calculations performed internally in some instances and externally in others.

The related provision at year-end 2023 amounted to 2,329 thousand euros (2,193 thousand euros at year-end 2022). Expenditure in 2023 was 585 thousand euros (2022: 463 thousand euros).

In addition, some Herba Group subsidiaries (S&B Herba in the UK, Boost in Belgium, Ebro Frost in Denmark, Ebro Group Netherlands and the Ingredients Group from 2014) have defined contribution pension plans for some of their employees under which they make an annual contribution based on a percentage of qualifying employees' salaries. Expenditure in 2023 was 2,241 thousand euros (2022: 2,214 thousand euros).

Lastly, in keeping with the rice sector's collective bargaining agreement, Herba Ricemills, S.L.U. has retirement bonus obligations that have been externalized under an insurance policy; the related provision at year end 2023 stood at 2 thousand euros (zero euros at year-end 2022). Net expenditure in 2023 was 77 thousand euros (2022: 82 thousand euros).

19.1.4 Garofalo (Italy)

The applicable collective bargaining agreement includes termination benefit obligations (voluntary or otherwise) for employees. That obligation was externalized in 2008; the provision for the obligation funded internally and accrued until the date of externalisation continues to be recognized through settlement. The provision is updated annually on the basis of external actuarial calculations. The related provision at year-end 2023 amounted to 383 thousand euros (367 thousand euros at year-end 2022). The discounting of this provision implied a finance cost of 13 thousand euros in 2023 (2022: 2 thousand euros), actuarial losses charged directly to equity of 8 thousand euros (actuarial gains credited in equity of 70 thousand euros in 2022) and payments totalling 8 thousand euros (2022: 17 thousand euros). The expense recognized in 2023 in respect of the obligation externalized since 2008 amounted to 552 thousand euros (2022: 554 thousand euros).

19.1.5 Riviana Foods, Inc.

In addition to the defined benefit obligations detailed in Note 19.2 below, the Riviana Group companies offer their US employees voluntary contribution plans. Those companies match their employees' contributions. Total expenditure in connection with those plans was 2,680 thousand euros in 2023 (2022: 2,476 thousand euros).

19.2 Pension and other defined benefit obligations

The breakdown by company:

Defined benefit Thousands of euros	31/12/2023 Pension commitments	31/12/2023 Other commitments	31/12/2023 Total	31/12/2022 Pension commitments	31/12/2022 Other commitments	31/12/2022 Total
Riviana Group (US & Canada)	5,244	-4,641	603	4,241	-4,517	-276
Ebro Belgium (Herba) (Belgica)	75		75	198		198
S&B Group (Herba) (UK)	2,552		2,552	2,808		2,808
Ebro Germany (Germany)	1,325		1,325	1,891		1,891
Euryza (Herba) (Germany)	3,669		3,669	4,689		4,689
Transimpex (Germany)	1,073		1,073	1,107		1,107
	13,938	**-4,641**	**9,297**	**14,934**	**-4,517**	**10,417**

The reconciliation of the opening and closing balances included in the table above, broken down using geographic criteria, deemed the most appropriate and uniform criterion in terms of the underlying factors generating these obligations, in 2023 and 2022:

	TOTAL		Europe		US & Canada	
Thousands of euros	**31-12-23**	**31-12-22**	**31-12-23**	**31-12-22**	**31-12-23**	**31-12-22**
Provisions for pensions - obligations						
Opening balance	56,842	80,264	18,213	28,370	38,629	51,894
Charge for the year	3,590	3,773	694	648	2,896	3,125
Actuarial changes	544	-21,301	-1,297	-7,816	1,841	-13,485
Benefits paid	-3,675	-9,976	-764	-2,067	-2,911	-7,909
Transfers between plans	0	1,803	0	0	0	1,803
Translation differences	-1,114	2,279	194	-922	-1,308	3,201
Closing balance	56,187	56,842	17,040	18,213	39,147	38,629
Provisions for pensions - plan assets						
Opening balance	-46,425	-62,118	-7,520	-14,852	-38,905	-47,266
Return on plan assets	-1,941	-1,212	-350	-251	-1,591	-961
Contributions by employer	-1,229	-1,383	-778	-707	-451	-676
Actuarial changes	-2,122	12,335	-325	5,534	-1,797	6,801
Benefits paid	3,675	9,976	764	2,067	2,911	7,909
Transfers between plans	0	-1,803	0	0	0	-1,803
Translation differences	1,152	-2,220	-137	689	1,289	-2,909
Closing balance	-46,890	-46,425	-8,346	-7,520	-38,544	-38,905
Closing balance - benefit asset	**9,297**	**10,417**	**8,694**	**10,693**	**603**	**-276**

	TOTAL		Europe		US & Canada	
Net annual cost by component	**31-12-23**	**31-12-22**	**31-12-23**	**31-12-22**	**31-12-23**	**31-12-22**
Current service cost	1,070	1,842	37	209	1,033	1,633
Borrowing costs	2,508	1,929	657	439	1,851	1,490
Expected return on plan assets	-1,941	-1,212	-350	-251	-1,591	-961
	1,637	**2,559**	**344**	**397**	**1,293**	**2,162**
Actuarial changes recognized directly in consolidated equity: (gains)/losses	**-1,580**	**-8,967**	**-1,623**	**-2,282**	**43**	**-6,685**

Actuarial assumptions		**31-12-23**	**31-12-22**	**31-12-23**	**31-12-22**
Discount rate		3.30% - 4.60%	1.50% - 4.90%	4.90% - 5.14%	4.89% - 5.46%
Future salary increases		2.00% - 3.00%	1.50% - 3.10%	2.50% - 3.00%	2.50% - 3.00%
Expected return on plan assets		3.30% - 4.60%	1.50% - 4.90%	4.90% - 5.14%	4.89% - 5.46%

In general, the obligations relate to pension plans for most of the employees of the Riviana Group in both the US and Canada and for certain employees of the European subsidiaries. At the S&B Group, these obligations now only correspond to former employees (the obligations in respect of current employees were transferred to defined contribution arrangements on January 1, 2006).

The Riviana Group in the US has not been adding new employees to this defined benefit scheme since February 2006.

In the case of the Riviana Group, the other commitments relate to health insurance, prescription drug plans and life insurance provided to just some of their employees.

20. OTHER PROVISIONS

The movements under this heading in 2023 and 2022 (in thousands of euros) are shown below:

Movements under other provisions	31-12-23 Total	31-12-22 Total
Opening balance	15,506	15,538
Translation differences	27	(85)
Other transfers	79	(304)
Amounts utilized and payments	(2,025)	(1,605)
Additions with a charge to profit or loss	2,392	2,235
Unused amounts reversed with a credit to profit or loss	(590)	(238)
Business sales/exits	0	(35)
Closing balance	**15,389**	**15,506**

An analysis by underlying concept and company/business (in thousands of euros):

Breakdown of other provisions by concept	31-12-23	31-12-22
Lawsuits and disputes	14,842	14,655
Modernization and restructuring plan	441	655
Misc. other contingencies of insignificant amount	106	196
	15,389	**15,506**

	31-12-23	31-12-22
Ebro Foods, S.A.	10,976	11,240
Lustucru Group France	1,582	550
Herba Group	1,538	2,165
Riviana Group	441	655
Garofalo Group	766	767
Ebro Group Germany	47	50
Other	39	79
	15,389	**15,506**

20.1 Lawsuits and disputes: Provisions covering the outcome of lawsuits related to the sale of the dairy business

One of the provisioned items is the provision recognized to cover the outcome of lawsuits related to the sale of the dairy business (sold in 2010), specifically related to the reps and warranties extended to its buyers, as an unfavourable ruling in these lawsuits has the effect of reducing the sale-purchase price. Additions to this provision (or reversals thereof) imply an adjustment to the sale price and are accordingly recognized as a reduction (or increase) in profit in the year in which they are recognized.

These lawsuits had been substantially resolved by year-end 2013, so that the related provision stood at zero. However, in the course of 2014 a number of smaller-sized disputes came to light. Management determined it was necessary to recognize a provision in respect of certain of these cases in light of the probable outflow of resources in the future.

In relation to the resolution issued by the Spanish anti-trust authority, the CNMC for its acronym in Spanish, on February 26, 2015, imposing a fine of 10,270 thousand euros on Puleva Food, S.L., its annulment by the National High Court on October 25, 2018 and the subsequent resumption of the disciplinary proceedings by the CNMC with retroactive effect on December 21, 2018, the CNMC issued a new Disciplinary Ruling on July 11, 2019. In that new ruling, the CNMC reiterated its original opinion of the underlying facts and levied a fine in the same amount against Puleva Food, S.L.

On February 21, 2024, the National High Court notified its ruling of February 13, 2024 with respect to the appeal lodged against the Disciplinary Ruling of 2019. In that new ruling, the National High Court partially upholds the appeal presented by Puleva Food, S.L.: (i) ruling that some of the conduct attributed to the latter has prescribed, and (ii) finding that its participation in the practices at the heart of the matter was only substantiated in two out of the three practices contemplated by the CNMC in its Disciplinary Ruling of 2019. On the basis of those findings, the National High Court has asked CNMC to recalculate the fine in light of the outcome of the appeal.

Ebro Foods, S.A. is currently assessing the new situation with its legal counsel and considering what measures to take with respect to the recent National High Court ruling. Although the Company believes that the recalculation of the fine ordered by the National High Court could result in a lower amount, it has decided to continue to recognize the provision recorded in 2014 in light of the uncertainty around its amount and the timing of the CNMC's decision.

Elsewhere, in 2016, the Group recognized a provision of 2,500 thousand euros to cover the litigation risk associated with the tax assessments signed under protest in 2016 in the wake of an inspection of the Puleva Group in respect of certain years and events in relation to the reps and guarantees provided to the buyer of the Group's former dairy business; the case was pending ruling at the reporting date.

20.2 Status of other lawsuits and disputes

In addition to the lawsuits outlined in section 20.1 above, at year-end 2023, the Group had recognized provisions for other lawsuits and disputes in the amount of 4,413 thousand euros (year-end 2022: 4,266 thousand euros).

The provisions relate to court proceedings underway and other claims; in the directors' opinion, after taking appropriate legal advice from its in-house and external counsel, the outcome of these legal claims will not give rise to any significant liabilities beyond the amounts provided at year-end.

The breakdown of the maximum liability under these legal claims (items 20.1 and 20.2 above) is shown below (in thousands of euros):

	31-12-23	**31-12-23**
Tax and customs assessments signed under protest	1,769	1,748
Judicial review contingencies	13,042	12,436
Other lawsuits	1,242	1,646
	16,053	**15,830**

21. TAXES

Year-end balances receivable from and payable to the tax authorities (in thousands of euros):

	Receivable		**Payable**	
	31-12-23	31-12-22	31-12-23	31-12-22
VAT and personal income tax	32,733	33,945	(9,169)	(9,990)
Social security	4	33	(4,221)	(3,513)
Grants pending collection	3,447	5,770		
Other tax authorities	2,370	26,728	(356)	(1,242)
Total receivable/payable	**38,554**	**66,476**	**(13,746)**	**(14,745)**
Income tax - tax payable/refundable	**26,472**	**19,414**	**(17,680)**	**(14,364)**

The balance receivable from other tax authorities of 26,728 thousand euros at December 31, 2022 included 25,295 thousand euros due from the French tax authorities related with payments made on account in 2022 as a result of the sale of the Panzani business in 2021. That balance was collected in full on March 1, 2023.

Certain Group companies file consolidated tax returns in keeping with applicable tax and other legislation prevailing in each country. The companies that file under a consolidated tax regime are: most of the Spanish companies (Spanish tax group), the Riviana group (US) together with its Canadian subsidiary, the Ebro France group and the Group companies resident in Germany and the Netherlands for tax purposes.

The statutory corporate income tax rates vary from one country to another, the most significant (on account of their relative materiality) being the rates prevailing in: Spain: 25%; France: 25.83%; the US: 24%; Germany: 30%; the Netherlands: 25.5%; Italy: 28%; Argentina: 25% (30% in 2022); and the UK: 23% (19% in 2022).

The table provided later on in this note presents the impact of the national rates other than 25% (benchmark Spanish rate) under the dedicated line item, "Impact of differing tax rates (taxable income)".

Income tax expense for the year ended December 31, 2023 was quantified on the basis of the best estimate of the weighted average tax rate (effective rate) expected to apply in the current annual reporting period, adjusted for application of prevailing tax provisions. The consolidated average effective tax rate (in respect of profit from continuing operations) in 2023 was 25.14% (27.04% in 2022).

The breakdown of the tax expense accrued by the Group in 2023 and 2022 (in thousands of euros) is provided below:

	31/12/2023		31/12/2022	
	Accounting	Tax	Accounting	Tax
Accounting profit before tax from continuing operations	**273,857**	**273,857**	**185,807**	**185,807**
Profit before tax from discontinued operations	**0**	**0**	**(1,019)**	**(1,019)**
Profit/(loss) before tax recognized in equity	**1,751**	**1,751**	**10,456**	**10,456**
	275,608	**275,608**	**195,244**	**195,244**
Permanent differences	(8,730)	(8,730)	19,249	19,249
Tax losses generated during the year	1,595	1,595	4,855	4,855
Utilization of individual tax losses	(9,282)	(9,282)	(10,242)	(10,242)
Accounting profit adjusted for permanent differences	**259,191**	**259,191**	**209,106**	**209,106**
Temporary differences		(12,140)		(14,014)
Tax losses generated during the year		611		7,988
Utilization of tax losses		(985)		(2,997)
Adjusted taxable profit	**259,191**	**246,677**	**209,106**	**200,083**
Impact of differing tax rates (taxable income)	(15,724)	(17,056)	(19,534)	(19,970)
Taxable income of the Group	**243,467**	**229,621**	**189,572**	**180,113**
Tax calculated at statutory rate of 25%	60,867	57,405	47,393	45,028
Tax credits utilized	(1,400)	(1,400)	0	0
Tax payable	**59,467**	**56,005**	**47,393**	**45,028**
Adjustments in respect of prior-year's income tax	(687)		(830)	
Restatement of net deferred taxes due to changes in tax rates	2,151		(2,471)	
Restatement of net deferred taxes	975		5,295	
Inspection assessments and fines	(41)	163	(356)	(336)
Equivalent tax charges	7,414	7,446	3,671	5,239
Adjustment in respect of prior year's tax payable		0		(541)
Total tax expense	**69,279**	**63,614**	**52,702**	**49,390**
Tax expense, continuing operations	68,846		50,242	
Tax expense, discontinued operations	0		(102)	
Tax expense, recognized directly in equity	433		2,562	
	69,279		**52,702**	

(THOUSANDS OF EUROS)

STATEMENT OF PROFIT OR LOSS - INCOME TAX	31/12/2023	31/12/2022
Current tax expense, continuing operations	56,005	45,130
Current tax expense, sale of discontinued operations	0	(102)
Total deferred tax expense	2,971	(271)
Tax expense deferred in equity	491	2,636
Restatement of prior-year's income tax	(687)	(830)
Restatement of net deferred taxes	3,126	2,824
Equivalent tax charges	7,414	3,671
Inspection assessments and fines	(41)	(356)
	69,279	**52,702**

Tax expense recognized directly in equity	31/12/2023	31/12/2022
Change in fair value of financial assets	0	0
Change due to actuarial gains/(losses)	433	2,562
	433	**2,562**

Total expense for tax purposes less the withholdings and payments on account made during the year yields the amount of tax payable to / refundable by the tax authorities in respect of current income tax.

The most significant temporary differences in 2023 and 2022:

- A decrease of 1,963 thousand euros in 2023 (2022: decrease of 10,544 thousand euros) due to the tax effect of actuarial losses/gains on pension commitments, recognized directly in equity.
- A decrease of 11,736 thousand euros (2022: 11,299 thousand euros) due to the amortization for tax purposes of the goodwill arising on the acquisition of foreign companies.
- A decrease of 7,938 thousand euros (3,465 thousand euros in 2022) in relation to temporary differences at the Riviana group (USA), mainly due to the amortization for tax purposes of trademarks and other assets and the recognition in different periods for accounting versus tax purposes of items in provision and accrual accounts.
- A decrease of 3,269 thousand euros (2022: 3,479 thousand euros) in relation to temporary differences at the Herba group, mainly due to the amortization for tax purposes of trademarks and other assets, accelerated depreciation regimes in Italy and the US and the recognition in different periods for accounting versus tax purposes of items in provision accounts.
- An increase of 1,194 thousand euros (a 1,560 thousand euro decrease in 2022) in relation to temporary differences at the Ebro France group, due mainly to movements under provisions, offset by property, plant and equipment depreciation charges.
- A decrease of 4,134 thousand euros (increase of 3,575 thousand euros in 2022) in consolidation adjustments due to different accounting criteria applied in preparing the separate versus the consolidated annual financial statements.
- An increase of 170 thousand euros (2022: increase of 2,014 thousand euros), mainly in relation to other companies, due to the origination and/or utilization for tax purposes of provisions recognized and/or reversed during the year, the recognition and/or reversal of depreciation and impairment losses on non-financial assets and other contingencies cancelled and financial assets that were or were not eligible for deduction during the year.

The permanent differences correspond basically to:

- In 2022: an increase of 19,244 thousand euros due to the loss generated on the sale of Roland Monterrat, which was not deductible for tax purposes.

- The remaining 8,730 thousand euro net decrease in 2023 (2022: net increase of 5 thousand euros) relates to amounts equivalent to tax that do not compute for income tax calculation purposes, the effect of expenses that are not deductible in determining tax profit, the deductibility for tax purposes of losses on non-current financial assets, the reversal of certain provisions that were not deductible for tax purposes when they were recognized in prior years and income that is not considered taxable (in relation to certain grants and the Patent Box relief).

In 2023, the Group utilized 1,400 thousand euros of tax credits (2022: zero). The tax credits utilized in 2023 derived mainly from new product development efforts, charitable donation deductions, deductions under double taxation treaties and tax relief on the reinvestment of gains generated by asset sales (still-unused credits generated prior to 2014).

Until and including 2014, it was possible in Spain to certify deductions in respect of reinvestments; those deductions were eliminated in 2015. Between 2013 and 2006, both inclusive, the Spanish tax group reinvested qualifying proceeds totalling 33.1, 5.0, 115.3, 57.3, 1.5, 16.2, 11.2 and 76.3 million euros, respectively. These reinvestments satisfied all of the requirements for qualifying for the related tax relief.

The reconciliation of the opening and closing deferred tax balances (in thousands of euros) is provided below:

	31/12/2023			31/12/2022		
	Assets	Liabilities	Net	Assets	Liabilities	Net
Opening balance: continuing operations	**48,794**	**(227,290)**	**(178,496)**	**46,270**	**(222,220)**	**(175,950)**
Transfers	(3,296)	2,540	(756)	512	(373)	139
Translation differences	(361)	2,770	2,409	1,249	(3,503)	(2,254)
Disposals / derecognitions	0	0	0	(550)	3,022	2,472
Charged / credited in statement of profit or loss	1,152	(4,122)	(2,970)	1,983	(1,707)	276
Charged / credited to equity	(365)	(102)	(467)	(1,728)	(646)	(2,374)
Restatements	(1,047)	(2,281)	(3,328)	1,058	(1,863)	(805)
Closing balance	**44,877**	**(228,485)**	**(183,608)**	**48,794**	**(227,290)**	**(178,496)**

The breakdown of deferred taxes into their most significant components at year-end is provided in the next table:

(THOUSANDS OF EUROS)

	31/12/2023		31/12/2022	
	Deferred tax		Deferred tax	
	assets	liabilities	assets	liabilities
Property, plant and equipment	625	(55,245)	216	(59,677)
Investment properties	5,644	0	9,133	(25)
Goodwill	3,009	(86,655)	2,688	(82,746)
Other intangible assets	5,421	(78,092)	4,726	(76,253)
Inventories	8,391	(365)	8,881	(269)
Receivables and accruals (assets)	2,513	(934)	3,142	(1,392)
Pensions and similar obligations	4,069	(953)	6,276	(926)
Other non-current provisions	584	(526)	409	(630)
Payables and accruals (liabilities)	9,582	(364)	7,813	(156)
Unused tax credits and tax losses	5,039	0	5,510	0
Tax assessments	0	(2,972)	0	(2,972)
Accrual of tax credits	0	(2,379)	0	(2,244)
TOTAL	**44,877**	**(228,485)**	**48,794**	**(227,290)**

The Spanish tax group has its books open to inspection from 2016 in respect of corporate income tax and from 2020 in respect of all other applicable taxes. The other Group companies have their books open to inspection in respect of the taxes and years applicable under local tax legislation insofar as not already inspected, in most instances from 2019 or 2020.

The directors believe there is no need to provide for potential additional tax liabilities that could arise from differing interpretations of tax regulations.

Annulment of Royal Decree-Law 3/2016.

In January 2024, Spain's Constitutional Court ruled that some of the measures enacted via Royal Decree-Law 3/2016, of December 2, 2016, specifically those amending the Corporate Income Tax Act in Spain, were unconstitutional.

Royal Decree-Law 3/2016 modified several aspects of Spain's corporate income tax regime by eliminating some tax credits. The Constitutional Court has since ruled that three of those modifications are unconstitutional:

- The ceiling on the utilization of tax losses by companies with annual revenue in excess of 20 million euros.
- The limit on relief for double taxation.
- The obligation to include in taxable income the amount of deductible impairment losses on equity investments in fifths over a period of five years.

Ebro Foods, S.A., as the parent of the Spanish tax group, had and has appealed its tax returns for 2016 to 2020 (both inclusive), alleging the unconstitutionality of Royal Decree-Law 3/2016, although the amounts involved in those years are not material with respect to the financial statements of the Parent and its Group as a whole, so that the Group has not recognized any impact in the consolidated financial statements for 2023.

International Tax Reform. Pillar Two Model Rules

The Pillar Two legislation has been enacted or substantively enacted in several jurisdictions in which the Group operates. That legislation will be effective in annual periods beginning on or after January 1, 2024. The Group falls under the scope of the legislation that has been enacted or substantively enacted and has assessed its potential exposure to the Pillar Two rules in 2024.

Specifically, its assessment of its potential exposure to the Pillar Two rules is based on the most recent tax returns, country-by-country tax reports and the financial statements of the entities comprising the Group. Based on that assessment, the Group has identified its potential exposure to Pillar Two rules in respect of the earnings obtained in Thailand and the United Arab Emirates. Its potential exposure originates from the Group's two subsidiaries in those jurisdictions, in which the effective tax rate under Pillar Two rules is under 15%. The effective Pillar Two rate in those jurisdictions is below the 15% threshold on account of certain 'tax holidays' and other tax credits received by those subsidiaries. However, the earnings generated in those countries are not material with respect to total consolidated tax income; the Group estimates potential expenditure for supplementary tax of between 0.5 and 1.5 million euros in 2024, although the final amount will depend on the subsidiaries' income and expenses and on trends in the related exchange rates.

Unused tax losses and tax credits

At year-end 2023, the Group companies had 102 million euros of unused tax losses, for which it has mostly not recognized the corresponding tax assets, which it can offset against taxable profit during periods ranging from four years to indefinitely, as depicted in the following schedule, which also shows the Group companies' unused tax credits (in thousands of euros):

EBRO FOODS GROUP	**Dec. 31, 23** - Tax credits in respect of:			
Tax credits by country	Unused tax losses	Unused tax losses	Unused tax credits	Total assets
	BASE	TAX PAYABLE	TAX PAYABLE	TAX PAYABLE
	Thousands of euros			
US	7,859	1,651	13,232	14,883
France	11,787	3,045	168	3,213
Italy	0	0	5,105	5,105
Sweden	8,973	1,974	0	1,974
Spain	35,355	8,839	4,114	12,953
Netherlands	4,190	779	0	779
Belgium	234	59	0	59
Germany	23,057	3,497	0	3,497
UK	7,035	1,759	0	1,759
Morocco	3,167	666	0	666
Argentina	564	141	0	141
Cambodia	129	26	0	26
	102,350	**22,436**	**22,619**	**45,055**
Recognized as tax assets (capitalized)		4,958	5,157	10,115
Not recognized as tax assets		17,478	17,462	34,940
		22,436	**22,619**	**45,055**

Lawsuits and disputes: Tax assessments

A tax inspection of the Spanish tax group in respect of 2008 to 2011, both inclusive, concluded in May 2014. All of the assessments were paid (using financial criteria), including those being contested (albeit not the related fines). The assessments signed under protest have been appealed.

As for these tax assessments with respect to 2008 to 2011, on September 11, 2020, the Company received word that the High Court had dismissed the Company's appeal and the Company has therefore lodged a new appeal before the Supreme Court.

Elsewhere, an inspection of the Spanish tax group for 2012 to 2015, both years included, finished in 2018; as a result, in 2018, the Company recognized 851 thousand euros of provisions in relation to preliminary assessments signed under protest. The definitive assessments for the years covered by that inspection were handed down in 2019 and the Company adjusted its provision accordingly, reducing it by 49 thousand euros. All of the assessments had already been recognized in 2018 for accounting purposes either for payment (those not contested) or as provisions (those contested). The assessments signed under protest have been appealed.

In addition, definitive assessments in the amount of 3,641 thousand euros were signed under protest in relation to a specific concept (transfer prices) with which the Ebro Group is in total disagreement. In this instance, the balance has not been provided for as the assessments have been appealed and the likelihood of winning the claim is deemed very high due to the fact that there are solid arguments and precedent following prior inspections, prompting the directors to classify the probability of an outflow of resources as remote. Rulings have so far been handed down on six of the seven lawsuits comprising this part of the assessments (friendly agreements between Spain and other countries in order to avoid double taxation) which have not given rise to significant outflows of resources for the Ebro Group.

There were no new significant developments in the lawsuits related with the other tax assessments appealed in relation to the 2012-2015 inspection in 2022 or 2023.

22. COMMITMENTS AND CONTINGENCIES

Commitments under leases that have not been capitalized (exempt low-value and short-term leases) – Group as lessee

Note 10 provides the minimum future expenses (payments) payable under leases that have not been capitalized due to qualification as low-value or short-term leases.

Operating lease commitments - Group as lessor

The Group has leased several properties within its investment property portfolio. Those non-cancellable leases have remaining terms of between one and five years. All leases include a clause to enable revision, generally upwards, of the rental charge on an annual basis according to prevailing market conditions.

Future minimum rentals receivable under non-cancellable operating leases at year-end (in thousands of euros) are as follows:

	31/12/2023	31/12/2022
Within one year	1,022	1,052
After one year but not more than five years	63	70
More than five years	49	65
Total	**1,134**	**1,187**

Capital commitments

Capital expenditure contracted for (machinery purchases and upgrades) at the end of the reporting period but not yet incurred totalled 62,147 thousand euros (54,423 thousand euros at year-end 2022).

Inventory commitments

Refer to the disclosures provided in Note 16.

Legal claims and dispute guarantees

Refer to the disclosures provided in Notes 20 and 21.

Guarantees

The guarantees provided in the form of bank guarantees at the end of each reporting period (in thousands of euros):

	31/12/2023	31/12/2022
Bank guarantees: Provided to courts and other bodies in relation to claims and tax deferrals (notes 20 & 21)	16,097	19,450
Bank guarantees: provided to Spain's Agricultural Guarantee Fund (FEGA), customs authorities and third parties to guarantee fulfilment of obligations arising in the ordinary course of business	50,255	46,921
TOTAL	**66,352**	**66,371**

Lastly, the Garofalo group's credit facilities, with a drawdown limit of 40 million euros, are secured by a mortgage over its factory and site in Italy (Note 12).

Investment commitments

As detailed in note 12.2, the Group has closed a number of business combinations in recent years in which it has acquired the majority of the target companies' voting rights and, by extension, control. In structuring some of those transactions it granted the NCI holders certain put options over their shares, as detailed in the table below.

Business acquired	Acquisition date	% Acquired	% NCI	Description
Transimpex m.b.H.	01/10/2017	100%	-	Note 1
Pastificio Lucio Garofalo Spa	18/06/2014	52%	48%	Note 2
Santa Rita Harinas, S.L.	13/07/2016	52%	48%	Note 2
Geovita group	01/08/2017	52%	48%	Note 2
Bertagni 1882, S.p.A.	01/04/2018	70%	30%	Note 2

Note 1: Transimpex: the Group is obliged to acquire the NCI holdings (45%), paying a fixed price, in the event of the death, disability or abandonment of the NCI holder. That fixed price is grossed up by the corresponding percentage interest in any profits that have not been distributed on the date of purchase of the NCI holder shares. In that instance, therefore, it is understood that the Group has deferred payment for 100% of the shares, such that the NCI shares are recognized as if they had already been acquired at the time of the business combination and any changes in the recognized liability payable to the NCI holders are recognized in profit or loss.

Note 2: The price of the put options written over the NCI shares will be calculated on the basis of average earnings over a series of years. The accounting policy applied by the Group to recognize those put options, for which it has concluded that IAS 32 does not apply as the Group has not acquired the voting and dividend rights attached to 100% of the target companies' shares (including those held by NCI holders), is described in Note 3.a.

With respect to the contractual terms and conditions of the above business combinations, note that:

– They do not impose any restrictions on the NCI holders' voting rights or dividend entitlements.

– They do not entail purchased NCI call options with the same exercise date as the written NCI put options, even though the call and put option price-setting features may be similar.

– The exercise prices for the NCI holders' put options are established on the basis of average earnings reported by the companies acquired over a series of years and are not, therefore, set at a fixed amount (other than Transimpex).

In light of the above, with the exception of the Transimpex transaction, the written NCI put options are not considered contingent consideration requiring measurement under IAS 32 but rather under IFRS 10, as the options do not give the buyers present access to the returns associated with the NCI holders' shares.

The summary of the outstanding commitments assumed by entity:

- <u>Transimpex</u> - In September 2017, through its wholly-owned German subsidiary, Ebro Foods, Gmbh., the Ebro Group acquired 55% of Germany's Transimpex, mbH., also committing to acquire the outstanding 45%.

  The total investment for 100% of Transimpex amounted to 23,622 thousand euros, of which 9,361 thousand euros was paid for in 2017. The Group committed to paying the outstanding 14,261 thousand euros three years from the close, by September 30, 2020, from which date (and with no time limit but with a notice requirement of 12 months) the sellers are free to exercise their put option at the amount of the agreed deferred consideration plus 45% of retained earnings since January 1, 2018.

Transimpex has therefore been fully consolidated in light of this control arrangement; in parallel the Ebro Group has recognized the estimated cost of the option over the remaining 45% as a non-current financial liability (valued in accordance with the method described in Note 1 of the table above).

- Garofalo group - The Ebro Group acquired 52% of Italy's Pasta Garofalo on June 18, 2014. The Group acquired a 52% interest for 63,455 thousand euros, paying 58,255 thousand euros in 2014 and the remaining 5,200 thousand euros in 2015. The Group took effective control of the Garofalo Group on June 30, 2014, which was also the date of its first-time consolidation.

  In addition, the Group arranged two options with the other shareholder over the remaining 48%: it wrote a put option (exercisable until December 31, 2029 following an amendment of the terms in 2019) and purchased a call option (exercisable from January 1, to December 31, 2030, as amended in 2019). The acquisition price in the event the options are exercised will be determined as a function of the targets' average earnings metrics over a series of years, as well as other terms and conditions customary in arrangements of this nature.

  The fair value of the written NCI put option has been recognized as a current financial liability (measured in accordance with the method described in Note 2 of the table above).

- Santa Rita Harinas - The Ebro Group acquired 52% of Santa Rita Harinas, S.L. for 4,778 thousand euros in July 2016. The Group took effective control of Santa Rita Harinas, S.L. on July 13, 2016, which was also the date of its first-time consolidation.

  In addition, the Group arranged two options with the other shareholder over the remaining 48%, writing a put option (exercisable from August 2019 with no expiry date) and purchasing a call option (exercisable from August 2026 with no expiry date) over the NCI holder's shares. The acquisition price in the event the options are exercised will be determined as a function of the targets' average earnings metrics over a series of years, as well as other terms and conditions customary in arrangements of this nature. The fair value of the written NCI put option has been recognized as a current financial liability (measured in accordance with the method described in Note 2 of the table above).

- Geovita - In July 2017, the Ebro Group acquired a 52% interest in the Geovita group of Italy, whose parent company is Geovita Functional Ingredients, S.r.l., also undertaking to acquire the remaining 48%. It invested 16,500 thousand euros for that 52% shareholding, which it paid for in 2017. The Group took effective control of Geovita on August 1, 2017, which was also the date of its first-time consolidation.

  In addition, the Group has provided a put option over the remaining 48% (exercisable by the other shareholder over a 10-year period from July 2021). The price of this option will be determined as a function of Geovita's average earnings metrics over a series of years, as well as other terms and conditions customary in arrangements of this nature. The fair value of the written NCI put option has been recognized as a current financial liability (measured in accordance with the method described in note 2 of the table above).

- Bertagni Group - On March 29, 2018, the Group acquired 70% of Italy's Bertagni 1882, S.p.A ("Bertagni") through the Panzani Group and Pastificio Lucio Garofalo, S.p.A. The Group's investment totalled 96.5 million euros. The date on which the Group took effective control of this business - and the date of its first-time consolidation - was April 1, 2018.

  In addition, there is a put option over the remaining 30% (exercisable by the other shareholders over a 10-year period from April 2022). The acquisition price in the event this option is exercised will be determined as a function of the target's average earnings metrics over a series of years, as well as other terms and conditions customary in arrangements of this nature.
  The fair value of the written NCI put option has been recognized as a current financial liability (measured in accordance with the method described in "Note 2" at the start of this Note 22).

The Group's investment commitments with respect to these companies and the expected timeline of the potential future payments are summarised below:

Thousands of euros	Total	Group 1	Group 2
Commitments at January 1, 2023	**213,177**	**20,652**	**192,525**
- Dividends paid in 2023	-7,717	-1,700	-6,017
- Share of profit/(loss) in 2023 (a)	12,260		12,260
- Share of other income and expenses recognized in equity	-87		-87
- Expenses/losses related to derivatives and financial instruments (note 7.3)	4,736	4,736	
- Option settlement (payment)	0	0	0
- Change in fair value in 2023 (a)	46,964		46,964
Commitments at December 31, 2023	**269,333**	**23,688**	**245,645**
Estimated payment timeline			
- Potential payments in 2024	245,645		
- Potential payments in 2025	23,688		
	269,333		

- Group 1: Transimpex
- Group 2: Garofalo group, Santa Rita Harinas, Geovita and Bertagni group

(a) The non-controlling interests' shares in these companies' earnings is recognized in the consolidated statement of profit or loss under "Group profit for the year - Attributable to non-controlling interests" and the impacts of the subsequent remeasurement of the NCI puts are recognized against retained earnings in the consolidated statement of changes in equity within "Other movements".

23. RELATED PARTY TRANSACTIONS AND RESULTING YEAR-END BALANCES

Sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. The Company has not extended or received other guarantees in respect of accounts receivable from or payable to its related parties.

The Group did not record any impairment of receivables relating to amounts owed by related parties in either reporting period. That assessment is undertaken each financial year by examining the financial situation of the related party and the market in which it operates.

23.1 Transactions with significant shareholders (or parties related thereto) of Ebro Foods, S.A. (excluding directors)

Note 17 itemizes the shareholders with significant interests in Ebro Foods, S.A. (parent of the Ebro Foods Group) in 2023.

A summary of the transactions, excluding dividends, between any Ebro Group company and those significant shareholders and their related parties (unless those shareholders are directors, whose transactions are disclosed separately in Note 23.2) is provided below (in thousands of euros):

Significant shareholder (and its related party)	Relationship between the shareholder and its related party	Ebro Group company	Type of transaction	2023 Amount	2022 Amount
Sociedad Anónima DAMM (Estrella de Levante, S.A.)	Company	Herba Ricemills, SLU	Sale of goods (finished and in-progress)	2,321	1,796
Sociedad Anónima DAMM (COCEDA, S.L., formerly called Cia. Cervecera Damm, S.L.)	Company	Herba Ricemills, SLU	Sale of goods (finished and in-progress)	7,115	6,697

23.2 Transactions with directors and executives (or parties related thereto) of Ebro Foods, S.A.

The summary of transactions, other than dividends and remuneration payments, between the Ebro Group companies and their directors and parties related to the latter, is as follows (in thousands of euros):

Director (and his related party)	Relationship between the director and his related party	Ebro Group company with which the transaction was performed	Type of transaction	2023 Amount	2022 Amount
Antonio Hernández Callejas (Luis Hernández González)	Relative	Ebro Foods, S.A.	Lease (expense)	47	45
Antonio Hernández Callejas	--	Ebro Foods, S.A.	Temporary assignment of rights of use (expense)	76	0
Antonio Hernández Callejas (Imirton, S.L.)	Company	Ebro Foods, S.A.	Sale of goods (finished and in-progress)	1	0
Antonio Hernández Callejas (Hacienda las Casetas, S.L.)	Company	Herba Ricemills, S.L.U.	Sale of goods (finished and in-progress)	0	12
Demetrio Carceller Arce (Disa Energy, S.L.U.)	Company	Herba Ricemills, S.L.U.	Purchase of services	4,045	7,263

(THOUSANDS OF EUROS)

Director (and his related party)	Relationship between the director and his related party	Ebro Group company with which the transaction was performed	Type of transaction	2023 Amount	2022 Amount
Demetrio Carceller Arce (Disa Península, S.L.U.)	Company	Herba Ricemills, S.L.U.	Purchase of services	44	0
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A.)	Company	Herba Ricemills, S.L.U.	Lease (expense)	0	1
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A.)	Company	Herba Ricemills, S.L.U.	Purchase of goods (finished and in-progress)	3,258	943
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A.)	Company	Arrozeiras Mundiarroz, S.A.	Purchase of goods (finished and in-progress)	540	330
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A.)	Company	Herba Ricemills, S.L.U.	Sale of goods (finished and in-progress)	260	32
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A.)	Company	Ebro Foods Belgium, N.V.	Purchase of goods (finished and in-progress)	104	65
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A.)	Company	Ebro Foods Belgium, N.V.	Sale of goods (finished and in-progress)	104	65
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A.)	Company	Herba Ricemills, S.L.U.	R&D transfers and licence agreements	268	219
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A.)	Company	Herba Ricemills, S.L.U.	Purchase of services	16	19
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A.)	Company	Ebro Ingredients, B.V.	Purchase of goods (finished and in-progress)	185	35
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A.)	Company	Herba Ricemills, S.L.U.	Provision of services	8	14
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A.)	Company	La Loma Alimentos, S.A.	Purchase of goods (finished and in-progress)	0	126
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A.)	Company	Arrozeiras Mundiarroz, S.A.	Purchase of services	2	0

(THOUSANDS OF EUROS)

Director (and his related party)	Relationship between the director and his related party	Ebro Group company with which the transaction was performed	Type of transaction	2023 Amount	2022 Amount
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A.)	Company	Mundi Riso, S.R.L.	Purchase of services	1	0
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A.)	Company	Riceland Magyarorszag, Kft	Provision of services	1	0
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Fitoplacton Marino, S.L.)	Company	Arotz Foods, S.A.	Sale of goods (finished and in-progress)	1	9
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A - El Cobujon, S.L.)	Company	Herba Ricemills, S.L.U.	Purchase of goods (finished and in-progress)	0	219
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A - El Cobujon, S.L.)	Company	Herba Ricemills, S.L.U.	Sale of goods (finished and in-progress)	0	29
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A - El Cobujon, S.L.)	Company	Ebro Foods Belgium, N.V.	Purchase of goods (finished and in-progress)	0	65
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A - El Cobujon, S.L.)	Company	Ebro Foods Belgium, N.V.	Sale of goods (finished and in-progress)	0	65
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A - El Cobujon, S.L.)	Company	Ebro Ingredients, B.V.	Purchase of goods (finished and in-progress)	0	35
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A - El Cobujon, S.L.)	Company	Herba Ricemills, S.L.U.	Purchase of services	16	1
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A - El Cobujon, S.L.)	Company	Herba Ricemills, S.L.U.	Provision of services	22	13
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A - El Cobujon, S.L.)	Company	Mundi Riso, S.R.L.	Purchase of services	1	0
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A - El Cobujon, S.L.)	Company	Riceland Magyarorszag, Kft	Provision of services	1	0
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A - El Cobujon, S.L.)	Company	Ebro Ingredients, B.V.	Purchase of services	6	0

(THOUSANDS OF EUROS)

Director (and his related party)	Relationship between the director and his related party	Ebro Group company with which the transaction was performed	Type of transaction	2023 Amount	2022 Amount
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Australian Commodities, S.L.)	Company	Herba Ricemills, S.L.U.	Purchase of goods (finished and in-progress)	0	86
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Australian Commodities, S.L.)	Company	Ebro Foods Belgium, N.V.	Purchase of goods (finished and in-progress)	0	10
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Australian Commodities, S.L.)	Company	Herba Ricemills, S.L.U.	Sale of goods (finished and in-progress)	0	101
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Australian Commodities, S.L.)	Company	Ebro Foods Belgium, N.V.	Sale of goods (finished and in-progress)	0	10
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Australian Commodities, S.L.)	Company	Ebro Ingredients, B.V.	Purchase of goods (finished and in-progress)	0	37
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Australian Commodities, S.L.)	Company	Herba Ricemills, S.L.U.	Provision of services	22	17
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Australian Commodities, S.L.)	Company	Herba Ricemills, S.L.U.	Purchase of services	16	1
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Australian Commodities, S.L.)	Company	Mundi Riso, S.R.L.	Purchase of services	1	0
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Australian Commodities, S.L.)	Company	Riceland Magyarorszag, Kft	Provision of services	1	0
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Australian Commodities, S.L.)	Company	Ebro Ingredients, B.V.	Purchase of services	6	0
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Dehesa Norte, S.L.)	Company	Herba Ricemills, S.L.U.	Purchase of goods (finished and in-progress)	106	687
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Dehesa Norte, S.L.)	Company	Herba Ricemills, S.L.U.	Sale of goods (finished and in-progress)	325	42
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Dehesa Norte, S.L.)	Company	Ebro Foods Belgium, N.V.	Purchase of goods (finished and in-progress)	104	65

(THOUSANDS OF EUROS)

Director (and his related party)	Relationship between the director and his related party	Ebro Group company with which the transaction was performed	Type of transaction	2023 Amount	2022 Amount
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Dehesa Norte, S.L.)	Company	Ebro Foods Belgium, N.V.	Sale of goods (finished and in-progress)	104	65
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Dehesa Norte, S.L.)	Company	Ebro Ingredients, B.V.	Purchase of goods (finished and in-progress)	185	35
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Dehesa Norte, S.L.)	Company	Herba Ricemills, S.L.U.	Purchase of services	0	23
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Dehesa Norte, S.L.)	Company	Herba Ricemills, S.L.U.	Lease (expense)	0	20
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Dehesa Norte, S.L.)	Company	Herba Ricemills, S.L.U.	Provision of services	2	13
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Dehesa Norte, S.L.)	Company	Mundi Riso, S.R.L.	Purchase of services	1	0
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Dehesa Norte, S.L.)	Company	Riceland Magyarorszag, Kft	Provision of services	1	0
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Dehesa Casudis, S.L.)	Company	Herba Ricemills, S.L.U.	Purchase of goods (finished and in-progress)	32	692
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Islasur, S.A.)	Company	Herba Ricemills, S.L.U.	Purchase of goods (finished and in-progress)	83	68
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Islasur, S.A.)	Company	Ebro Foods Belgium, N.V.	Purchase of goods (finished and in-progress)	173	10
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Islasur, S.A.)	Company	Herba Ricemills, S.L.U.	Sale of goods (finished and in-progress)	226	80
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Islasur, S.A.)	Company	Ebro Foods Belgium, N.V.	Sale of goods (finished and in-progress)	172	10
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Islasur, S.A.)	Company	Ebro Ingredients, B.V.	Purchase of goods (finished and in-progress)	196	35

(THOUSANDS OF EUROS)

Director (and his related party)	Relationship between the director and his related party	Ebro Group company with which the transaction was performed	Type of transaction	2023 Amount	2022 Amount
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Islasur, S.A.)	Company	Herba Ricemills, S.L.U.	Provision of services	2	16
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Islasur, S.A.)	Company	Mundi Riso, S.R.L.	Purchase of services	1	0
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Islasur, S.A.)	Company	Riceland Magyarorszag, Kft	Provision of services	1	0
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Pesquería Isla Mayor, S.L.)	Company	Herba Ricemills, S.L.U.	Purchase of goods (finished and in-progress)	84	11
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Pesquería Isla Mayor, S.L.)	Company	Ebro Foods Belgium, N.V.	Purchase of goods (finished and in-progress)	173	65
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Pesquería Isla Mayor, S.L.)	Company	Ebro Foods Belgium, N.V.	Sale of goods (finished and in-progress)	172	65
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Pesquería Isla Mayor, S.L.)	Company	Herba Ricemills, S.L.U.	Sale of goods (finished and in-progress)	260	29
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Pesquería Isla Mayor, S.L.)	Company	Ebro Ingredients, B.V.	Purchase of goods (finished and in-progress)	186	35
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Pesquería Isla Mayor, S.L.)	Company	Herba Ricemills, S.L.U.	Purchase of services	0	1
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Pesquería Isla Mayor, S.L.)	Company	Herba Ricemills, S.L.U.	Provision of services	2	13
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Pesquería Isla Mayor, S.L.)	Company	Mundi Riso, S.R.L.	Purchase of services	1	0
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Pesquería Isla Mayor, S.L.)	Company	Riceland Magyarorszag, Kft	Provision of services	1	0
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Hispamark Real Estate, S.L.)	Company	Herba Ricemills, S.L.U.	Lease (expense)	452	441

Director (and his related party)	Relationship between the director and his related party	Ebro Group company with which the transaction was performed	Type of transaction	2023 Amount	2022 Amount
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Hispamark Real Estate, S.L.)	Company	Herba Ricemills, S.L.U.	Purchase of services	31	33
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Zudirroz, S.L.)	Company	Herba Ricemills, S.L.U.	Purchase of goods (finished and in-progress)	67	627
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Rivereta 12, S.L.)	Company	Herba Ricemills, S.L.U.	Purchase of goods (finished and in-progress)	0	76
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Hacienda Bocón, S.L.)	Company	Herba Ricemills, S.L.U.	Purchase of goods (finished and in-progress)	0	302
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Greenveta 78, S.L.)	Company	Herba Ricemills, S.L.U.	Purchase of goods (finished and in-progress)	0	123
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Hispagrains Agro SL)	Company	Herba Ricemills, S.L.U.	Purchase of goods (finished and in-progress)	1,033	4,825
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Hispagrains Agro SL)	Company	Herba Ricemills, S.L.U.	Purchase of services	34	0
Grupo Tradifín, S.L. (Cabher 96, S.L.)	Company	Herba Ricemills, S.L.U.	Sale of goods (finished and in-progress)	0	1

23.3 Other transactions with significant shareholders and directors/executives: dividends received from Ebro Foods, S.A.

Framed by Ebro Foods, S.A.'s general dividend policy, the following amounts were paid in 2023 (2022) (expressed in thousands of euros):

- Dividends paid to significant shareholders (excluding those that were directors as at December 31, 2023): 22,721 (22,186)

- Dividends paid to directors (and persons related thereto) and officers: 40,661 (40,350)

The dividends paid to directors and officers include the dividends paid to the direct holders of the shareholdings reported as indirect by certain directors.

23.4 Transactions undertaken with other Ebro Group companies that are not eliminated in the consolidated financial statements and whose purpose or terms fall outside the Group's ordinary course of business or other than on an arm's length basis

There were no related-party transactions of this type in either reporting period.

23.5 Transactions with other related parties

The Note summarizes the transactions performed in 2023 and 2022 between the Ebro Group and "Other related parties" (in thousands of euros):

Other related parties	Ebro Group company with which the transaction was performed	Type of transaction	2023 Amount	2022 Amount
Félix Hernández Callejas (*) (Hernández Barrera Servicios, S.A)	Herba Ricemills, S.L.U.	Provision of services	4	4
Félix Hernández Callejas (Hernández Barrera Servicios, S.A)	Herba Ricemills, S.L.U.	Sale of goods (finished and in-progress)	0	1
Félix Hernández Callejas (Hernández Barrera Servicios, S.A)	Herba Ricemills, S.L.U.	Purchase of services	336	319

Note that Hernández Barrera Servicios, S.A. is also a related party of the director, Grupo Tradifín, S.L. Mr. Félix Hernández Callejas and Grupo Tradifín, S.L. are directors of Hernández Barrera Servicios, S.A.

23.6 Other disclosures

Ebro Foods, S.A. holds a 40% shareholding in Riso Scotti S.p.A. The investment in this associate is accounted for using the equity method. Riso Scotti S.p.A. is an Italian company whose corporate purpose is analogous to that of Ebro Foods, S.A.

Mr. Antonio Hernández Callejas, Chairman of Ebro Foods, S.A., is a director of Riso Scotti, S.p.A.

The transactions performed by Ebro Foods, S.A. and its Group companies with Riso Scotti S.p.A. (an associate that is not fully consolidated by the Ebro Group) in 2023 and 2022 (amounts in thousands of euros):

Ebro Group company with which the transaction was performed	Type of transaction	2023 Amount	2022 Amount
Ebro Foods, S.A.	Services rendered (income)	6	4
Ebro Foods, S.A.	Dividends received	400	1,000
Arotz Foods, S.A.	Purchase of goods (finished and in-progress)	13	83

(THOUSANDS OF EUROS)

Ebro Group company with which the transaction was performed	Type of transaction	2023 Amount	2022 Amount
Herba Ricemills, S.L.U.	Purchase of goods (finished and in-progress)	488	444
Herba Ricemills, S.L.U.	Sale of goods (finished and in-progress)	4,914	8,329
Herba Ricemills, S.L.U.	Sale of PP&E, intangible and other assets	0	121
Herba Ricemills, S.L.U.	Other expenses	0	5
Herba Ricemills, S.L.U.	Finance income	0	25
Herba Ricemills, S.L.U.	Provision of services	12	0
Herba Foods, S.L.U.	Finance cost	54	0
Transimpex	Sale of goods (finished and in-progress)	51	0
Transimpex	Purchase of goods (finished and in-progress)	931	0
Mundi Riso, S.R.L.	Purchase of goods (finished and in-progress)	823	1,423
Mundi Riso, S.R.L.	Sale of goods (finished and in-progress)	2,444	2,681
Arrozeiras Mundiarroz, S.A.	Purchase of goods (finished and in-progress)	105	139
Geovita Functional Ingredients, S.R.L.	Purchase of goods (finished and in-progress)	54	134
Geovita Functional Ingredients, S.R.L.	Sale of goods (finished and in-progress)	169	307
Herba Bangkok, S.L.	Sale of goods (finished and in-progress)	237	1,756
Ebro Ingredients, BV	Sale of goods (finished and in-progress)	604	243
Ebro Ingredients, BV	Purchase of goods (finished and in-progress)	0	63

23.7 Fiduciary duties: conflicts of interest and non-compete duty

All of the directors, including in the case of the legal person directors their natural person representatives, have informed the Company that neither they nor any of their related parties found themselves party to any of the direct or indirect conflicts of interest itemised in article 229 of Spain's Corporate Enterprises Act.

In addition, the directors, and where relevant the natural persons representing them on the Parent’s Board of Directors, itemised below have informed the Company of the following relationships with entities that carry on an analogous business activity to that constituting the Parent's core business:

- Grupo Tradifín, S.L. holds (i) a direct interest of 50% in Instituto Hispánico del Arroz, S.A., an entity of which it is the chief executive; and (ii) a 100% direct interest in Arrozales Los Moriscos, S.L., an entity of which it is the sole director.

- Ms. Blanca Hernández Rodríguez (the natural person who represents Grupo Tradifín, S.L. on the Board of Directors of Ebro Foods, S.A.) holds an indirect interest of 16.625% in Instituto Hispánico del Arroz, S.A. and of 33.25% in Arrozales Los Moriscos, S.L. through her direct shareholding of 33.25% in Grupo Tradifín, S.L., where she serves as chief executive officer.

  Ms. Blanca Hernández Rodríguez does not hold any positions at either Instituto Hispánico del Arroz, S.A. or Arrozales Los Moriscos S.L.

- Hercalianz Investing Group, S.L. holds a direct interest of 50% in Instituto Hispánico del Arroz, S.A., an entity of which it is the chief executive.

- Mr. Félix Hernández Callejas (the natural person who represents Hercalianz Investing Group, S.L. on the Board of Directors of Ebro Foods, S.A.) holds an indirect interest of 14.334% in Instituto Hispánico del Arroz, S.A. through his direct shareholding of 28.668% in Hercalianz Investing Group, S.L., on whose board he serves. Mr. Félix Hernández Callejas is the Vice-Chairman and CEO of Instituto Hispánico del Arroz, S.A.

- Mr. Antonio Hernández Callejas holds an indirect interest of 14.334% in Instituto Hispánico del Arroz, S.A. through the 28.668% interest he holds directly in Hercalianz Investing Group, S.L. Antonio Hernández Callejas does not hold any position at Instituto Hispánico del Arroz, S.A.

The Parent's directors (or their natural person representatives, as warranted) did not perform any transactions with the Company outside of the ordinary course of its business or other than on an arm's length basis in either reporting period.

The directors have not informed the Company of any direct or indirect potential conflicts of interest between them or their related parties and the Parent other than those disclosed in this Note.

23.8 Changes in the Board of Directors

Below is a list of the changes in the composition of the Board of Directors and its committees between December 1, 2023 and March 22, 2024 (the date of authorising these consolidated financial statements for issue):

- On December 10, 2023, Mr. Fernando Castelló Clemente resigned as director, with effect from December 31, 2023. Mr. Castelló Clemente was an independent director and a member of the Audit, Control and Sustainability Committee and member and chair of the Nomination and Remuneration Committee.

- On January 31, 2024, the Board of Directors, at the recommendation of the Nomination and Remuneration Committee, agreed to use its co-option powers to appoint Ms. Elena Segura Quijada to fill the vacancy left by Mr. Fernando Castelló Clemente. Ms. Segura Quijada likewise qualifies as an independent director. Elena Segura Quijada was also appointed a member of the Audit, Control and Sustainability Committee and of the Nomination and Remuneration Committee to fill the vacancies on both committees created by the resignation of Mr. Castelló Clemente.

- Lastly, on January 31, 2024, the Board of Directors, at the recommendation of the Nomination and Remuneration Committee, agreed to appoint Ms. Mercedes Costa García as Chairwoman of the Nomination and Remuneration Committee, a position held by Mr. Fernando Castelló Clemente at the time of his resignation. Ms. Costa García is an independent director and has been a member of the Nomination and Remuneration Committee since September 27, 2017.

23.9 Director and officer remuneration

Director remuneration. - The remuneration earned by the members of the Board of Directors of Ebro Foods, S.A. totalled 8,085 thousand euros in 2023 (2022: 7,249 thousand euros), broken down as follows (pre-tax amounts in thousands of euros):

DIRECTOR REMUNERATION AND OTHER BENEFITS	2023	2022
TYPE OF REMUNERATION		
Attendance fees	329	333
Fixed remuneration received in their capacity as directors	2,850	2,850
Total director remuneration	**3,179**	**3,183**
Wages, salaries and professional fees	4,906	4,066
Termination and other benefits	0	
Total executive director remuneration	**4,906**	**4,066**
TOTAL REMUNERATION	**8,085**	**7,249**
OTHER BENEFITS		
Life insurance and post-employment benefits	0	0

Article 22 of the Company's Articles of Association stipulates that "*The overall remuneration received by the members of the Board of Directors in their capacity as such (i.e., in exchange for their supervisory and other non-executive duties) shall consist of: (i) a fixed annual sum; and (ii) fees for attending the meetings of the Board and its committees.*

Both the fixed annual sum assigned to the Board of Directors as a whole and the amount of the attendance fees shall be determined by the Company's shareholders in general meeting and remain in effect until such time as their modification is approved.

The Board of Directors, subject to a report by the Nomination and Remuneration Committee, shall set the individual remuneration of each director for their duties as such, taking into account the positions held by the directors on the Board, their membership of Board committees and any other objective circumstances that the Board may consider appropriate, within the confines of the Articles of Association and the Remuneration Policy. The board shall also decide on the timing of successive payments...."

With respect to the remuneration of the directors in their capacity as such, at a meeting held on February 29, 2024, the Board of Directors resolved, at the recommendation of its Nomination and Remuneration Committee:

(i) to submit a motion for the payment of the pre-tax sum of 2,850 thousand euros of fixed remuneration in respect of 2023 at the upcoming 2024 Annual General Meeting; and

(ii) to leave pre-tax attendance fees at 1,600 euros per meeting of the Board of Directors and 800 euros per meeting of its various committees.

The individual breakdown of pre-tax director remuneration for 2023 (in thousands of euros) is provided below:

Director	Fixed remuneration	Attendance fees	Fixed remuneration for performance of executive duties	Variable remuneration for performance of executive duties	Total
Hernández Callejas, Antonio	384	27	1,508	3,398	5,317
Carceller Arce, Demetrio	362	26			388
Barreiro Pérez-Pardo, Belén	154	22			176
Carceller Arce, María	119	18			137
Castelló Clemente, Fernando (director until December 31, 2023)	201	30			231
Comenge Sánchez-Real, José Ignacio	146	19			165
Corporación Financiera Alba, S.A.	119	18			137
Costa García, Mercedes	193	30			223
Empresas Comerciales e Industriales Valencianas, S.L.	119	18			137
Fernández Alonso, Javier	305	29			334
Grupo Tradifín, S.L.	193	30			223
Hercalianz Investing Group, S.L. (*)	146	19			165
Murtra Millar, Marc Thomas	289	27			316
Xuclà Costa, Jordi	119	18			137
TOTAL	**2,849**	**331**	**1,508**	**3,398**	**8,086 (**)**

(*) Hercalianz Investing Group, S.L. did not perform either executive or management duties at Ebro Foods, S.A. or at any subsidiary and therefore did not receive any remuneration in this respect. It is categorised as an executive director based on the fact that the natural person representing this entity on the Board of Directors of Ebro Foods, S.A. is an executive and director of several Group subsidiaries.

(**) Total director remuneration in 2023 amounted to 8,084,680 euros, before tax, which, rounded to thousands of euros comes out at 8,085 thousand euros. That sum differs from the total provided in the table above as a result of the rounding, to the nearest thousandth, of each director's individual remuneration.

Note, additionally, the following with respect to director remuneration:

- The amounts shown include attendance fees earned by the Chairman of the Board of Directors of Ebro Foods, S.A., Mr. Antonio Hernández Callejas, in his capacity as director of a Group subsidiary, Pastificio Lucio Garofalo, S.p.A., in the amount of 5,000 euros (before tax) in both reporting periods.

  In addition to the amounts shown, the Chairman of the Board of Directors received the pre-tax sum of 5,200 euros (in both reporting periods) in the form of attendance fees for performance of his duties as director of the Group's associate, Riso Scotti, S.p.A.

- Of the total variable remuneration earned by the Chairman of the Board of Directors for performance of his executive duties in 2023, 1,898 thousand euros, before tax, corresponded to the Deferred Annual Bonus Scheme tied to the Group's 2019-2021 Business Plan in respect of 2021, the last year of that plan, a figure representing up to 50% of the bonuses accrued under that three-year scheme. That sum was provided for in the 2021 financial statements and paid in 2023.

- Elsewhere, in relation to the total remuneration earned by the Chairman of the Board of Directors for the performance of his executive duties in 2023, the 2023 financial statements recognize a provision of 1,125 thousand euros in respect of the provisional estimate of the amount corresponding to 2023 under the Deferred Annual Bonus Scheme tied to the Group's 2022-2024 Business Plan, which represents up to 25% of the deferred bonus entitlement expected to be accrued during the three-year period. That figure will be paid in 2025.

These bonus schemes are not tied to Ebro Foods' share price performance and do not entitle their beneficiaries to the receipt of shares or any rights over such shares.

Elsewhere, none of the members of the Board of Directors benefits from complementary life insurance or pension cover. Moreover, the Company has neither extended any form of credit or advances to the members of its Board of Directors nor assumed any obligations on their behalf under guarantees.

Officer remuneration - A total of 10 people were considered officers of Ebro Foods, S.A. at year-end 2023 (year-end 2022: 10); in 2023, those executives accrued total remuneration (fixed wages and salaries, annual bonuses and, as applicable, deferred annual bonuses) of 2,874 thousand euros (2022: 2,582 thousand euros).

Note in relation to the officer remuneration disclosures, the term "officer" refers to the Chief Operating Officer of the Ebro Group, who is the most senior executive after the Executive Chairman, and the professionals in charge of the main departments of Ebro Foods, S.A., irrespective of whether they are considered “senior management”.

Elsewhere, the professionals in charge of the Ebro Group's main business units (other than the Chairman of the Board and COO of the Group) numbered five at year-end 2023 (also five at year-end 2022). Their total aggregate pre-tax remuneration in 2023 was 2,067 thousand euros, 772 thousand US dollars and 443 thousand Canadian dollars (1,884 thousand euros, 705 thousand US dollars and 358 thousand Canadian dollars in 2022), corresponding to fixed wages and salaries and annual bonuses.

Nine Ebro Group officers (other than the Chairman of the Board of Directors) were covered by the Deferred Annual Bonus Scheme tied to the Group’s 2019-2021 Business Plan at December 31, 2023 (9 at year-end 2022). Total aggregate remuneration effectively collected under that scheme in 2023 (corresponding to that accrued by nine executives in 2021) amounted to 1,441 thousand euros and 286 thousand US dollars, a figure representing up to 50% of the bonuses earned during the three-year term of the 2019-2021 Scheme and which had been provided for in the 2021 financial statements.

In addition, the financial statements for the year ended December 31, 2023 recognize a provision of 731 thousand euros and 246 thousand US dollars by way of provisional estimate of the amount that will be accrued by the 10 officers covered by the Deferred Annual Bonus Scheme tied to the Group’s 2022-2024 Business Plan (excluding the Chairman of the Board of Directors). The amounts provided for, which represent up to 25% of the Deferred Annual Bonus Scheme for 2022-2024, will be paid, in keeping with the plan rules, in 2025.

Note lastly for the record that Ebro Foods, S.A. has taken out director and officer liability insurance cover; those policies cover all of its subsidiaries up to an annual claims cap of 45 million euros. The policies cost 175 thousand euros in 2023 (193 thousand euros in 2022), are effective until April 30, 2024 and are currently in the process of being renewed.

24. ENVIRONMENTAL DISCLOSURES

Management approach

The Ebro Group’s main environmental commitments and targets are set down as follows in its Sustainability, Environment and Corporate Social Responsibility Policy: “Steer the company’s processes, activities and decisions to protect our environment, prevent and minimize environmental impact, optimise the use of natural resources and preserve biodiversity”.

In line with that pledge, the Group's environmental policy is articulated around the following lines of initiative:

1. Ensuring that its companies comply with applicable environmental legislation in carrying out their business activities by implementing in-house management systems and monitoring prevailing legislation in this arena.

2. Minimising the environmental impact of its business operations by searching for eco-efficient solutions and rolling out initiatives designed to reduce its emissions while rationalising the consumption of water, energy and packaging materials.

3. Transitioning towards a circular economy, recovering waste and encouraging its recycling and reuse and using recycled and/or environmentally-friendly raw materials whenever possible.

4. Providing environmental employee training and awareness programmes.

5. Encouraging sustainable farming techniques among its suppliers.

As for its own operations, the productive processes used at the Group's various factories, in both the rice and the pasta divisions, are simple agricultural food processes that have a low impact on the environment and entail minimum risk of accidental contamination. The most significant environmental aspects pertaining to the Group can be categorised as follows:

1. Emissions into the air: mainly particles derived from the handling of cereals and greenhouse gas (GHG) emissions originated by the consumption of fossil fuels and electricity. The fuel most widely used is natural gas.

2. Noise emissions: derived from the operation of engines, compressors, sleeve filters and other manufacturing equipment. All the factories comply with applicable environmental regulations and their noise levels are monitored regularly; mitigating measures are put in place as necessary.

3. Productive processes: essentially mechanical and hydrothermal, these processes require the use of very few chemical products, and in very small amounts. Most of these products are used to clean equipment and sanitise raw materials and are relatively safe for the environment.

4. Water consumption: the Group uses relatively little water in its manufacturing processes (most of its products are dry products), so that the volume of wastewater produced is also small. Moreover, the wastewater generated is relatively uncontaminated as the water consumed is used basically to produce vapour, as a refrigerant or as an ingredient in finished products.

5. Waste generation and management: the Group generates minimum amounts of waste, including both non-hazardous (mainly ingredient and auxiliary material packaging) and hazardous (maintenance operations) waste, which is managed by authorised handlers.

Precautionary principle

The guidelines underpinning the precautionary principle are set down in the Group's Code of Conduct and its Sustainability, Environment and Corporate Social Responsibility Policy. In both documents, Ebro Foods expresses its firm commitment to respecting and protecting the environment and preserving biodiversity. Elsewhere, it ensures that the Group companies comply with the environmental regulations applicable to their business activities and any other commitments assumed voluntarily and deploys environmental sustainability programmes to address specific matters.

Provisions and guarantees for environmental claims

All of the Group companies have arranged civil liability insurance that covers third-party damage caused by a sudden and unintentional spill. Management believes that this policy adequately covers any potential risk in this respect. To date, the Group has not been party to any material environmental-related claims; moreover, it can claim a positive record on the basis of the results of audits and inspections and the lack of any pleas in respect of its integrated environmental permit processes, etc.

Environmental assessment and certification processes

One of the Ebro Group’s top environmental management priorities is absolute compliance with the regulations applicable to its business activities.
Indeed, all of the Ebro Group's facilities operate under the certifications, specifications and permits pertinent to their respective geographic markets and they manage their environmental aspects accordingly.

Moreover, the following workplaces have certified their environmental management systems under the UNE-EN-ISO 14001 standard:

1. San Juan de Aznalfarache (Herba Ricemills)
2. Coria del Rio (Herba Ricemills)
3. Los Palacios (Herba Ricemills)
4. La Rinconada (Herba Ricemills)
5. Isla Mayor (Herba Ricemills)
6. Gragnano (Pastificio LucioGarofalo)

Climate change: risk mitigation and reduction of the Ebro Group’s carbon footprint

Climate change constitutes a significant risk for the Group’s business activities as it impacts fundamental aspects such as the production of raw materials, the availability of critical resources (such as water) and the viability of transport, logistics and product distribution operations and implies an increase in the energy requirement associated with our productive processes, among other things. Climate variables are, therefore, a fundamental part of the environmental criteria the Ebro Group layers into its management strategy.

Against this backdrop, in 2023, the Group began to analyse the organisation’s climate risks and opportunities following the framework recommended by the Task Force on Climate-related Financial Disclosures (TCFD), which furnishes guidelines for identifying, managing, reporting and monitoring the main physical and transition risks to which the Group may be exposed as a result of climate change, as well as the related potential business and development opportunities.

The scope of that analysis included both the rice and pasta (wheat) businesses, including the processing factories, the main warehouse facilities and the regions where the Group sources these raw materials in Spain and internationally.

The climate scenarios used were the RCP 8.5 (pessimistic pathway) and RCP 4.5 (stabilisation pathway) scenarios drawn up by the Intergovernmental Panel on Climate Change (IPCC), while the time horizons modelled were to 2030, 2040 and 2050, in line with the various national and international commitments in the climate change field.

The traditional scenarios used for reference were the conservative Stated Policies Scenario (STEPS) and The Net Zero Emissions Scenario (NZE), which assumes that the global energy sector achieves net zero emissions in 2050 and is consistent with limiting the rise in the global temperature to 1.5°C.

A. STRATEGY

The Group’s exposure to physical and transition risks was assessed by analysing the probability of occurrence of the risks identified in the various climate scenarios and the exposure and vulnerability of the Group’s facilities, sourcing markets and business activities. No single risk factor was classified as critical or high.

The Group’s most significant physical risks are changes in precipitation and temperature patterns, although they are categorised as moderate risks for the business.

In both instances, crop yields would be affected directly, as would, therefore, producers’ sales prices. Other risks relate to the fact that rice and wheat are the primary food source in some of the Group’s supply markets, which, in a situation of scarcity, could lead to bans or limits on exports; this is particularly a risk in Southeast Asia.

The requirement to calculate Scope 3 emissions including the supply chain, the high costs associated with the required energy transition and potential changes in demand from end consumers are the transition risks to which the Group is most exposed, albeit in all instances categorised as non-material, as the Group is already working to the mitigate them all.

Elsewhere, climate change implies a number of associated opportunities which the Group has also analysed. The goal is to take advantage of those considered most feasible and position the Group appropriately for the disruption implied by climate change. For each opportunity the Group analysed its level of feasibility (technical and economic) and its current level of development. The main opportunities identified are:

- The development of energy efficiency plans and the addition of renewable energy generation capacity for self-consumption at the productive facilities.
- The extraction of synergies among the packaging, emissions-abatement and raw material rationalisation targets.
- The development of sustainable farming programmes with suppliers.

B. MANAGEMENT

Based on this first analysis and thanks to the matrices created to this end, the climate risks faced by Ebro Foods have been integrated into the Group's ERM. Moreover, the matrices are complemented by a risk map (precipitation, high temperatures, floods, drought and wildfires) associated with the supply and industrial regions assessed and by a series of heat maps, which are key to monitoring unfolding risks and timely detection of significant changes in any of the risks identified.

Quantification of the financial impact of the most significant risks identified is extremely complex as the task requires analysing a significant number of variables in addition to those that are strictly climate-related and whose isolation from the assessment is very complicated to perform.

To that end, the Group conducted a detailed bibliographical study of the main environmental variables that could affect rice and durum wheat prices, as Ebro Foods purchases agricultural commodities from suppliers all around the world.

Physical risks

A synopsis of the measures identified for mitigating the main risks and developing the most feasible opportunities is provided below.

Physical risks	Measures
The Group's most significant identified physical risks are changes in precipitation and temperature patterns; they are categorised as a	Ebro Foods boasts the following competitive advantages: ✓ Sufficient raw material buffer stocks for addressing ad-hoc supply shortages. ✓ A well-diversified supply chain.

Physical risks	Measures
moderate risk for the business.	✓ It can switch up its rice and wheat supply markets. ✓ When raw material prices are high, the Group also has the ability to pass those prices through to its end prices.

Transition risks

As all of the identified transition risks were classified as non-material, no specific measures have had to be drawn up to mitigate their impact. Nevertheless, Ebro Foods is working on the following initiatives:

Transition risks	Measures
- Potential compulsory quantification of indirect GHG emissions (supply chain) - CSRD: double materiality assessment - Scope 3: emissions associated with the supply chain	Ebro Foods has already performed its double materiality assessment and calculated its Scope 1, 2 and 3 GHG emissions. It is also part of emissions-abatement initiatives in the logistics sector such as Lean & Green and will have completed its registration with the SBTi by year-end 2024.
High costs associated with the transition to low-emissions technology	The nature of Ebro Foods' business activities means that the organisation is not highly dependent on fossil fuels. At present all of the dryers across Ebro Foods's facilities are fuelled using natural gas, and the production of instant rice products in the US also uses this fuel source. As for the electricity it consumes, the Ebro Foods Group is already partially self-sufficient at some of its factories and approximately 7% of the energy it purchases is certified renewable power.
Changes in end consumer conduct and preferences (demand for locally produced/zero emissions / ecological / more sustainably made products)	- The Ebro Group sells products with these attributes under all of its trademarks. This is not currently considered a risk of particular significance as a number of specific studies looking at rice and pasta consumer trends suggest demand for products with these attributes is not growing substantially. Permanent state of alert in order to anticipate changes in consumer conduct.

	- Strategic commitment to differentiation and value creation at the brand level by leveraging innovation.

Opportunities	Measures
Development of energy efficiency plans at the productive facilities	The Group companies invest periodically in boosting their energy efficiency. In the last three years, capital expenditure on energy efficiency totalled 2.2 million euros and the Group plans to extend this investment thrust going forward.
Adding renewable energy generation capacity (solar, biomass, CHP) at its productive facilities depending on the conditions prevailing in each country, while continuing to purchase certified green energy.	In 2023, a little over 4% of the energy consumed directly by the Group was generated at the photovoltaic solar and CHP facilities located in the following productive facilities: Photovoltaic: • Arotz: Navaleno • Bertagni: Avio and Vicenza • Ebro Frost Germany: Offingen • Ebro India: Taraori • Garofalo: Gragnano • Geovita: Bruno • Herba Bangkok: Nong Khae • Herba Ricemills: Rinconada and Algemesí • Mundiriso: Vercelli • Riviana Foods: Colusa • Transimpex: Lambsheim CHP (combined heat and power) • Bertagni: Avio and Vicenza • Ebro Frost Germany: Offingen • Garofalo: Gragnano • Geovita: Vilanova Monferrato This investment thrust is also expected to continue in the coming years. Over 7% of the electricity purchased (indirect consumption) in 2023 came with renewable energy certifications.
Generation of synergies across the packaging, emissions-abatement and raw material rationalisation targets.	The Group has articulated its Sustainability Plan, HEADING FOR 2030, around the following packaging-related targets: ✓ Increased use of recyclable and reusable materials. ✓ Reduced volume of packaging materials. ✓ Use of paper and board sourced from sustainably managed forests (FSC / PFSC). ✓ Use of recycled board. ✓ Decreased use of single-use plastics. ✓ Search for plant-based alternatives to plastic.
- Development of sustainable farming programmes in the Group's key supply markets.	The Ebro Group is working actively to foster and research environmentally sustainable farming practices in a number of rice and wheat producing regions in order to contribute to environmental preservation, protect biodiversity and mitigate the effects of climate change.

Opportunities	Measures
- Promotion of sustainable farming standards.	This task involves standalone initiatives as well as *ad-hoc* partnerships with stakeholders, as well as membership of the two most important international platforms in this area: SAI Platform (SAI-P) and Sustainable Rice Platform (SRP).

C. METRICS AND OBJECTIVES At the date of authorising these consolidated financial statements for issue, this phase of the projects was still in progress and is slated for completion during the second quarter of 2024.

Scope 1, 2 and 3 GHG emissions measurement

To measure the Scope 1 and 2 GHG emissions components of the Group's carbon footprint (figures it has been tracking since 2021), the Group has an ISO 14064-1:2019-certified GHG inventorying system which encompasses all Ebro Group companies. Those emissions are calculated using activity data extracted for each company/factory and emissions factors taken from official sources which are then applied to all of the Group's factories. All greenhouse gases (CO2, CH4, N2O, HFC, PFC, SF6 and NF3) are included in that calculation.

In 2023, the Group completed its first measurement of its Scope 3 emissions, following the calculation and reporting criteria established in the GHG Protocol, and had that measurement externally verified.

To do so, it started from an initial analysis of the applicability and relevance of the various categories of Scope 3 emissions defined in the GHG Protocol (screening), which then served as the basis for performing the detailed calculations for the various companies comprising the Group.

Thanks to that initial analysis, the Group was able to perform more detailed calculations for the categories that were determined to be more material in scale in relation to the Group's total carbon footprint and to define and apply decarbonisation levers.

As a result, the Group's Scope 3 emissions calculation is based on analysis performed using activity data for the various Group companies and primary information provided directly by its suppliers.

That measurement revealed that Scope 3 emissions represent 96% of the Group's overall carbon footprint.

GHG emissions	2023	
Scope 1 emissions	168,777	3%
Scope 2 emissions	84,619	1%
Scope 3 emissions	5,417,308	96%
Total emissions (MT of CO_2eq)	5,670,705	

Note: more detailed information is available in chapter 10 (Environmental commitment) of the Group's non-financial statement

Next steps: Having completed measurement of its Scope 3 emissions, in 2024, the Group plans to, firstly, define its SBTi emissions-reduction targets for the Group as a whole and, secondly, develop its first Decarbonisation Plan, with an initial boundary of Spain.

- <u>Scope 1 and 2 decarbonisation drivers</u>

The Group has already embarked on a number of initiatives designed to reduced its Scope 1 and 2 emissions. Those initiatives are:

1) The installation of photovoltaic plants for self-consumption.

2) The installation of combustion plants fuelled by renewable biomass (rice husks, charcoal and wood chips) to generate heat energy.

3) The installation of CHP plants.

4) The purchase of certified green electricity.

In 2023, the Group commissioned four new photovoltaic power facilities at Bertagni, Herba Bangkok, Herba Ricemills and Riviana Foods.

<u>List of the Ebro Group's photovoltaic, biomass and CHP facilities</u>

Company	Factory	PV	Biomass	CHP
Arotz	Navaleno	x		
Bertagni	Avio	x		x
	Vicenza	x		x
Ebro Frost Denmark	Orbaek		x	
Ebro Frost Germany	Offingen	x		x
Ebro Frost UK	Beckley			
Ebro India	Taraori	x	x	
Garofalo	Gragnano	x		x
Geovita	Bruno	x		
	Villanova Monferrato			x
Herba Bangkok	Nong Khae	x		
Herba Ricemills	Algemesí	x		
		x		

(THOUSANDS OF EUROS)

	Rinconada San Juan		x	
Mundiriso	Vercelli	x		
Riviana Foods	Colusa	x		
S&B	Fullbourn			
	Regent			
Tilda	Classic			
	Jazz			
Transimpex	Lambsheim	x		

In 2023, an increase of 25% in the purchase of certified green electricity, self-generation using solar power and the use of renewable fuels meant that the Group forewent 13,170 metric tonnes of carbon dioxide equivalent, 41% more than in 2022.

	2023	2023	2022	2022
Activity	MWh	Emissions foregone	MWh	Emissions foregone
Certified green electricity	23,871	5,103	21290	4,117
PV self-generation	5,420	2,497	1,767	685
Biomass	27,551	5,570	22,493	4,547
Total (MT of CO_2eq)	56,843	13,170	45,550	9,350

▪ Scope 3 decarbonisation drivers

Having calculated its Scope 3 emissions and identified the most important categories and decarbonisation drivers for the Group, as outlined above, in 2024, the Group will set specific targets for reducing emissions in one or more of the following categories:

- Purchase of goods and services
- Upstream and downstream transportation
- End of useful life
- Waste

Notwithstanding that effort, the Group has already embarked on a clear and defined pathway articulated around measures and initiatives designed to reduce its Scope 3 emissions.

Key measures underway for reducing Scope 3 emissions

▪ Purchase of goods and services (Category 1)

In this specific category, the Group has significant expertise championing and researching environmentally sustainable rice-farming practices applicable across its main supply markets.

The main objectives of these programmes are to take better care of the environment, foster biodiversity and mitigate the effects of climate change.

This work is taking the form of in-house initiatives and *ad-hoc* collaborations with stakeholders and sector associations, such as the SAI Platform (SAI-P) and the Sustainable Rice Platform (SRP).

The flagship projects in this effort in 2023:

Company	Crop	Country	Project name	Metrics
Herba Ricemills	Rice	Spain	Origins	- Training on best practices - Rationalisation of resources - Engaging women and youths in farming practices
			Oryzonte	- Reduced use of water via AWD - Reduction in GHG emissions: - 60% in 255 hectares via AWD - Enhanced biodiversity - SRP verification
		Pakistan	SRP verification	- SRP verification - Certified seeds - Laser levelling - Intermittent watering (AWD) - Reduced water consumption
Ebro India	Rice	India	Organic farming	- Organic certification - Fair Trade certification
			Control farming & EKTA	- Training on best practices - Reduced use of pesticides - Certified seeds - Laser levelling - Intermittent watering (AWD) - Reduced water consumption - Biological pest control - Reduced GHG emissions
			Best practices	
			Stop Stubble Burning	- Use of fungi to produce bio-enzymes developed by the Indian Agricultural Research Institute (IARI), which can decompose straw stubble in around 25 days, so preparing the soil for the next crop. - Reduction of around 20-25% in the use of fertilisers
Mundiriso	Rice	Italy	FSA verification	- FSA verification

Company	Crop	Country	Project name	Metrics
Herba Bangkok	Rice	Thailand	SARI-T	- Training on best practices - Water productivity gains - Increased number of women in farming - Biological pest control - Reduced GHG emissions - SRP verification
Herba Bangkok	Rice	Thailand	Green Climate Fund	- Reduced GHG emissions - Climate-smart technology and practices - Carbon credits by way of additional income
La Loma /Neofarms	Rice	Argentina	Organic farming	- Organic rice verification
Riviana Foods	Rice	US	Regenerative farming	- Reduction in water usage of 3-7% - Reduced GHG emissions: methane emissions cut by 32-80%, depending on the number of drying episodes (AWD) - FSA verification
Garofalo	Durum wheat	Italy	Sustainable durum wheat	Use of climate-smart technology to: - Rationalise the use of fertilisers - Rationalise the use of pesticides - Rationalise the use of water

The Sustainable Aromatic Rice Initiative - Thailand (SARI-T), developed in order to improve the livelihood of 1,200 rice growers in the province of Roi Et and to produce sustainable, high-quality fragrant rice (Hom Mali) concluded after six years. The work performed and farmers included in this project will continue their efforts under a new project, called "Strengthening Climate-Smart Rice Farming, Green Climate Fund", which is slated to begin in 2024.

- <u>Upstream and downstream transportation (Categories 4 & 9)</u>

The work to reduce emissions in this category is being tackled from the ground and sea logistics standpoints.

- <u>Emissions associated with ground transportation in Spain.</u> Under the scope of the Group's membership of Lean & Green, in 2023 it continued to work to reduce its logistics carbon footprint. Having defined the base year as 2019 and the key performance indicator as total MT of CO_2e/MT of products transported for sale, the progress has been very remarkable:

  - 2020: reduction of 6.06%.

- 2021: reduction of 0.14% (recalculated upon receipt of new data from suppliers).
- 2022: reduction of 35.83%.
- 2023: calculation in progress.

- As for the emissions associated with shipping logistics, the Group has received primary data from its logistics supplier, Ecco-freight, which has devised a calculation tool, Eccoprint, which includes transportation (rail and/or road) from the source factory to the port of departure and from the port of destination to the Group's factories.

  In 2023, an increase of 25% in the purchase of certified green electricity, self-generation using solar power and the use of renewable fuels meant that the Group forewent 13,170 metric tonnes of carbon dioxide equivalent, 41% more than in 2022.

  Thanks to the choice of more environmentally-efficient routes over alternative routes with higher carbon footprints, the Group forewent the emission of 24,764 MT of CO2e.

- End-of-life treatment of products sold (Category 12)

The main steps taken to reduce emissions in this category relate to changes in the materials used to package the Group's products. Framed by the Group's commitment to making all its packaging fully recyclable by 2030, the dry rice products sold under the Arroz SOS, SOS specialty rice, La Fallera, Sabroz and La Cigala brands in Spain, the Risella trademark in Finland, and one of the Group's best-selling formats, its Brillante rice pots, are already 100% recyclable.

As part of this same commitment, the Group worked on another three important packaging recyclability projects in 2023.

1. Group subsidiary Pastificio Lucio Garofalo developed a new packaging line made using recycled plastic (content: 30%) obtained via chemical recycling, which differs from mechanical recycling and opens up unprecedented scope for recycling waste fractions that are currently hard to recycle, such as plastic obtained from domestic garbage collection.

   In fact, chemical recycling breaks up the molecules that comprise the polymers that form the various types of plastic used in packaging, turning them into a raw material equivalent to a virgin material that can be used to make new plastic.

   Initially, this new packaging is being used for five products: spaghetti, penne, fusilli, farfalle and elicoidale, the brand's goal being to gradually increase the number of products packaged using this new product, as well as the percentage of recycled plastic content.

As part of this programme, Garofalo joined the LifeGate Zero Impact project articulated around three concepts: calculating, reducing and offsetting. Participation in this initiative will allow Garofalo to offset all of the carbon emissions generated by making and selling its products' primary packaging for sale in the Italian market.

Those emissions will be offset by purchasing carbon credits for the Rimba Raya Reserve development project (Indonesia), which is working to conserve the tropical peat swamp forest, a region of major importance for biodiversity as it is a habitat for 94 threatened species itemised on the IUCN Red List, including the Bornean orangutan, the Sunda pangolin and the clouded leopard.

2. In Ebro Benelux began work on the Sustainable Boil in the Bag Solution, the goal of which is to replace the material currently used in this product category (HDPE, fossil based) with a bioplastic (PLA), made from corn starch. This initiative will also have a positive impact on the emissions-reduction effort as bioplastics have the unique property of neutralising CO_2.

3. In 2023, the Group continued to conduct tests and search for alternative materials for its pouches to guarantee the current food conservation properties offered by the triplex bases currently in use: polyester/polyamide/polypropylene (PET/PA/PP) and polyester/high barrier polyester/polypropylene (PET/PET HB/PP), and also for the compact 1 kg and 0.5 kg polypropylene formats.

In terms of compliance with the packaging and packaging waste reduction, recycling and recovery objectives laid down in Spanish Law 11/97, of April 24, 1997, the Group's Spanish subsidiary Herba is a member of Ecoembalajes España, S.A. (Ecoembes), whose mission is to design and develop systems oriented towards collecting, sorting and recovering used packaging and packaging waste. Ecoembes uses the concept known as the Green Dot (the symbol featured on the packaging) to certify that the product's packager has paid a certain amount of money for each item of packaging it places on the market.

In tandem, both the European rice subsidiaries and Ebro Foods' head offices have entered into agreements with entities akin to Ecoembes for the destruction of paper and other materials. Those agreements allow them not only to comply with data protection legislation but also to guarantee the sustainable management of this documentation through shredding and recycling commitments.

- Waste (Category 5)

Here the focus is on increasing the volume of waste that is recovered and reducing food waste in our operations.

At the Group level, in 2023, the volume of waste eliminated decreased by 34% from 2022, while the volume recovered increased by 18%.
It is worth highlighting the significant change in how Herba Ricemills (Spain) manages its waste. Indeed, in 2023, 95% of the waste generated by this company was managed via recovery operations.

As for food surplus (understood as products apt for consumption that, for a variety of reasons such as packaging defects, proximity to expiry dates, etc., are not apt for sale to consumers), the main in-house management policy within the Group is to donate to food banks.

The Ebro Group also participates actively in the initiative run by the Spanish association of food manufacturers and retailers, AECOC, to prevent food waste under the slogan, 'Food is not for wasting'.

That project has three main goals:

- Establishing prevention and efficiency practices all along the food chain so as to reduce waste.

- Making the most of food waste generated at the various stages of the value chain (redistribution, reuse and recycling).

- Raising awareness in society about this issue and the need to reduce food waste.

The initiative is supported by over 600 FMCG manufacturers and distributors, logistics and transportation players, business associations, consumer organisations and other institutions and is coordinated by AECOC.

The programme aims to create visibility around what companies are doing to avoid food waste and promote best practices in order to mitigate the problem. Every year in Spain, 7.7 million tonnes of food go to waste. This initiative therefore aims to increase consumer awareness of the problem implied by food waste globally and engage citizens in the effort so that every individual plays their part in reducing waste.

Unquestionably, stringent regulatory requirements in the short and medium term, as embodied by i) Law 7/2021 on Climate Change and Energy Transition in Spain; ii) the new Corporate Sustainability Reporting Directive (CSRD); and iii) the Commission’s proposal for a Corporate Sustainability Due Diligence Directive (CSDDD) will provide impetus to the Group’s efforts and targets around climate change between now and 2025, driving the design of a climate action plan aligned with the Paris Agreement to ensure that the Group’s business model and strategy are compatible with the transition towards a sustainable economy.

To tackle these issues and monitor the latest trends and regulatory developments in this area, the Group has gone into active listening mode, ensuring its presence in the most important forums, including dedicated taskforces set up under the umbrella of the United Nations Global Compact and the Climate Change Cluster championed by Forética (www.foretica.org).

Within that last cluster, a group of large enterprises is working together to lead the strategic positioning of climate change within organisational management, debate and exchange opinions and good practices, participate in the global debate and provide input for the decisions taken at the government level.

The results of the Group's assessment of its environmental and climate change risks, and other risks it deems relevant, are included in the business plans, budgets and projections used to analyse the return on its assets. To date, the Group has not detected any potential material impact on their measurement or useful lives. Likewise, the environmental and carbon footprint reduction commitments outlined in this note do not have a significant impact on the measurement of the Group's assets or their useful lives. However, although that assessment was made using the best information available at the reporting date, its complexity implies the need for constant monitoring, which could lead to the modification of these estimates in the future.

As of the date of authorising these consolidated financial statements for issue, the Group is not aware of any obligations of an environmental nature that could give rise to a material liability in its consolidated financial statements.

25. NON-CURRENT ASSETS HELD FOR SALE AND PROFIT/(LOSS) AFTER TAX FROM DISCONTINUED OPERATIONS

The Group had no assets classified as held for sale or discontinued operations at December 31, 2023 or 2022.

26. FEES PAID TO AUDITORS

External services in the consolidated statement of profit or loss include the fees paid to the auditors of the consolidated financial statements. The fees paid for account auditing and other services to the Company's auditor, Ernst & Young, S.L., and entities related to the latter by means of control, joint ownership or joint management, in 2023 and 2022 were as follows (in thousands of euros):

- The fees corresponding to auditing services provided in 2023 amounted to 2,224 (2022: 2,089) thousand euros; those corresponding to other assurance services amounted to 120 thousand euros (2022: 92 thousand euros).

- The fees for other services totalled 196 thousand euros (2022: 254 thousand euros).

27. OTHER DISCLOSURES

Disclosures required under article 42 *bis* of Regulation 1065/2007 of July 27, 2017

For the purposes of compliance with the obligation stipulated in article 42 *bis* of Regulation 1065/2007, of July 27, 2007, enacting the general regulations governing tax management and inspections and establishing common procedural rules in respect of tax matters, and in keeping with the terms of article 4.b of the said article, there follows a list of the accounts with foreign financial institutions held by non-resident subsidiaries:

Disclosures for Ebro Foods, S.A.:

COMPANY	A/C ID CODE	BIC CODE	ACCOUNT CODE	BANK	BRANCH	COUNTRY OF LOCATION OF BANK	DATE OPENED	BALANCE AT DEC. 31, 2023 (€)	AVERAGE BALANCE 4Q23 (€)	% INTEREST	CURR.
Semola, S.r.l.	IBAN	BCABIT21XXX	IT39D0350003205000000037267	CREDITO EMILIANO SPA	Naples	Italy	April-21	18,274.21	200,376.59	100%	EUR
	IBAN	CITIITMXXXX	IT31V0356601600000136084453	CITIBANK	Milan	Italy	diciembre-23	0.00	0.00	100%	EUR
Ebro Costa Rica S.L.	IBAN	BSNJCRSJXXX	CR11010200009024954723	BAC San Jose	San José	Costa Rica	agosto-06	16,795.22	22,328.42	100%	USD
Ebro Riviana Guatemala SL	Other	CITIGTGCXXX	0002058006	CITIBANK	Guatemala City	Guatemala	marzo-21	30,952.51	57,472.39	100%	GTQ
EF Alimentación, S de R.L de CV.	CLABE	BCMRMXMM	187408390	BBVA BANCOMER, S.A.	Mexico City	Mexico	agosto-11	2,397.55	2,604.17	100%	MXP
	CLABE	BCMRMXMM	187409842	BBVA BANCOMER, S.A.	Mexico City	Mexico	agosto-11	0.00	0.00	100%	USD
Mundiriz	Other	BMCEMAMCXXX	0117350000032100060709.08	BANK OF AFRICA	Larache	Morocco	2001	1,086,858.71	756,367.98	100%	MAD
	Other	BCMAMAMCXXX	007 640 0013709000000131 39	Attijariwafa Bank	TANGIER	Morocco	2002	22,391.14	35,937.20	100%	MAD
	Other	BMCEMAMCXXX	011 735 0000 03 66600 60709 24	BANK OF AFRICA	Larache	Morocco	2009	716.43	716.43	100%	MAD
	Other	BMCEMAMCXXX	011 735 000 503 66500 12519 27	BANK OF AFRICA	Larache	Morocco	2015	145,818.31	147,725.34	100%	EUR
	Other	CDMAMAMCXXX	021 735 0000 080 030 167465 07	Crédit du Maroc	Larache	Morocco	marzo-18	65,657.47	44,549.56	100%	MAD
	Other	CAIXAMAMCXXX	003 640 64000000011 70167 55	CaixaBank - Tanger	TANGIER	Morocco	septiembre-21	6,412.67	6,449.53	100%	MAD
Agromeruan	Other	BMCEMAMCXXX	01173500000321000006819.76	BANK OF AFRICA	Larache	Morocco	2007	7,893.92	39,488.44	100%	MAD
	Other	CDMAMAMCXXX	021 735 0000 080 030 183549 61	Crédit du Maroc	Larache	Morocco	octubre-21	2,464.32	5,300.45	100%	MAD
	Other	CAIXAMAMCXXX	003 640 64000000011 70268 43	CaixaBank - Tanger	TANGIER	Morocco	septiembre-21	-92,140.99	-91,775.62	100%	MAD
Rivera del Arroz, S.A.	Other	BMCEMAMCXXX	1.1735E+20	BANK OF AFRICA	Larache	Morocco	2002	1,963.46	3,934.86	100%	MAD
Katania	Other	BMCEMAMCXXX	011 735 0000 03 210 00 13562 23	BANK OF AFRICA	Larache	Morocco	febrero-17	69,753.80	69,753.80	100%	MAD

Disclosures for other Group companies:

Refer to the Appendix following Note 28.

Average payment period

As required under the Spanish Corporate Enterprises Act, it is hereby noted that the average payment period of the companies domiciled in Spain was 35.7 days in 2023 and 32.7 days in 2022. Calculations made in accordance with the ICAC (Spanish Accounting and Audit Institute) Resolution.

2023			
Payments made (€ 000)			**487,801.1**
		% of total	
Payments made within deadline (€ 000)		**96%**	**467,976**
No. of invoices settled within deadline		**95%**	**39,447**
Average payment period	**Days**		**35.7**
Paid transactions ratio	**Days**		**35.7**
Outstanding transactions ratio	**Days**		**36.9**

2022			
Payments made (€ 000)			501,532.5
		% of total	
Payments made within deadline (€ 000)		97%	488,681
No. of invoices settled within deadline		96%	37,537
Average payment period	Days		32.7
Paid transactions ratio	Days		32.7
Outstanding transactions ratio	Days		39.7

28. EVENTS AFTER THE REPORTING PERIOD

Other than the developments with respect to the CNMC Disciplinary Ruling, as outlined in Note 20, there have been no significant events or developments between the end of the reporting period and the date of authorising the accompanying consolidated financial statements for issue.

(THOUSANDS OF EUROS)

APPENDIX: DISCLOSURES REQUIRED UNDER ARTICLE 42 BIS OF REGULATION 1065/2007 OF JULY 27, 2017
(extension of Note 27)

COMPANY	ACCOUNT ID CODE	BIC CODE	ACCOUNT CODE	BANK	BRANCH	COUNTRY OF LOCATION OF BANK	DATE OPENED	BALANCE AT DEC. 31, 2023 (€)	AVERAGE BALANCE LAST QUARTER (€)	% INTEREST	CURR.
Herba Ricemills, S.L.U.	IBAN	CITIGB2L	GB42 CITI 1850 0811 2932 65	CITIBANK NA	London	UK	12/05/2006	0.00	0.00	100%	GBP
	IBAN	CITIGB2L	GB20 CITI 1850 0811 2932 73	CITIBANK NA	London	UK	12/05/2006	0.00	0.00	100%	USD
Herba Foods	IBAN	CITIGB2L	GB26 CITI 1850 0811 2301 15	CITIBANK NA	London	UK	18/05/2006	-35,190,639.09	-19,546,165.01	100%	GBP
	IBAN	CITIGB2L	GB04 CITI 1850 0811 2301 23	CITIBANK NA	London	UK	18/05/2006	12,457,798.09	10,170,760.62	100%	USD
	IBAN	CITIGB2L	GB48 CITI 1850 0811 2301 07	CITIBANK NA	London	UK	18/05/2006	26,018,343.57	10,337,036.87	100%	EUR
Agromeruan	Other	BMCEMAMCXXX	011735000003210000 6819.76	BANK OF AFRICA	Larache	Morocco	2007	7,893.92	39,488.44	100%	MAD
	Other	CDMAMAMCXXX	021 735 0000 080 030 183549 61	Crédit du Maroc	Larache	Morocco	01/10/2021	2,464.32	5,300.45	100%	MAD
	Other	CAIXAMAMCXXX	003 640 64000000011 70268 43	CaixaBank - Tanger	TANGIER	Morocco	01/09/2021	-92,140.99	-91,775.62	100%	MAD
Anglo Australian Rice LTD	IBAN	BARCGB22	GB93BARC20510130115193	BARCLAYS BANK	Liverpool	UK	01/11/1986	14,716.00	14,716.00	100%	GBP
	IBAN	BARCGB22	GB54BARC20510159121999	BARCLAYS BANK	Liverpool	UK	01/08/2001	0.00	0.00	100%	EUR
Arrozeiras Mundiarroz, S.A.	IBAN	CITIPTPX	PT50016900010003181600936	CITIBANK Internacional, plc	Lisbon	Portugal	24/07/2006	0.00	0.00	100%	EUR
	IBAN	CITIGB2L	GB88CITI18500811257226	CITIBANK NA	London	UK	26/07/2006	0.00	0.00	100%	USD
	IBAN	CITIGB2L	GB40CITI18500811247905	CITIBANK NA	London	UK	26/07/2006	0.00	0.00	100%	EUR
	IBAN	BESCPTPL	PT50000702450011754000839	NovoBanco	Coruche	Portugal	14/02/1994	31,887.64	91,067.45	100%	EUR
	IBAN	BESCPTPL	PT50000702450011754110158	NovoBanco	Coruche	Portugal	15/12/1997	0.00	0.00	100%	USD
	IBAN	BBVAPTPL	PT50001900000020004690004	BBVA (Portugal)	Lisbon	Portugal	18/02/1992	596.73	711.73	100%	EUR
	IBAN	BBVAPTPL	PT50001900000024000185188	BBVA (Portugal)	Lisbon	Portugal	08/02/1994	0.00	0.00	100%	USD
Bertolini Import und E., GMBH	IBAN	COBADEFF	DE63 2004 0000 0623 7036 00	Commerzbank AG	Hamburg	Germany	01/01/2013	276,354.95	119,202.33	100%	EUR
Ebro Foods Belgium, N.V.	IBAN	CITIBEBX	BE53570128815553	CITIBANK NA	Brussels	Belgium	15/06/2006	0.00	0.00	100%	EUR
	IBAN	CITIGB2L	GB72CITI18500811229966	CITIBANK NA	London	UK	14/06/2006	0.00	0.00	100%	USD
	IBAN	GKCCBEBB	BE73552273580060	Belfius Bank	Antwerp	Belgium	02/05/1996	281,980.31	319,441.81	100%	EUR
	IBAN	GKCCBEBB	BE73552273580060 USD	Belfius Bank	Antwerp	Belgium	02/05/1996	0.00	0.00	100%	USD
	IBAN	KREDBEBB	BE15734074042230	KBC	Brussels	Belgium	28/11/2023	2,485.54	2,485.54	100%	EUR
Ebro Foods GMBH	IBAN	COBADEFF	DE05200400000623709300	Commerzbank	Hamburg	Germany	01/07/2011	88,698.25	2,599,098.41	100%	EUR
Ebro Rice Handling, BVBA	IBAN	CITIBEBX	BE75570130425551	CITIBANK NA	Brussels	Belgium	14/04/2008	0.00	0.00	100%	EUR
EF Alimentación, S de RL de CV	CLABE	BCMRMXMM	187408390	BBVA BANCOMER, S.A.	Mexico City	Mexico	7 Aug. 2011	2,397.55	2,604.17	100%	MXP
	CLABE	BCMRMXMM	187409842	BBVA BANCOMER, S.A.	Mexico City	Mexico	7 Aug. 2011	0.00	0.00	100%	USD
Ebro Foods Nederland Holding, B.V.	IBAN	KREDNL2X	NL62KRED0633029009	KBC Bank NV Nederland	Rotterdam	Netherlands	01/11/2023	33,798.04	33,798.04	100%	EUR
Ebrofrost Denmark A/S (formerly, Danrice)	IBAN	CITIGB2L	GB79CITI18500811230034	CITIBANK NA	London	UK	26/07/2006	215,365.83	-36,641.59	100%	EUR
	IBAN	CITIGB2L	GB79CITI18500813428915	CITIBANK NA	London	UK	23/04/2013	44,458.22	41,617.78	100%	USD
	IBAN	JYBADKKK	DK5650600001063204	Jyske Bank A/S	Odense	Denmark	01/01/2014	457,281.52	460.34	100%	DKK
	IBAN	JYBADKKK	DK50601180222	Jyske Bank A/S	Odense	Denmark	01/06/2023	2,193.93	1,849.68	100%	USD
	IBAN	JYBADKKK	DK3450600001063212	Jyske Bank A/S	Odense	Denmark	01/01/2014	1,040,980.00	1,607.00	100%	EUR
Ebrofrost Germany, GmBH (antigua Keck Spezialitäten)	IBAN	BYLADEM1GZK	DE83720518400000161315	Sparkasse Günzburg/Krumbach	Günzburg	Germany	1 June 2023	1,084,137.30	1,914,963.98	100%	EUR
	IBAN	COBADEFFXXX	DE11720400460110102100	Commerzbank	Frankfurt	Germany	26/06/2023	744,984.56	372,492.28	100%	EUR
	IBAN	CITIDEFFXXX	DE28502109000221094662	Citibank	Frankfurt	Germany	27/10/2023	0.00	0.00	100%	EUR
Ebrofrost Holding GmbH	IBAN	BYLADEM1GZK	DE49720518400040319345	Sparkasse Günzburg/Krumbach	Günzburg	Germany	01/06/2013	78,103.17	259,039.66	100%	EUR
	IBAN	CITIDEFFXXX	DE74502109000221095677	Citibank	Frankfurt	Germany	20/10/2023	0.00	0.00	100%	EUR
Ebrofrost UK Limited	IBAN	BYLADEM1GZK	DE27720518400040428187	Sparkasse Günzburg/Krumbach	Günzburg	Germany	16/10/2015	152,130.62	257,194.98	100%	EUR
	IBAN	CITIGB2L	GB44CITI18500818166455	Citibank NA	London	UK	13/09/2017	-1,499,686.95	-1,551,254.03	100%	GBP
Ebro Foods Nederland Brands, B.V.	IBAN	CITINL2X	NL37CITI0266064566	Citibank	Amsterdam,	Netherlands	18/01/2012	82.25	-1,264.91	100%	EUR
	IBAN	CITIGB2L	GB83CITI18500814059840	Citibank	London	UK	31/12/2014	0.00	0.00	100%	USD
	IBAN	RABONL2U	NL25RABO0310990335	Rabobank	Utrecht	Netherlands	11/07/2016	943.32	979.24	100%	EUR
Ebro India Private Limited	IBAN	HDFCINBB	50200001041939 (Bank deposit)	HDFC Bank LTd	TARAORI	India	24/05/2013	1,154.00	0.00	100%	INR
	IBAN	CITIINBX	521059001	Citibank	New Delhi	India	18/09/2013	40.00	7,923.00	100%	INR
	IBAN	BOFA0ND6216	24871013	Bank of America	New Delhi	India	24/08/2014	176.00	398.00	100%	INR
	IBAN	CITIINBX	refer PCFC Loan Sheet	Citibank	New Delhi	India	15/03/2015	366.00	0.00	100%	INR
	IBAN	INDB0000073	259996544504	IndusInd Bank	Karnal	India	14/03/2017	4,407.00	0.00	100%	INR
	IBAN	INDB0000073	259996544504	IndusInd Bank	Karnal	India	14/03/2017	1.00	4.00	100%	INR
	IBAN	UCBA0002323	23230210001110	UCO Bank	Karnal	India	06/05/2017	0.00	1.00	100%	INR
	IBAN	HSBC0110005	054708284001	HSBC	New Delhi	India	20/11/2018	8,123.00	0.00	100%	INR
	Other	HDFCINBB	50200001041939	HDFC Bank LTd	TARAORI	India	24/05/2013	484.20	1,495.38	100%	INR
	Other	CRLY0000002	02006017100000	Credit Agricole	New Delhi	India	21/12/2019	1.00	135.00	100%	INR
	Other	CHAS0INBX02	5622411725	JP Morgan	New Delhi	India	26/06/2020	291.00	627.00	100%	INR
	Other	CRLY0000002	refer PCFC Loan Sheet	Credit Agricole	New Delhi	India	02/01/2020	233.00	0.00	100%	INR
	Other	CRLY0000002	refer PCFC Loan Sheet	Credit Agricole	New Delhi	India	02/11/2020	3,285.00	0.00	100%	INR
	Other	CHAS0INBX02	refer PCFC Loan Sheet	JP Morgan	New Delhi	India	23/07/2020	275.00	0.00	100%	INR
	Other	CHAS0INBX02	refer PCFC Loan Sheet	JP Morgan	New Delhi	India	29/07/2020	2,110.00	0.00	100%	INR
	Other	CHAS0INBX02	Refer PCFC Loan Sheet	JP Morgan	New Delhi	India	29/07/2020	0.00	0.00	100%	INR
	Other	HSBC0110005	Refer PCFC Loan Sheet	HSBC	New Delhi	India	20/11/2018	0.00	0.00	100%	INR
	Other	BOFA0ND6216	Refer PCFC Loan Sheet	Bank of America	New Delhi	India	24/08/2014	172.00	0.00	100%	INR
	Other	CRLY0000002	2006017100000	Credit Agricole	New Delhi	India	21/12/2019	3,591.00	0.00	100%	INR
	Other	BOFA0ND6216	refer PCFC Loan Sheet	Bank of America	New Delhi	India	24/08/2014	870.00	0.00	100%	INR
	Other	HSBC0110005	refer PCFC Loan Sheet	HSBC	New Delhi	India	20/11/2018	134.00	1,288.00	100%	INR
	Other	HSBC0110005	refer PCFC Loan Sheet	HSBC	New Delhi	India	20/11/2018	335.00	0.00	100%	INR
	Other	MHCBINBBXXX	H10-792-104288	Mizuho	New Delhi	India	26/05/2020	5.00	16.00	100%	INR
	Other	HSBC0400002	019051887002	ICICI Prudential	New Delhi	India	21/11/2013	2,176.00	0.00	100%	INR
	Other	CRLY0000002	refer PCFC Loan Sheet	Credit Agricole	New Delhi	India	02/11/2020	116.00	0.00	100%	INR

(THOUSANDS OF EUROS)

COMPANY	ACCOUNT ID CODE	BIC CODE	ACCOUNT CODE	BANK	BRANCH	COUNTRY OF LOCATION OF BANK	DATE OPENED	BALANCE AT DEC. 31, 2023 (€)	AVERAGE BALANCE LAST QUARTER (€)	% INTEREST	CURR.
Ebrosur, SRL	CBU	BSCHARBA	034753/2	Banco Santander Rio SA	Buenos Aires	Argentina	15/06/2016	0.00	0.00	100%	ARG
	CBU	BSCHARBA	034754/9	Banco Santander Rio SA	Buenos Aires	Argentina	15/06/2016	0.00	0.00	100%	USD
Euryza GMBH	IBAN	COBADEHHXXX	DE04200400000621702000	Commerzbank AG	Hamburg	Germany	2000	14,699.44	187,571.14	100%	EUR
	IBAN	CITIDEFFXXX	DE83502109000214587009	Citigroup	Frankfurt	Germany	01/02/2007	-34,315.48	0.00	100%	EUR
Euro Rice Flour, B.V.	IBAN	ABNANL2A	NL15ABNA0240369394	ABN AMRO Bank NV	Amsterdam,	Netherlands	11/03/2010	10,350.74	9,888.63	100%	EUR
Fentus 61 GmbH	IBAN	COBADEFFXXX	DE47 2004 0000 0626 0509 00	Commerzbank AG	Hamburg	Germany	01/02/2017	14,854.07	6,363.90	100%	EUR
Herba Bangkok, S.L.	Other	CITITHBX	126385-5-015	CITIBANK NA	Bangkok	Thailand	11/06/2008	168,430.57	1,495,449.29	100%	THB
	Other	CITITHBX	126385-0-005	CITIBANK NA	Bangkok	Thailand	11/06/2008	0.00	0.00	100%	THB
	Other	CITITHBX	5-126385-104 USD	CITIBANK NA	Bangkok	Thailand	25/09/2015	5,019,403.44	3,726,697.74	100%	USD
	Other	CITITHBX	N/A	CITIBANK NA	Bangkok	Thailand	11/06/2008	4,741,250.95	1,580,416.98	100%	THB
	Other	BNPATHBK	00010 000632 040 83	BNP Paribas Bank	Bangkok	Thailand	02/10/2006	47,117.56	35,308.01	100%	THB
	Other	BNPATHBK	00010 000632 000 09	BNP Paribas Bank	Bangkok	Thailand	02/10/2006	1,309.74	1,309.74	100%	THB
	Other	BNPATHBK	00010 000632 040 83 USD	BNP Paribas Bank	Bangkok	Thailand	25/06/2013	0.00	0.00	100%	USD
	Other	BNPATHBK	N/A	BNP Paribas Bank	Bangkok	Thailand	02/10/2006	0.00	0.00	100%	THB
	Other	BOFATH2X	33243 017	Bank of America	Bangkok	Thailand	03/08/2016	16,326.77	560,011.14	100%	THB
	Other	BOFATH2X	33243 025 USD	Bank of America	Bangkok	Thailand	03/08/2016	945,182.39	683,331.78	100%	USD
	Other	BOFATH2X	N/A	Bank of America	Bangkok	Thailand	03/08/2016	0.00	0.00	100%	THB
	Other	KRTHTHBK	092-0-03203-6	Krungthai Bank PCL.	MEA Ploenchit	Thailand	25/08/2006	100,339.68	77,908.99	100%	THB
Herba Cambodia Co, Ltd	Other	ABAAKHPP	000206556	Advanced Bank Of Asia Ltd	Phnom Penh	Cambodia	11/07/2016	189,894.91	350,694.87	100%	USD
	Other	ABAAKHPP	000373587	Advanced Bank Of Asia Ltd	Phnom Penh	Cambodia	02/02/2018	5,181.40	5,177.27	100%	KHR
Herba Germany GMBH	IBAN	COBADEFFXXX	DE96 2004 0000 0622 0057 00	Commerzbank AG	Hamburg	Germany	2005	-19.31	177.05	100%	EUR
	IBAN	CITIDEFFXXX	DE60502109000214588005	Citigroup	Frankfurt	Germany	01/12/2006	0.00	0.00	100%	EUR
Herba Ingredients Belgium B, BV	IBAN	KREDBEBB	BE29735042745864	KBC Bank NV	Brussels	Belgium	06/04/2016	584,321.74	298,344.97	100%	EUR
Herba Ingredients Belgium C, BV	IBAN	KREDBEBB	BE11 7380 1830 6548	KBC Bank NV	Brussels	Belgium	30/06/2006	12,251.68	74,002.70	100%	EUR
Herba Ingredients Belgium F, BV	IBAN	KREDBEBB	BE55736064832844	KBC Bank NV	Brussels	Belgium	02/12/2019	36,069.75	55,832.45	100%	EUR
Herba Ingredients, B.V.	IBAN	CITINL2X	NL08CITI0266059171	CITIBANK NA	Amsterdam,	Netherlands	10/01/2013	32,107.52	-266,032.56	100%	EUR
	IBAN	CITIGB2L	GB84CITI18500813594416	CITIBANK NA	London	UK	10/01/2013	0.00	-18,872.82	100%	USD
	IBAN	CITIGB2L	GB82CITI18500810232335	CITIBANK NA	London	UK	13/12/2018	0.00	0.00	100%	GBP
	IBAN	KREDBEBB	BE19731041645812	KBC Bank NV	Brussels	Belgium	22/01/2016	17,786.88	16,673.81	100%	EUR
	IBAN	DEGRBEBB	BE05676528001375	Degroof Petercam	Brussels	Belgium	11/05/2021	0.00	0.00	100%	EUR
Herba Ingredients SC, BV	IBAN	KREDBEBB	BE56 7380 0432 3188	KBC Bank NV	Brussels	Belgium	19/10/2001	225,764.02	109,968.58	100%	EUR
Herba Ingredients Netherlands, BV	IBAN	CITIGB2L	NL45CITI0266065295	CITIBANK NA	Amsterdam,	Netherlands	14/02/2012	0.00	8,969.04	100%	EUR
Indo European Foods Limited	Other	203909	44044299	Barclays Bank	Leicestershire	UK	12/08/2021	-9.06	0.11	100%	EUR
	IBAN	203909	GB42BARC20390965944844	Barclays Bank	Leicestershire	UK	31/05/2019	-39.24	117,117.58	100%	EUR
	IBAN	203909	GB19BARC20390943390527	Barclays Bank	Leicestershire	UK	22/02/2017	159,912.08	682,599.01	100%	GBP
	Other	203909	80119482	Barclays Bank	Leicestershire	UK	12/08/2021	249,711.32	287,486.92	100%	GBP
	Other	203909	43804211	Barclays Bank	Leicestershire	UK	20/08/2019	11.74	937,840.13	100%	USD
	Other	600	14249046	Citibank	London	UK	May 2022	0.00			GBP
	Other	401279	GB93HBUK40127690427760	HSBC	Birmingham B1	UK	May 2023	242,906.48	106,294.95	100%	EUR
	Other	402715	GB67HBUK40271525633524	HSBC	West Yorkshire	UK	May 2023	672,893.24	684,558.38	100%	GBP
	Other	402715	GB89HBUK40271525633516	HSBC	West Yorkshire	UK	May 2023		41,989.79	100%	GBP
	Other	401776	GB40HBUK40127690427744	HSBC	Birmingham B1	UK	May 2023	14,322.46	379,724.05	100%	USD
	IBAN	203909	GB94BARC20390988126644	Barclays Bank	Leicestershire	UK	31/05/2019	18.52	525,053.55	100%	USD
International Pulse Ingred. Co. BV	IBAN	ABNANL2A	NL37ABNA0240369386	ABN AMRO Bank NV	Amsterdam,	Netherlands	11/03/2010	10,897.86	10,698.43	100%	EUR
Joseph Heap Property	IBAN	BARCGB22	GB52BARC20510170619930	BARCLAYS BANK	Liverpool	UK	01/02/2004	0.00	0.00	100%	GBP
Joseph Heap&Sons, LTD	IBAN	BARCGB22	GB41BARC20510170416428	BARCLAYS BANK	Liverpool	UK	01/11/1986	0.00	0.00	100%	GBP
Katania Magrheb, SARL	Other	BMCEMAMCXXX	011 735 0000 03 210 00 13562 23	BANK OF AFRICA	Larache	Morocco	01/02/2017	69,753.80	69,753.80	100%	MAD
La Loma Alimentos, S.A.	CBU	SCBLUS33XXX	000 - 000336637	Banco Santander Rio SA	Buenos Aires	Argentina	23 July 2013	-51.80	0.91	100%	ARG
	CBU	BSCHARBA	000-00035161/0	Banco Santander Rio SA	Buenos Aires	Argentina	20 Jan. 2017	55.80	47.62	100%	ARG
	CBU	BSCHARBA	000-036430/6	Banco Santander Rio SA	Buenos Aires	Argentina	3 May 2018	0.00	0.00	100%	USD
	CBU	BSCHARBA	000-036429/0	Banco Santander Rio SA	Buenos Aires	Argentina	03/05/2018	0.00	0.00	100%	USD
	CBU	BERAARBAXXX	42006614643	Nuevo Banco de Entre Ríos	Concordia	Argentina	22 May 2002	1,879.63	2,904.67	100%	ARG
	CBU	BFRPARBAXXX	068-000848/6	BBVA Banco Francés S.A.	Concordia	Argentina	24/10/2018	965.71	1,396.21	100%	USD
	CBU	BFRPARBAXXX	068/0314544/9	BBVA Banco Francés S.A.	Concordia	Argentina	24/10/2018	21,045.15	179,152.00	100%	ARG
	CBU	BFRPARBAXXX	068/314545/6	BBVA Banco Francés S.A.	Concordia	Argentina	24/10/2018	0.21	0.42	100%	ARG
	Securities deposit	BFRPARBAXXX	068/0314544/9	BBVA Banco Francés S.A.	Concordia	Argentina	24/10/2018	37,716.93	79,959.87	100%	ARG
	IBAN	BBVAESMM	ES3801826204582012463035	BANCO FRANCES	Seville	Spain	13/11/2019	38,221.89	34,138.17	100%	USD
	CBU	BFRPARBAXXX	068-322072/2	BBVA Banco Francés S.A.	Concordia	Argentina	01/05/2023	1.18	2.28	100%	ARG
	CBU	NACNARBACON	15602120124490	BNA	Concordia	Argentina	01/09/2023	29.67	79.21	100%	ARG
	IBAN	BBVAESMM	ES1301826204590201548417	BANCO FRANCES - Spanish	Seville (SUC	Spain	01/11/2023	0.00	763.58	100%	EUROS
	CBU	BFRPARBAXXX	068-000003/6	BBVA Banco Francés S.A.	Concordia	Argentina	24/10/2018	353.82	395.02	100%	EUROS
	PRE-FINANCING	BBVAESMM	ES3801826204582012463035	BBVA Spain	Seville	Spain	13/11/2019	-4,474,263.88	-5,897,791.47	100%	USD

EBRO FOODS GROUP
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023
(THOUSANDS OF EUROS)

COMPANY	ACCOUNT ID CODE	BIC CODE	ACCOUNT CODE	BANK	BRANCH	COUNTRY OF LOCATION OF BANK	DATE OPENED	BALANCE AT DEC. 31, 2023 (€)	AVERAGE BALANCE LAST QUARTER (€)	% INTEREST	CURR.
Mediterranean Food Labels, BV	IBAN	CITINL2X	NL59CITI0266064558	Citibank	Amsterdam,	Netherlands	17/01/2012	0.00	0.00	100%	EUR
Mundi Riso, S.R.L.	IBAN	CITIITMX	IT12D0356601600000122474011	CITIBANK NA	Milan	Italy	27/06/2006	0.00	0.00	100%	EUR
	IBAN	CITIGB2L	GB22CITI18500811257250	CITIBANK NA	London	UK	14/06/2006	0.00	0.00	100%	USD
	IBAN	BAPPIT21I87	IT32Q0503410000000000005783	BANCO BPM S.P.A.	Vercelli	Italy	27/03/1996	20,182.39	146,080.66	100%	EUR
	IBAN	BAPPIT21I87	IT76U0503410000USD100003375	BANCO BPM S.P.A.	Vercelli	Italy	26/01/2017	25.92	26.57	100%	USD
Mundi Riz, S.A.	Other	BMCEMAMCXXX	011735000003210006 0709.08	BANK OF AFRICA	Larache	Morocco	2001	1,086,858.71	756,367.98	100%	MAD
	Other	BCMAMAMCXXX	007 640 0013709000000131 39	Attijariwafa Bank	TANGIER	Morocco	2002	22,391.14	35,937.20	100%	MAD
	Other	BMCEMAMCXXX	011 735 0000 03 66600 60709 24	BANK OF AFRICA	Larache	Morocco	2009	716.43	716.43	100%	MAD
	Other	BMCEMAMCXXX	011 735 000 503 66500 12519 27	BANK OF AFRICA	Larache	Morocco	2015	145,818.31	147,725.34	100%	EUR
	Other	CDMAMAMCXXX	021 735 0000 080 030 167465 07	Crédit du Maroc	Larache	Morocco	01/03/2018	65,657.47	44,549.56	100%	MAD
	Other	CAIXAMAMCXXX	003 640 64000000011 70167 55	CaixaBank - Tanger	TANGIER	Morocco	01/09/2021	6,412.67	6,449.53	100%	MAD
Neofarms Bio, S.A.	CBU	BFRPARBAXXX	0170068826000000084796	BBVA Banco Francés S.A.	Concordia	Argentina	24 Oct. 2018	73.41	257.93	100%	USD
	CBU	BFRPARBAXXX	0170068820000031454182	BBVA Banco Francés S.A.	Concordia	Argentina	24 Oct. 2018	24,564.93	131,375.57	100%	ARG
	CBU	BFRPARBAXXX	0170068820000031454250	BBVA Banco Francés S.A.	Concordia	Argentina	24 Oct. 2018	0.45	0.91	100%	ARG
	CBU	BFRPARBAXXX	0170068821000000000296	BBVA Banco Francés S.A.	Concordia	Argentina	14/01/2019	1,317.19	1,470.56	100%	EUROS
			Securities deposit	BBVA Banco Francés S.A.	Concordia	Argentina		6,149.72	5,577.60	100%	ARG
		BBVAESMM	ES5701826204542012468030	BANCO FRANCES	Seville	Spain	24/03/2020	199,197.70	579,150.43	100%	USD
	CBU	BFRPARBAXXX	0170068820000032207396	BBVA Banco Francés S.A.	Concordia	Argentina	01/05/2023	1.18	2.28	100%	ARG
		BBVAESMM	ES8801826204560201546244	BANCO FRANCES	Seville	Spain	24/03/2020	5.07	5.66	100%	EUROS
N&C Boost, NV	IBAN	GKCCBEBB	BE49552273940071	Belfius Bank	Antwerp	Belgium	02/05/1996	1,124,845.17	1,136,291.96	100%	EUR
	IBAN	GKCCBEBB	BE12055950094292	Belfius Bank	Antwerp	Belgium	02/05/1996	0.00	0.00	100%	EUR
Reiskontor Handels, GMBH	IBAN	COBADEFFXXX	DE70200400000621701200	Commerzbank AG	Hamburg	Germany	01/07/2001	28,711.27	20,352.47	100%	EUR
Rice&Cereals Consultancy, BV	IBAN	KREDBEBB	BE28738107281820	KBC Bank NV	Brussels	Belgium		317,259.87	292,114.24	100%	EUR
Riceland Magyarorszag	IBAN	CITIHUHX	HU96 10800007 54873009	Citibank	Budapest	Hungary	13/04/2006	485,592.65	350,707.71	100%	HUF
	IBAN	CITIHUHX	HU09 10800007 64873017	Citibank	Budapest	Hungary	13/04/2006	0.00	0.00	100%	EUR
Risella OY	IBAN	CITIFIHX	FI9571307001700049	Citibank Int. Plc Finland	Helsinki	Finland	23/05/2006	0.00	0.00	100%	EUR
Rivera del Arroz, S.A.	Other	BMCEMAMCXXX	011735000003210006 0728.48	BANK OF AFRICA	Larache	Morocco	2002	1,963.46	3,934.86	100%	MAD
SBS Commodities, BV	IBAN	ABNANL2A	NL34ABNA0240369440	ABN AMRO Bank NV	Amsterdam,	Netherlands	11/03/2010	9,740.32	9,129.57	100%	EUR
Suntra Rice BV	IBAN	ABNANL2A	NL56ABNA0240369432	ABN AMRO Bank NV	Amsterdam,	Netherlands	11/03/2010	10,198.58	9,690.19	100%	EUR
S&B Herba Foods, Ltd.	IBAN	CITIGB2L	GB04CITI18500811230026	CITIBANK NA	London	UK	06/02/2006	0.00	0.00	100%	GBP
	IBAN	CITIGB2L	GB06CITI18500811229990	CITIBANK NA	London	UK	06/06/2012	0.00	0.00	100%	EUR
	IBAN	CITIGB2L	GB18CITI18500811247913	CITIBANK NA	London	UK	06/02/2006	0.00	0.00	100%	USD
	IBAN	BARCGB22	GB66BARC20000020118044	BARCLAYS BANK	London	UK	01/04/1992	541,336.00	186,487.00	100%	GBP
	IBAN	BARCGB22	GB42BARC20000085332255	BARCLAYS BANK	London	UK	01/10/1998	0.00	0.00	100%	EUR
	IBAN	BARCGB22	GB19BARC20000086447199	BARCLAYS BANK	London	UK	01/04/1992	0.00	0.00	100%	USD
TAG Nahrungsmittel, GMBH	IBAN	COBADEFFXXX	DE12200400000623705100	Commerzbank	Hamburg	Germany	01/08/2011	14,996.08	7,094.53	100%	EUR
TBA Suntra Beheer B.V.	IBAN	ABNANL2A	NL25ABNA0240369408	ABN AMRO Bank NV	Amsterdam,	Netherlands	11/03/2010	1,188.68	1,209.14	100%	EUR
TBA Suntra B.V.	IBAN	ABNANL2A	NL59ABNA0240369378	ABN AMRO Bank NV	Amsterdam,	Netherlands	11/03/2010	3,488.41	3,603.67	100%	EUR
	IBAN	ABNANL2A	NL11ABNA0242125360	ABN AMRO Bank NV	Amsterdam,	Netherlands	01/04/2011	5,358.02	5,358.02	100%	USD
	IBAN	CITINL2X	NL62CITI0266064698	CITIBANK NA	Amsterdam,	Netherlands	21/02/2012	0.00	0.00	100%	EUR
	IBAN	CITIGB2L	GB88CITI18500813090817	CITIBANK NA	London	UK	21/02/2012	0.00	0.00	100%	USD
Transimpex Warenhandelsgesell-Schaft, GmbH	IBAN	COBADEFFXXX	DE70 5454 0033 0703 0075 00	Commerzbank AG	Ludwigshafen	Germany	01/10/2017	2,908,564.86	3,118,632.89	100%	EUR
	IBAN	SOLDAES1HDB	DE47 6725 0020 0009 1217 22	Sparkasse	Heidelberg	Germany	01/07/2008	652,014.85	1,912,242.38	100%	EUR
	IBAN	COBADEFF545	DE14 5454 0033 0209 9901 00	Comerzbank AG	Ludwigshafen	Germany	01/03/2006	2,978,946.35	1,073,071.96	100%	EUR
	IBAN	GENODE61MA2	DE11 6709 0000 0015 1800 05	VR Bank Rhein-Neckar eG	Mannheim	Germany	01/03/1996	14,331.02	16,808.59	100%	EUR
	IBAN	HYVEDEMM489	DE40 6702 0190 0007 0683 28	Hypo Vereinsbank	Mannheim	Germany	01/06/1999	732,649.28	2,278,794.61	100%	EUR
	IBAN	HYVEDEMMXXX	DE03 7002 0270 0874 3304 42	Hypo Vereinsbank	Mannheim	Germany	01/10/1999	510,515.79	264,499.60	100%	USD
	IBAN	HYVEDEMM489	DE90 6702 0190 0030215605	Hypo Vereinsbank	Mannheim	Germany	01/04/2021	3,341.66	3,341.66	100%	GBP
Vogan, LTD	IBAN	BARCGB22	GB23BARC20748190929786	BARCLAYS BANK	Sandy	UK	01/06/1987	0.00	0.00	100%	GBP