



What's Cooking?

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Consolidated financial results first half 2023

First-half results of new 'What's Cooking?' confirm recovery despite continued cost inflation. After a decline in volumes in the first half of the year, volume growth returns.

- An 11% increase in half-year turnover: from EUR 373 million to EUR 413 million;
- Volume decline in prepared dishes in line with expectations - but with positive signs towards volume growth through the regaining of certain contracts in the second half of the year. What's Cooking? remains committed to tasteful high-quality products at the right price to its customers.
- Cost inflation remains high with salary inflation of around 10%, pig price increases of more than 20% since the end of 2022 and 74% since the beginning of 2022. Other ingredients also continue to rise in reality, accounting for a cost increase of more than €10 million (excluding labour costs) compared to cost prices at the end of 2022.
- Recovery of EBITDA result by 19%: from EUR 16.9 million to EUR 20.0 million.
- Non-underlying costs in EBITDA amount to EUR 1.1 million and are linked among others to the re-branding of the group since March 2023 and a limited non-recurring cost linked to the aborted acquisition of Imperial-Stegeman.
- Net debt remains stable at EUR 75 million compared to 30 June last year. Compared to 31 December 2022, net debt increases by EUR 7 million.

The first half of the year, notwithstanding media pronouncements about supposed decreases, in reality and despite all efforts for optimal acquisition strategy, was still characterised by strong inflation of raw material, ingredient and energy costs as well as salary costs. These cost increases were passed on to customers in a responsible and transparent manner. That delayed pass-through of the increases that we also experienced in 2022 did ensure a recovery of the EBITDA result this time.

As expected, financing costs also rose in the first half of the year, by around EUR 0.9 million. These are expected to continue to rise further in the second half of the year.

As a result of the above, the result after tax increases from EUR 1.5 million in the first half of 2022 to EUR 2.4 million in the first half of 2023.

Payroll costs rose sharply in the first half of 2023 due to automatic wage indexation in several countries where What's Cooking? Where possible, What's Cooking? adjusted occupancy of (temporary) labour in the factories to a limited extent to respond appropriately to the changed volumes. The company continues this flexibility in labour in case of both volume decrease and volume increase.

Ready meals

Half-year sales within the segment increased by EUR 21 million (+13.3%) compared to 2022. This increase can be attributed to raw material cost inflation with pass-through of those cost increases, and this despite a decline in volume compared to the first half of last year. The decline in volume was mainly caused by the non-renewal of



mainly non-performing contracts. The category as a whole remains very solid and we see volumes picking up again in the second half of 2023.

Our strategy of continuing to supply tasteful high-quality products is bearing fruit: good customer loyalty illustrates that the right price-quality mix is crucial to establishing long-term partnerships with both customers and consumers.

Moreover, there is a continued focus on innovation with the previously announced investment programme on improving products, packaging and processes .

The What's Cooking? branch in the UK again won several awards at the British Frozen Food Award ceremony, winning two gold awards for its "Beef Rib in Miso Butter" and for its "Beef Burrito Bowl" meals. In addition, this category remains further committed to growing its plant-based range.

Savoury cold cuts - snacking

Half-year sales within the Savoury SBU increased by EUR 18.9 million (+8.9%) compared to 2022 mainly due to inflation of wage costs, costs of meat and packaging but also energy compared to last year which were passed on transparently where possible. Compared to the end of 2022, a constant factor is mainly the continuous increase in meat costs (and not least pork).

Volumes declined slightly, but market share was similar to 2022.

Operationally, investments were made to improve processes and efficiency, while product development continues to focus on innovative products with animal and/or vegetable proteins.

Strategy and Sustainability

As previously announced, we also launched our new strategy with the name change.

CEO Piet Sanders says: *"I am delighted with the response we have received from the market to our name change and the adjustment of our strategy. Besides positive feedback from our clients with whom we are increasingly working as partners, the very positive reactions from our employees were a nice confirmation. 'Confident and Courageous', we work 'Day by Day & Side by Side' on our mission: 'Making sustainable food consumption second nature'. We also noticed that our engagement scores by which we measure the involvement of our employees improved, and we commit here to take even further steps forward."*

The new innovation organisation is also taking shape, which will result, among other things, in the first innovative products on the market in the second half of 2023 and early 2024. Finally, we fully mapped out our CO2 footprint per product and per ingredient, and held its first 'supplier day' to further develop the strategy for a more sustainable chain together with suppliers. In terms of sustainability, great strides were made and the company continues to challenge itself further with its partners to achieve the challenging KPIs with tracking via our digital tool. What's Cooking? is taking its responsibility within the industry together with its stakeholders!"



Consolidated key figures What's Cooking Group NV first half 2023

Income statement in 000 Euro			
	30/06/23	30/06/22	Δ %
Sales (net turnover)	412 579	372 646	10,7%
Underlying EBITDA	21 123	17 781	18,8%
EBITDA	20 022	16 882	18,6%
Underlying result from operating activities (UEBIT)	7 098	3 814	86,1%
Result of operating activities (EBIT)	5 997	2 915	105,7%
Net finance costs	-1 849	-916	101,9%
Result of operating activities after net finance costs (EBT)	4 148	1 999	107,5%
Taxes	-1 706	-528	223,1%
Result after tax before corporate share accounted for using the equity method	2 442	1 471	66,0%
Result after tax (EAT)	2 386	1 471	62,2%
Profit for the period: minority interests	0	70	
Profit for the period: group share	2 386	1 401	
Financial position in 000 euros			
	30/06/23	31/12/22	
Balance sheet total	389 190	404 459	-3,8%
Shareholders' equity	117 776	120 573	-2,3%
Net financial debts	74 838	74 636	0,3%
Equity / total assets (in%)	30,3%	29,8%	
Gearing ratio	63,5%	61,9%	
Key figures in Euro per share			
	30/06/23	30/06/22	
Number of shares	1 821 006	1 794 217	
Average number of shares	1 821 006	1 794 217	
Net cash flow	9,01	8,60	4,7%
Profit for the year: group share	1,31	0,78	67,8%
EBITDA	11,00	9,41	16,9%

Outlook

Despite the challenging macroeconomic environment with continued cost inflation of raw materials, labour costs & ingredients, we remain confident that our underlying EBITDA result for 2023 will be between that of 2021 and 2022. The increase in volume through the recovery of certain contracts in Prepared Meals will contribute to this and this despite investments we are making in people and resources to translate our longer-term strategy into concrete actions.

The group continues to focus on passing on the exceptional cost inflation that characterises the market responsibly and transparently.



Half-yearly financial report

The group's half-yearly financial report can be found at www.whatscooking.group in the Investor Relations module.

The half-yearly financial report includes the condensed consolidated financial statements prepared in accordance with IAS 34, the unqualified auditor's report on his limited review and the other disclosures required by law.

Financial calendar

Annual results 2023	23 February 2024 before trading hours
Annual report 2023	19 April 2024 before trading hours
General Meeting	30 May 2024

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About What's Cooking Group

*What's Cooking? is a **European fresh savoury food group headquartered in Belgium** which commercialises in Europe and beyond a wide range of high-quality and innovative savoury cold cuts, snacking and ready meal food products (also known from Come a casa®), and related services. "**Day by day, we make sustainable food second nature** by increasing the world's appetite for tasty, convenient meals, crafted with care both for the people and the planet". Our customers and consumers are always on our hungry minds when preparing our food products, as is the well-being of our approximately 3,000 people from our headquarter, 12 industrial sites in Belgium, the Netherlands, France, Poland, and the UK, and 7 sales offices. What's Cooking Group (previously named Ter Beke) exists for 75 years, is listed as family company on Euronext Brussels since 1986 (WHATS) and realised a turnover of EUR 781 million in 2022.*

More info about What's Cooking? can be found on www.whatscooking.group