

Analyst update

What's Cooking? half year results 2023

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WHAT'S
COOKING?

Agenda

1

What's Cooking in H1 2023

2

What's Cooking in H2 & beyond?

3

Strategy Update

4

Questions



1

What's Cooking in H1 2023



2

What's Cooking in H2 & beyond?



3

Strategy Update



4

Questions

What's Cooking H1 2023

Trading highlights

- Sales increase of approx 11%
- Inflation continued - mainly for animal proteins :
 - VEZG from €1,23→2,00 in '22 & €2,00→2,43 in H1 '23
 - VEZG increase 1/1/22→30/6/23 = almost 100%!!
 - Other ingredients also so steep inflation: tomatoes, vegetables,...
- Salary inflation was significant, as expected.
- Pass-thru of inflation:
 - Delayed, but contractual in many cases now
 - Shortened contracts in place for certain customers with renewed pricing after contract expiry
- Availability of ingredients & packaging = less of an issue in 2023



What's Cooking H1 2023

Trading Highlights

- **Sales Volumes Savoury & Ready Meals**
 - Volumes weaker after contract losses in Ready Meals (as anticipated), but expected to grow again after contract wins that will start in H2, 2023. Quality remains key focus. Consumer desires tasty, affordable & nutritious products.
 - Launch Come a Casa[®] Eastern Europe on track
 - Savoury volumes declined mainly due to a market decline.
- **Result operating activities doubled vs 2022**
- **EBITDA increase 19%**, despite investments in people & costs related to the new strategy: innovation, sustainability, ICT, People & the rebranding of the company.
- **Non-underlying costs** include mainly rebranding costs. Cost related to halted acquisition project were not significant.



What's Cooking H1 2023

Trading Highlights

- Higher Finance expenses due to increase in EURIBOR & BOE rate
- Higher Tax expense. H1 2023 included also a rate adjustment in the UK (from 19→ 25%) with one off effect
- EAT increases from 1,5 Mio H1 last year to 2,4 Mio in H1 2023, a 62% increase.
- EPS €1,31 H1 this year vs. €0,78 same period last year



What's Cooking H1 2023

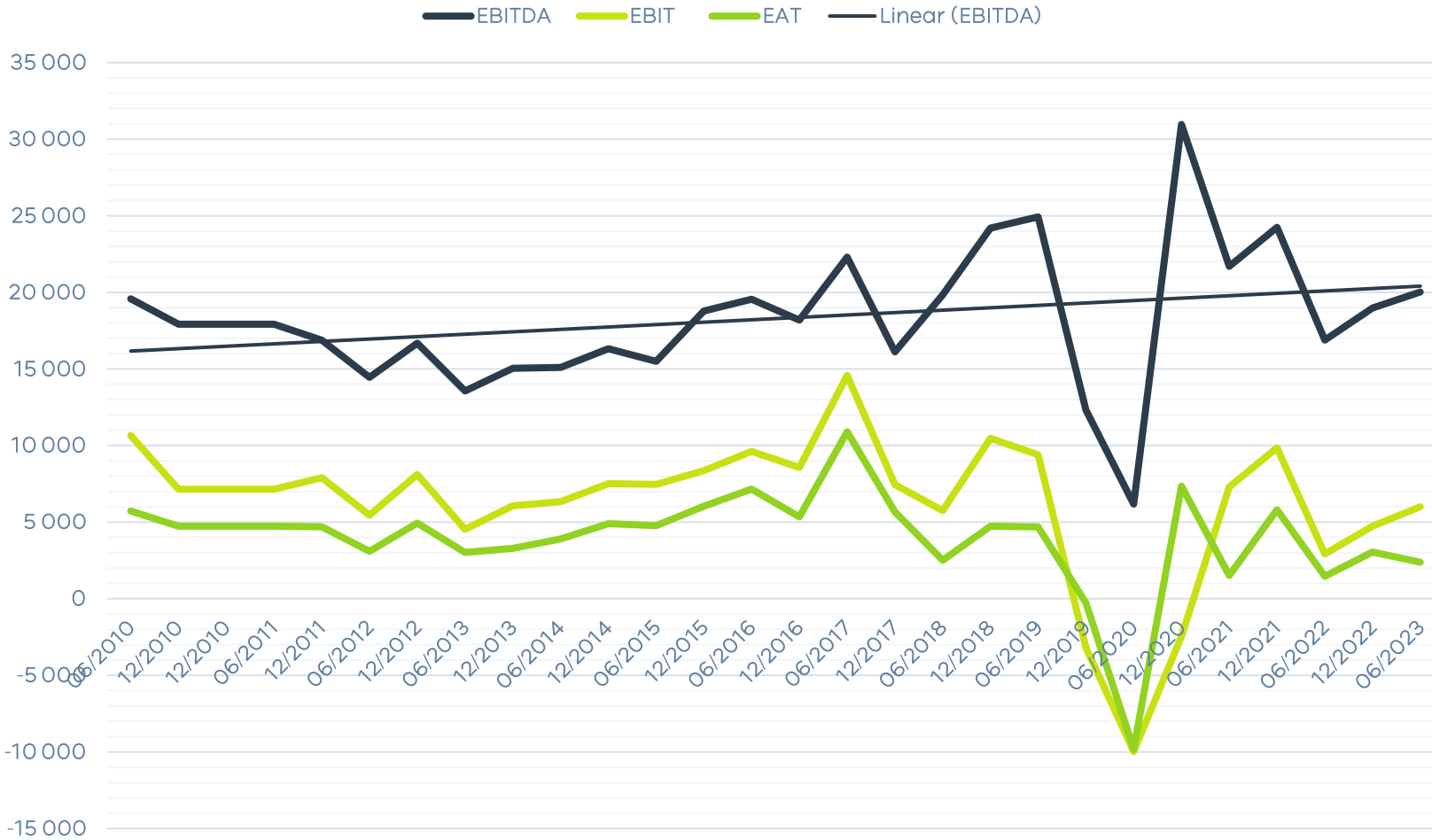
Cash Flow Highlights

- Cash flow operating activities from 17→20 Mio
- Working capital well controlled
 - AR&AP 'in balance'
 - Increased stocks for certain ingredients (safety stock builds)
- Capex -11,5 Mio
 - Packaging machinery
 - Long Term investment for NL customer
 - Sustainability focus / packaging reduction
 - Building adaptations
 - Cooling
 - Energy reduction
 - Food safety upgrades
 - Supply chain solutions investments
- Acquired remaining 9% in What's Deeside (now own 100%) for EUR 4 mio.



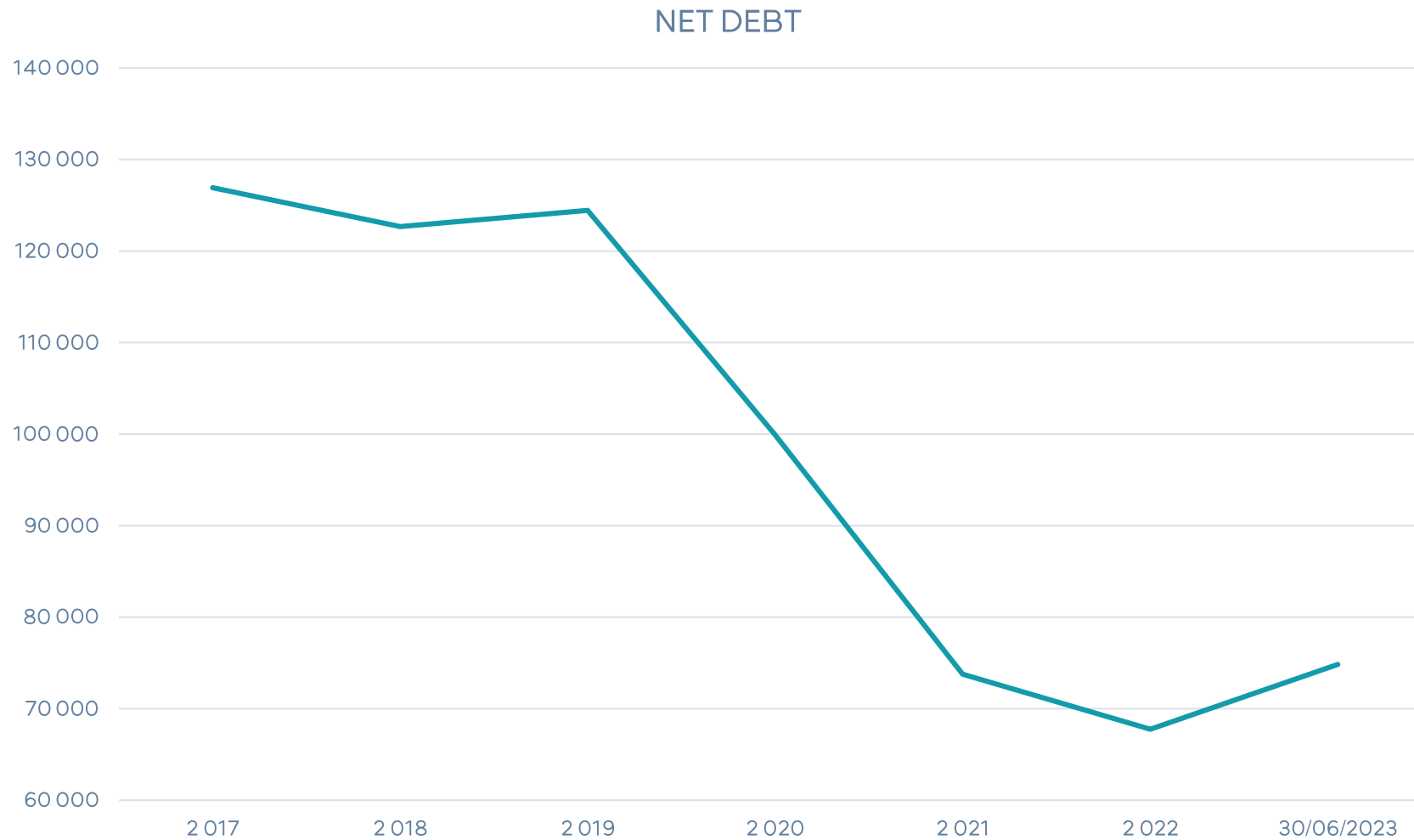
EBITDA – EBIT – EAT

LONG TERM EVOLUTION



- Sales growth & Pass-thru inflation continue to push top line & recovery of EBITDA
- EAT impacted by higher interest costs & taxation (also due to rate change in the UK)
- Gradual recovery

Net debt evolution (including IFRS16 leases)



- Overall net debt in line with net debt per 30/6/2022
- Solid liquidity headroom
- Limited impact Leases (IFRS16)
- Leverage 1,8x U-EBITDA



1

What's Cooking in H1 2023



2

What's Cooking in H2 & beyond?



3

Strategy Update



4

Questions

What's Cooking in H2 & Beyond

Courageous & Confident!

- Contract wins in ready meals to kick-in from H2 2023.
- Inflation is not over yet, but a gradual improvement is expected (bar unforeseen shocks due to geo-political turmoil). Prices are likely to remain high however, no big drop expected.
- First launches of new products (plant based) are expected in Q4 & early 2024.
- Drive efficiency project & War on Waste projects are starting to show benefits.
 - Value Chain Optimizations (benefitting CUSTOMERS, CONSUMERS & WHATS)
 - Sustainability boost (benefitting the PLANET)
 - Financial Results
- Flexibility in operations remains key & will continue to get the necessary focus. Volatility is the new normal & resilience is in our DNA.
- Investments in supply chain resilience & efficiency will be accelerated in H2.
- Outlook guidance maintained (U-EBITDA between 2021 & 2022)
- Longer term: strategy in action!



1

What's Cooking in H1 2023



2

What's Cooking in H2 & beyond?



3

Strategy Update



4

Questions

Our purpose

Day by day, we make
sustainable food
consumption **second nature**

by increasing the appetite for delicious, convenient
food with care for both people and planet.

Strategy Update. What's stirring?

- New R&D team & strategy launched
 - First savoury plant based listing Q4
 - More to come early 2024 (Ready Meals & Savoury)
 - What consumers want: Affordable, Nutritious, Delicious!
 - Product - Packaging - Process
- Sustainability boost:
 - CO2 calculated for ALL products & ALL components
 - KPI tracking / dashboard system installed group-wide
 - Green energy pledge 2023 & Beyond.
(50% in 2023, 100% in 2024)
 - Extension of war on waste programme & 'Drive' programme
 - Top partner of  in Belgium
 - 'Yes we care' programme kicked off
 - Tree planting initiative → Nov 2023 - in partnership with 
 - Supplier day focussed on Sustainability & Ecovadis



Strategy Update. What's stirring?



- New name & Logo well received
 - Fast tracked UK roll-out
 - New company, new ambition - Long term strategy update to the board early October
 - Regained confidence & courage
 - Engagement levels going up
- Supplier day as inspiring start for sustainable partnerships
 - Kick off triggered add-on conversations & out of the box solutions
 - Pushing partnerships beyond traditional boundaries
- Customer focus & sales excellence
 - Partnerships to achieve common goals
 - Focus on organic growth




We have set ourselves
challenging targets
for **2023**, towards **2030**



Must do Targets

-  World-class Safety & Food Safety
-  Sustainable profitable growth

Strategic Beliefs

-  Engaged Employees
-  Rebuild Innovation
-  Portfolio Refocus
-  Grow Excellence
-  Digital Acceleration
-  Lead our industry in sustainability



1

What's Cooking in H1 2023



2

What's Cooking in H2 & beyond?



3

Strategy Update



4

Questions



day by day, cooking up
a better world