

19. Segment reporting

As indicated in note 1, the Group is engaged in the manufacture, distribution and marketing of all types of casings and films for food use. Additionally, the Group also carries out production-related activities, and sells electricity through its cogeneration plants in Spain and Germany with the objectives of: decreasing the cost of electricity while remaining self-sufficient, and at the same time reducing CO2 emissions, and, where appropriate, sell surplus electricity.

With the new Beyond25 strategic plan, the commercial and operational strategies have been reoriented, distinguishing sales of what has been called Traditional Business, which includes casings based on collagen, cellulosic and fibrous technology, and sales of New Business, which includes plastic casings and the rest of the products and services, although the latter currently have a very small relative weight.

Therefore, the revenues obtained by the Viscofan Group can be grouped by nature into Traditional Business, New Businesses and Energy, although from a management information point of view, the activity is considered a mono-segment, being mainly casing sales.

Furthermore, Viscofan's business model is global, understood as products and services sold in a multitude of markets around the world that are generated by the assets held by the Group in different locations. In this way, each production centre produces goods with a final destination in different countries and markets. Sometimes, manufacturing sites produce semi-finished products, which are completed in other countries for subsequent sale to a third party, and this process often involves several geographic management regions.

To facilitate management and monitoring, four geographical regions have been established within the Beyond25 Plan: EMEA (comprising assets in Spain, Germany, Czech Republic, Serbia, Belgium, United Kingdom, France and Russia), North America (incorporating assets in Canada, Costa Rica, Mexico and the United States), APAC (comprising assets in Australia, China, Japan, New Zealand, and Thailand), and South America (comprising assets in Brazil and Uruguay).

Considering this business and management scheme, sales are analysed by geographic region and, in any case, specific returns are analysed in a more concrete manner based on companies or assets analysed on a more individualised basis.

Given the Group's current organisational, production and management structure, the new Beyond25 strategic plan, and the information taken into account in decision-making by the highest decision-making body, the Group's management considers that, in accordance with IFRS 8, the segment that carries out business activities that may generate income and incur expenses is unique: the sale of casings and films for food use.

However, from a commercial point of view, emphasis is placed on geographic areas and sales by type of casing, as broken down below:

FY 2023	Thousands of euros						Consolidated
	Spain	Rest of Europe, Middle East and Africa	Asia Pacific	North America	South America	Disposal and other	
Revenue from external customers	171,003	360,315	158,466	369,324	166,679	0	1,225,787
Ordinary income of other group companies	171,709	321,702	2,27	106,484	43,38	-645,545	0
Total ordinary income	342,712	682,017	160,736	475,808	210,059	-645,545	1,225,787
Depreciation charges							-83,713
Finance income							846
Finance costs							-6,9
Exchange gains (losses)							-9,748
Segment profit before tax							168,906
Total assets	460,529	442,323	157,185	436,332	201,907	-290,767	1,407,509
Total liabilities	270,345	159,79	46,157	241,693	33,278	-301,526	449,737
Asset acquisitions	25,253	16,26	10,967	17,406	7,661	0	77,547

FY 2022	Thousands of euros						Consolidated
	Spain	Rest of Europe, Middle East and Africa	Asia Pacific	North America	South America	Disposal and other	
Revenue from external customers	175,209	332,195	168,837	369,815	154,972	0	1,201,028

Ordinary income of other group companies	178,827	330,612	3,171	109,495	48,239	-670,344	0
Total ordinary income	354,036	662,807	172,008	479,31	203,211	-670,344	1,201,028
Depreciation charges							-78,147
Finance income							1,194
Finance costs							-1,37
Exchange gains (losses)							-5,044
Segment profit before tax							183,789
Total assets	406,795	433,755	151,048	431,383	203,708	-279,296	1,347,393
Total liabilities	239,744	170,308	44,686	234,703	36,423	-285,341	440,523
Asset acquisitions	26,248	35,661	3,421	51,534	8,743	0	125,607

