



COOPERATIVE ENTREPRENEURSHIP IN HARMONY WITH SOCIETY

Financial Report 2022

Credits

Editors: K. De Smedt

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A. Consolidated accounts

1. Consolidated balance sheet after appropriation

ASSETS

(in €)	Codes	PERIOD 2022	PERIOD 2021
Formation expenses	20	106,705.37	
FIXED ASSETS	21/28	211,472,561.50	207,566,411.73
Intangible fixed assets	21	17,242,698.55	16,651,929.12
Tangible fixed assets	22/27	192,965,525.24	189,720,916.63
Land and buildings	22	69,802,361.98	61,153,308.26
Plant, machinery and equipment	23	100,527,189.17	105,193,353.10
Furniture and vehicles	24	9,383,208.70	9,331,573.24
Other tangible fixed assets	26	42,426.29	53,876.16
Assets under construction and advance payments	27	13,210,339.10	13,988,805.87
Financial fixed assets	28	1,264,337.71	1,193,565.98
Companies accounted for using the equity method	9921	1,143,252.60	1,057,208.80
Participating interests	99211	1,143,252.60	1,057,208.80
Other financial assets	284/8	121,085.11	136,357.18
Shares	284	7,787.59	6,255.33
Amounts receivable and cash guarantees	285/8	113,297.52	130,101.85
CURRENT ASSETS	29/58	319,171,191.17	263,933,719.59
Amounts receivable after more than one year	29	315,992.71	255,436.13
Other amounts receivable	291	315,992.71	255,436.13
Stocks and contracts in progress	3	171,119,412.87	127,085,808.19
Stocks	30/36	171,119,412.87	127,085,808.19
Raw materials and consumables	30/31	35,328,691.90	25,029,145.71
Work in progress	32	1,287,451.73	-
Finished goods	33	124,545,868.39	90,966,312.43
Goods purchased for resale	34	9,957,400.85	11,090,350.05
Amounts receivable within one year	40/41	141,247,257.52	123,946,679.80
Trade debtors	40	129,139,626.93	113,630,705.08
Other amounts receivable	41	12,107,630.59	10,315,974.72
Cash at bank and in hand	54/58	4,692,724.61	11,483,096.31
Deferred charges and accrued income	490/1	1,795,803.46	1,162,699.16
TOTAL ASSETS	20/58	530,750,458.04	471,500,131.32

EQUITY AND LIABILITIES

(in €)

	Codes	PERIOD 2022	PERIOD 2021
EQUITY	10/15	139,943,447.70	123,723,981.41
Contribution	10/11	45,613,296.26	46,624,473.76
Capital	10	45,613,265.00	46,624,442.50
Issued capital	100	45,613,265.00	46,624,442.50
Outside the capita	11	31.26	31.26
Share premium account	1100/10	31.26	31.26
Revaluation surpluses	12	14,810,000.00	-
Consolidated reserves	9910	77,758,808.90	75,120,254.34
Translation differences	9912	2,579.83	2,579.83
Investment grants	15	1,758,762.71	1,976,673.48
MINORITY INTERESTS	9913	5,632,036.79	8,066,934.89
PROVISIONS AND DEFERRED TAXES	16	20,313,923.96	22,740,780.67
Provisions for liabilities and charges	160/5	5,830,988.50	6,207,946.04
Pensions and similar obligations	160	967,559.58	1,618,129.51
Other liabilities and charges	164/5	4,863,428.92	4,589,816.53
Deferred taxes	168	14,482,935.46	16,532,834.63
AMOUNTS PAYABLE	17/49	364,861,049.59	316,968,434.35
Amounts payable after more than one year	17	124,929,068.00	115,072,159.00
Financial debts	170/4	119,481,082.00	114,417,985.00
Credit institutions	173	119,481,082.00	114,417,985.00
Other amounts payable	178/9	5,447,986.00	654,174.00
Amounts payable within one year	42/48	239,249,597.11	201,586,594.49
Current portion of amounts payable after more than one year falling due within one year	42	27,528,561.00	29,456,339.00
Financial debts	43	-	-
Credit institutions	430/8	-	-
Trade debts	44	182,103,320.18	146,183,441.66
Suppliers	440/4	182,103,320.18	146,183,441.66
Advances received on contracts in progress	46	1,727,588.97	1,854,491.56
Taxes, remuneration and social security	45	25,746,975.78	23,163,821.03
Taxes	450/3	4,527,265.53	3,621,846.11
Remuneration and social security	454/9	21,219,710.25	19,541,974.92
Other amounts payable	47/48	2,143,151.18	928,501.24
Accruals and deferred income	492/3	682,384.48	309,680.86
TOTAL LIABILITIES	10/49	530,750,458.04	471,500,131.32

2. Consolidated income statement

(in €)	Codes	PERIOD 2022	PERIOD 2021
Operating income	70/76A	1,427,929,502.65	1,164,897,875.40
Turnover	70	1,366,008,654.50	1,140,729,885.13
Stocks of finished goods and work and contracts in progress: increase (decrease)	71	36,199,369.17	-6,330,966.56
Other operating income	74	16,680,254.91	14,610,180.29
Non-recurring operating income	76A	9,041,224.07	15,888,776.54
Operating charges	60/66A	1,418,131,125.90	1,149,134,391.79
Raw materials, consumables	60	1,083,958,487.82	816,472,579.51
Purchases	600/8	1,093,649,671.62	815,087,733.86
Stocks: decrease (increase)	609	-9,691,183.80	1,384,845.65
Services and other goods	61	169,778,755.15	156,558,036.83
Remuneration, social security costs and pensions	62	122,256,131.60	121,358,952.96
Depreciation of and other amounts written off formation expenses, intangible and tangible fixed assets	630	32,245,660.99	31,574,359.62
Amounts written off stocks, contracts in progress and trade debtors: Appropriations (write-backs)	631/4	-299,771.67	-501,535.96
Provisions for liabilities and charges: Appropriations (uses and write-backs)	635/8	293,076.02	1,245,885.99
Other operating charges	640/8	6,656,626.32	7,181,597.82
Non-recurring operating charges	66A	3,242,159.67	15,244,515.02
OPERATING PROFIT (LOSS)	9901	9,798,376.75	15,763,483.61
Financial income	75/76B	645,590.64	2,240,491.12
Recurring financial income	75	645,590.64	2,240,491.12
Income from financial fixed assets	750	-	14.76
Income from current assets	751	153,902.16	13,386.48
Other financial income	752/9	491,688.48	2,227,089.88
Financial charges	65/66B	5,399,378.03	7,151,461.63
Recurring financial charges	65	5,399,378.03	7,151,213.74
Debt charges	650	3,523,657.11	3,778,681.08
Other financial charges	652/9	1,875,720.92	3,372,532.66
Non-recurring financial charges	66B	-	247.89
GAIN (LOSS) FOR THE PERIOD BEFORE TAXES	9903	5,044,589.36	10,852,513.10

	Codes	PERIOD 2022	PERIOD 2021
Transfer from deferred taxes	780	2,282,728.07	2,428,159.39
Transfer to deferred taxes	680	232,828.90	367,675.01
Income taxes	67/77	2,780,503.22	2,291,605.91
Taxes	670/3	4,154,631.81	5,042,098.07
Adjustment of income taxes and write-back of tax provisions	77	1,374,128.59	2,750,492.16
GAIN (LOSS) OF THE PERIOD	9904	4,313,985.31	10,621,391.57
Share in the result of the companies accounted for using the equity method	9975	86,043.80	61,673.20
Profits	99751	86,043.80	61,673.20
CONSOLIDATED PROFIT (CONSOLIDATED LOSS)	9976	4,400,029.11	10,683,064.77
Of which:			
Share of third parties in the result	99761	104,333.43	129,458.63
Share of the group in the result	99762	4,295,695.68	10,553,606.14



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3. Explanatory disclosures

1. List of the consolidated subsidiary companies and companies included using the equity method

NAME, full address of the REGISTERED OFFICE and for an enterprise governed by Belgian law, the COMPANY IDENTIFICATION NUMBER	The equity method (1)	Proportion of capital or contribution held (2) (in %)	Change of percentage of capital held or contribution held (as compared to the previous period)
Milcobel 3F - BE 0424.899.491 - Cooperative company Fabriekstraat 141, 9120 Kallo (Beveren-Waas), Belgium	I	62.05	9.79
Milcobel Dairy - BE 0870.017.447 - Public limited company Fabriekstraat 141, 9120 Kallo (Beveren-Waas), Belgium	I	100.00	0.00
Kaasimport Dupont - BE 0405.109.216 - Public limited company Lieven Bauwensstraat 9, 8200 Sint-Andries, Belgium	I	100.00	0.00
Cheeseline - BE 0441.187.078 - Public limited company Lieven Bauwensstraat 9, 8200 Sint-Andries, Belgium	I	100.00	0.00
Camal - BE 0412.859.912 - Public limited company Route de Légipont 12, 4671 Blégny, Belgium	I	100.00	0.00
Ysco - BE 0472.336.451 - Public limited company Fabriekstraat 141, 9120 Kallo (Beveren-Waas), Belgium	I	100.00	0.00
Ysco France sas Avenue de la 2e DB 53, 61208 Argentan, France	I	100.00	0.00
Ysco holding France sas Rue de la Gare 3087, 59299 Boeschepe, France	I	100.00	0.00

NAME, full address of the REGISTERED OFFICE and for an enterprise governed by Belgian law, the COMPANY IDENTIFICATION NUMBER	The equity method (1)	Proportion of capital or contribution held (2) (in %)	Change of percentage of capital held or contribution held (as compared to the previous period)
Kaasbrik - BE 0423.910.091 - Public limited company Industriepark 1216, 3545 Halen, Belgium	I	100.00	0.00
Jokali - BE 0427.152.267 - Public limited company Fabriekstraat 141, 9120 Kallo (Beveren-Waas), Belgium	I	100.00	0.00
KJD Consult - BE 0631.728.633 - Limited liability company Fabriekstraat 141, 9120 Kallo (Beveren-Waas), Belgium	I	100.00	0.00
Milcobel Asia LTD. Room 7/03, 7F, Austin Tower, Austin Avenue 22-26, Tsim Sha Tsui, Hong Kong	I	100.00	0.00
Héritage 1466 - BE 0425.964.513 - Public limited company Rue de Charneux 32, 4650 Herve, Belgium	V4	20.00	0.00

(1) F: Full consolidation

E4: Equity method used in a joint subsidiary company where its activities cannot be closely integrated into the activities of the enterprise having the joint control (article 3:124, second al. of the aforementioned Royal Decree).

(2) Proportion of capital of those enterprises being held by the enterprises included in the consolidated accounts and persons acting in their own names but on behalf of these enterprises.

2. Consolidation criteria and changes in the consolidation scope

If of any importance, information and criteria governing the application of full consolidation, proportional consolidation and the equity method as well as those cases in which these criteria are departed from, and justification for such departures (pursuant to article 3:156, I. of the Royal Decree of 29 April 2019 in implementation of the Company and Association Code)

The full consolidation method was applied to all companies which are controlled directly or indirectly by the consolidating company, by law or in fact, and to companies over which control is shared. These companies have been included in the consolidated annual accounts using the full consolidation method or the equity method, according to the degree of integration into Milcobel. The participations in affiliated companies have been valued and included in the accounts using the equity method.

Information which makes a comparison meaningful with the consolidated annual accounts of the previous financial period in case the composition of the consolidation aggregate in the course of the current financial period has changed significantly (in implementation of article 3:102 of the same Decree)

No significant changes have occurred.

3. Valuation rules

Specification of the criteria of significant importance for valuation of the various items in the consolidated financial statements, in particular:

- the application and adjustments of depreciation, amounts written down and provisions for liabilities and charges, and revaluations (pursuant to Article 3:156, VI.a. of the Royal Decree of 29 April 2019 in implementation of the Company and Association Code).
- the bases of translation applied to express in the consolidated accounts items which are, or originally were, expressed in a currency other than the currency in which the consolidated accounts are stated, and the translation in the consolidated accounts of the accounting statements of subsidiaries and associated enterprises governed by foreign law (pursuant to Article 3:156, VI.b. of the aforementioned Royal Decree).



ASSETS

Establishment costs

The establishment costs are depreciated on a straight-line basis at 20%.

Intangible fixed assets

The acquisitions and brought in intangible fixed assets are booked on the asset side of the balance sheet at their acquisition price or brought in value and are depreciated on a straight-line basis in accordance with the following percentages:

	min.	max.
1. Research and development costs	20	20
2. Concessions, patents, licences, brands, etc.	10	20
3. Goodwill	10	20
4. Advance payments	0	0

Consolidation differences

The consolidation differences represent the divergences between on the one hand the acquisition value and on the other the corresponding part of the equity capital on the date on which the shares have been acquired or a nearby date close to it.

Insofar as these differences originate from an over or under valuation of specific items on the asset or liabilities side, they will be allocated to it. The remaining difference is included in the consolidated accounts in the item "consolidation differences" on the asset or liabilities side of the balance sheet, depending on whether the acquisition value is higher or lower than the share in the (possibly recalculated) equity capital.

Activated consolidation differences are depreciated in a straight line over a period between five and ten year. Additional or extraordinary depreciations are applied to these differences when, as a result of changes in economic circumstances, it is no longer justified to retain them at that particular value in the consolidated balance sheet.

Negative consolidation differences are booked to the liabilities side. They only benefit the consolidated profit & loss account to cover operational losses incurred for reasons existing at the time of the acquisition (overcapacity, staffing levels too high) and within a limited period of time. They are booked to code 9960 'Amounts written down on positive consolidation differences'.

Tangible fixed assets

Tangible fixed assets are booked to the asset side of the balance sheet at their acquisition price (incl. additional costs) or their brought in value. Depreciations are booked according to the straight-line method (pro rata temporis) over the economic life.

The depreciation percentages are as follows:

	min.	max.
1. Industrial, administrative and commercial buildings	3	10
2. Plant, machinery and equipment	5	25
3. Vehicles	10	25
4. Office equipment and furniture	10	33
5. Other tangible fixed assets	3	20
6. Assets under construction and advance payments	0	0
7. Leasing and similar rights	according to the category to which the asset belongs	



Stocks

- Raw materials: acquisition value according to weighted average price or lower market value on balance sheet date for solid and liquid dairy produce and for ice cream activities;
- Spare parts : acquisition value according to weighted average price
- Consumables and goods purchased for resale: acquisition value according to weighted average price or lower market value on balance sheet date for solid and liquid dairy produce and for ice cream activities;
 - Acquisition value according to FIFO method or lower market value on balance sheet date for liquid dairy produce;
 - Acquisition value according to the weighted average price, FIFO method or individualisation of the price of each component for the cheese distribution and this depending on the nature of the product. The acquisition value may not exceed the market value on the balance sheet date;
- Finished goods: valuation at manufacture price or market value, if this is lower on the balance sheet date;
 - de vervaardigingsprijs omvat, naast aanschaffingskosten van grondstoffen, verbruiksgoederen en hulpstoffen, productiekosten die rechtstreeks aan individuele product of productgroepen toerekenbaar zijn.

Accounts receivable within one year

Accounts receivable are included at nominal value. Write downs are booked to these accounts receivable when their collectibility is in doubt.

Investments

Shares and fixed income securities: acquisition value.
Credit balances at financial institutions: nominal value.

Cash at bank and in hand

Valuation at nominal value.



LIABILITIES

Consolidated reserves

The group reserves include the reserves and results carried forward of the consolidated company, raised with the share of the group in the results, after deduction of dividends, of the full and proportionally consolidated companies and the companies to which the equity method has been applied.

Revaluation surpluses

The revaluation of land is based on an appraisal report by an independent body with proven experience in transactions involving land, land and buildings, where the estimated value is verified against one or more actual transactions on the same site or in the same municipality/province.

Investment grants

Investment grants are valued at nominal value after deduction of deferred taxes.

Provisions for risks and costs

The Board of Directors decides, on the basis of a prudent evaluation, which provisions should be made to cover the cost of early retirement, major repairs and maintenance, settlement of claims, supplied guarantees, hedge risks and possible other risks and costs that are probable or certain on the balance sheet date, but the extent of which is not yet known.

Deferred tax and latent liabilities

Deferred tax and latent liabilities are booked:

- To the differences resulting from the application of the valuation rules of the Group with respect to the statutory valuation rules of the Group companies,
- To the temporary differences between accounting and tax results,
- To the granted not yet depreciated investment grants and untaxed gains values included in the company's equity capital.

Amounts payable after one year and within one year

Amounts payable are booked at their nominal value.

Deferred charges and accrued income

Revenue and costs are allocated to the period to which they apply.

Foreign currency

Foreign currency receivables and payables are valued at the exchange rate applicable on the balance sheet date. Negative exchange rate differences are booked in results. Positive exchange rate differences are booked to transitory accounts on the liabilities side.

4. METHODS OF CALCULATING OF DEFERRED TAXES

Detailed explanation on the methods applied in determining deferred taxes

Deferred tax and latent liabilities are booked:

- To the differences resulting from the application of the valuation rules of the Group with respect to the statutory valuation rules of the Group companies,
- To the temporary differences between accounting and tax results,
- To the granted not yet depreciated iPLCestment grants and untaxed gains values included in the company's equity capital.

FUTURE TAXATION AND DEFERRED TAXES

Deferred taxes	(code 168)
Future taxation (Pursuant to article 3:54 of the Royal Decree of 29 april 2019 in implementation of Company and Association Law)	14,482,935.46
Deferred taxes (Pursuant to article 3:119 of aforementioned Royal Decree)	-
	14,482,935.46

5. STATEMENT OF FORMATION EXPENSES

	PERIOD 2022
Net book value at the end of the period	(code 20)
Movements during the period	
New expenses incurred	110,384.87
Depreciation	3,679.50
Net book value at the end of the period	106,705.37
Of which	
Formation or capital increase expenses, loan issue expenses and other formation expenses	106,705.37

6. Statement of intangible fixed assets

	CONCESSIONS, PATENTS, LICENCES, KNOW-HOW, BRANDS AND SIMILAR RIGHTS (code 211)	GOODWILL (code 212)	ADVANCE PAYMENTS (code 213)
Acquisition value at the end of the period	32,291,562.71	9,031,591.45	6,895,756.70
Movements during the period			
Acquisitions, including produced fixed assets	-	-	7,961,412.77
Sales and disposals	1,255,936.53	129,043.78	4,499,400.34
Transfers from one heading to another	1,660,087.30	-	-1,660,087.30
Other movements	12,720.05	-	-
Acquisition value at the end of the period	32,708,433.53	8,902,547.67	8,697,681.83
Depreciations and amounts written down at the end of the period	25,609,080.55	5,957,901.19	-
Movements during the period			
Recorded	2,581,811.96	323,546.34	-
Cancelled owing to sales and disposals	1,251,830.34	129,043.78	-
Other movements	-25,501.44	-	-
Depreciations and amounts written down at the end of the period	26,913,560.73	6,152,403.75	-
NET BOOK VALUE AT THE END OF THE PERIOD	5,794,872.80	2,750,143.92	8,697,681.83

7. Statement of tangible fixed assets

	LAND AND BUILDINGS (code 22)	PLANT, MACHINERY AND EQUIPMENT (code 23)	FURNITURE AND VEHICLES (code 24)
Acquisition value at the end of the period	131,013,516.91	419,807,292.48	44,994,362.01
Movements during the period			
Acquisitions, including produced fixed assets	88,099.74	395,600.06	70,857.25
Sales and disposals	4,884,715.99	4,406,664.28	1,480,801.25
Transfers from one heading to another	2,568,923.74	16,267,318.15	4,511,220.59
Other movements			-12,720.05
Acquisition value at the end of the period	128,785,824.40	432,063,546.41	48,082,918.55
Revaluation surpluses at the end of the period	-	-	-
Movements during the period			
Recorded	14,810,000.00	-	-
Revaluation surpluses at the end of the period	14,810,000.00	-	-
Depreciations and amounts written down at the end of the period	69,860,208.65	314,613,939.38	35,662,788.77
Movements during the period			
Recorded	3,933,733.47	21,014,368.33	4,386,071.52
Cancelled owing to sales and disposals	479.70	4,091,950.47	1,374,651.88
Other movements			25,501.44
Depreciations and amounts written down at the end of the period	73,793,462.42	331,536,357.24	38,699,709.85
NET BOOK VALUE AT THE END OF THE PERIOD	69,802,361.98	100,527,189.17	9,383,208.70

	LEASING AND SIMILAR RIGHTS (code 25)	OTHER TANGIBLE FIXED ASSETS (code 26)	ASSETS UNDER CONSTRUCTION AND ADVANCED PAYMENTS (code 27)
Acquisition value at the end of the previous period	25,978.84	605,168.45	13,988,805.87
Movements during the period			
Acquisitions, including produced fixed assets	-	-	22,568,995.71
Sales and disposals	-	9,000.00	-
Transfers from one heading to another	-	-	-23,347,462.48
Other movements	-	-	-
Acquisition value at the end of the period	25,978.84	596,168.45	13,210,339.10
Depreciation and amounts written down at the end of the previous period	25,978.84	551,292.29	-
Movements during the period			
Recorded	-	2,449.87	-
Cancelled	-	-	-
Other movements	-	-	-
Depreciations and amounts written down at the end of the period	25,978.84	553,742.16	-
NET BOOK VALUE AT THE END OF THE PERIOD	-	42,426.29	13,210,339.10

8. Statement of financial fixed assets

PARTICIPATIONS	ENTERPRISES ACCOUNTED FOR USING THE EQUITY METHOD
Acquisition value at the end of the period	743,829.90
Movements during the period	
Sales and disposals	-
Acquisitions	-
Acquisition value at the end of the period	743,829.90
Movements during the period	
Recorded	-
Cancelled	-
Movements in the capital and reserves at the end of the previous period using the equity method	313,378.90
Movements during the period	
Share in the result for the financial period	86,043.80
Movements in the capital and reserves at the end of the period using the equity method	399,422.70
NET BOOK VALUE AT THE END OF THE PERIOD	1,143,252.60
OTHER ENTERPRISES - PARTICIPATIONS	OTHER ENTERPRISES
Acquisition value at the end of the period	6,255.33
Movements during the period	
Acquisitions	1,532.26
Acquisition value at the end of the period	7,787.59
NET BOOK VALUE AT THE END OF THE PERIOD	7,787.59

AMOUNTS RECEIVABLE		OTHER ENTERPRISES
Net book value at the end of the previous period		130,101.85
Movements during the period		
Additions		13,027.29
Repayments		29,831.62
NET BOOK VALUE AT THE END OF THE PERIOD		113,297.52

9. Statement of consolidated reserve

CONSOLIDATED RESERVES		(code 9910)
Consolidated reserves at the end of the previous period		75,120,254.34
Movements during the period:		
Shares of the group in the consolidated income		4,295,695.68
Other movements		-1,657,141.12
Dividend		-2,116,122.65
Transactions with minority interests		458,981.53
CONSOLIDATED RESERVES AT THE END OF THE PERIOD		77,758,808.90

10. Statement of amounts payable

BREAKDOWN OF AMOUNTS PAYABLE WITH AN ORIGINAL PERIOD TO MATURITY OF MORE THAN ONE YEAR, ACCORDING TO THEIR RESIDUAL TERM	DEBTS WITHIN ONE YEAR (code 42)	BETWEEN ONE AND FIVE YEARS (code 17)	OVER FIVE YEARS (code 17)
Financial debts	27,311,903.00	83,138,582.00	36,342,500.00
Credit institutions	27,311,903.00	83,138,582.00	36,342,500.00
Other amounts payable	216,658.00	5,447,986.00	-
TOTAL	27,528,561.00	88,586,568.00	36,342,500.00

11. Net turnover

NET TURNOVER	PERIOD 2022	PERIOD 2021
Aggregate turnover of the group in Belgium	495,659,629.36	405,036,974.91
AVERAGE NUMBER OF PERSONS EMPLOYED (IN UNITS) AND PERSONNEL CHARGES	PERIOD 2022	PERIOD 2021
Consolidated enterprises and fully consolidated enterprises		
Average number of persons employed (in units)	1,878	1,898
Workers	1,385	1,414
Employees	486	478
Management personnel	7	6
Others persons	-	-
Personnel charges		
Remuneration and social charges	125,308,517.90	122,875,862.59
Pensions	124,874.72	137,987.04
Average number of persons employed in Belgium by the enterprises concerned	1,672	1,696
NON RECURRING INCOME	PERIOD 2022	PERIOD 2021
Non-recurring operating income	9,041,224.07	15,888,776.54
Capital gains on disposal of intangible and tangible fixed asset	6,314,423.75	11,628,612.64
Other non-recurring operating income	2,726,800.32	4,260,163.90
Of which: Proceeds from sale of Schoten site	639,920.49	3,560,654.26
Netting post-payment 2021	900,136.91	-
Offsetting I miscellaneous	929,407.06	-
NON-RECURRING EXPENSES	PERIOD 2022	PERIOD 2021
Non-recurring expenses	3,242,159.67	15,244,762.91
Non-recurring operating charges	3,242,159.67	15,244,515.02
Non-recurring depreciation of and amounts written off formation expenses, intangible and tangible fixed assets	-	-
Capital losses on disposal of intangible and tangible fixed assets	322,276.28	-
Other non-recurring operating charges	2,919,883.39	15,244,515.02
Of which: Back-payment I loyalty bonus	-	14,500,833.16
Listeria	1,344,545.65	-
Offsetting I miscellaneous	1,211,346.12	-
Non-recurring financial charges	-	247.89
Capital losses on disposal of financial fixed assets	-	247.89

INCOME TAXES	PERIOD 2022	PERIOD 2021
Difference between the tax charged in the consolidated income statement for the period and the preceding periods and the amount of the tax paid or payable in respect of those periods, in as far as this difference is significant in respect of future taxation	-14,307,198.74	-16,287,373.79

12. Rights and commitments not reflected in the balance sheet

RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET	PERIOD 2022
Commitments to exchange rates	15,756,683.29
Amount, nature and form concerning litigation and other important commitments <ul style="list-style-type: none"> - Taking into account the refinancing after year-end, we can state that all covenants were respected. - Minimum guaranteed turnover 2023 of 7,916K Eur for external storage. - Commitment to purchase raw materials and packaging 2023 for 103,512K Eur. 	
Commitments with respect to retirement and survivors pensions in favour of their personnel or executives, at the expense of the enterprises included in the consolidation <p>The company has contracted a group insurance policy for its employees and managers with a Belgian insurance company. The costs are partially supported by the company and partially by the concerned person.</p>	
Nature and financial impact of significant events after the closing date not included in the balance sheet or the income statement	nihil

13. Relationships with affiliated enterprises and enterprises linked by participating interests but not included in the consolidation

AFFILIATED ENTERPRISES	PERIOD 2022	PERIOD 2021
Financial fixed assets <ul style="list-style-type: none"> Participating interests 	1,143,252.60	1,057,208.80
Transactions with enterprises linked by participating interests out of market conditions	nihil	nihil

14. Financial relationships with

DIRECTORS, MANAGERS, INDIVIDUALS OR BODIES CORPORATE WHO CONTROL THE ENTERPRISE WITHOUT BEING ASSOCIATED THEREWITH OR OTHER ENTERPRISES CONTROLLED BY THESE PERSONS	PERIOD 2022
Total amount of remuneration granted in respect of their responsibilities in the consolidation enterprise, its subsidiary companies and its affiliated companies, including the amounts in respect of retirement pensions granted to former directors or managers.	397,504.02
AUDITORS OR PEOPLE THEY ARE LINKED TO	PERIOD 2022
Auditor's fees according to a mandate at the group level led by the company publishing the information	137,150.00
Auditor's fees for exceptional services or special missions executed in the groups companies	
Other attestation missions	25,070.00
Other missions external to the audit	4,500.00
Fees to people auditors are linked to according to the mandate at the group level led by the company publishing the information	23,200.00

15. For every category of derivatives not measured at fair value.

Category derivative financial instruments	Hedged risk	Speculation / hedging	Scope	Period: Booked value	Period: Real value	Preceding period: booked value	Preceding period: real value
Interest rate swap	Interest	Hedging	110880859	-	6,769,191.07	-	1,425,295.23

16. Extra information :

The amortisation period for the goodwill on the acquisition of Kaasbrik (per 01/07/2021) was placed at 10 years as this acquisition fits within the strategic plan of the Milcobel group and will bring about a sustainable improvement in profitability in the mozzarella cheese business.





B. Other documents to be filed under Belgian company law

1. Consolidated annual report 2022

Per legal and statutory obligations, we have the honour of reporting to you on Milcobel cv's consolidated financial statements as of 31 December 2022.

ASSETS

INTANGIBLE FIXED ASSETS (EUR 17,242.699)

This mainly concerns investments in software (EUR 1,2 million) and the acquisition of greenhouse gas emission rights.

TANGIBLE FIXED ASSETS (EUR 192,965.525)

Investments for the financial year amount to EUR 23 million.

FINANCIAL FIXED ASSETS (EUR 1,264.338)

The companies with participating interests (EUR 1,143.253) relate to Héritage 1466 SA.

INVENTORIES (EUR 171,119.413)

Inventories account for 32% of the balance sheet total and are up 35% compared with last year.

RECEIVABLES DUE WITHIN ONE YEAR (EUR 141,247.258)

Receivables are up 14% compared with last year.

LIABILITIES

THIRD-PARTY INTERESTS (EUR 5,632.037)

This concerns the interest in Milcobel 3F held by third parties, and the movement relates to Milcobel 3F's result, dividends paid and changes in the percentage held as well as Milcobel 3F's own capital.

PROVISIONS AND DEFERRED TAXES (EUR 20,313.924)

The deferred taxes and deferred tax assets (EUR 14,482.935) item originates from the difference between the company and tax valuation of the tangible fixed assets.

AMOUNTS PAYABLE AFTER ONE YEAR (EUR 124,929.068)

Financial liabilities mainly concern fixed-term loans taken out with various banking institutions. In 2022, EUR 35 million of new loans were removed, and EUR 31,9 million was repaid.

AMOUNTS PAYABLE WITHIN 1 YEAR (EUR 239,249.597)

Liabilities are up 19% compared with last year.

RESULTS

OPERATING RESULTS

Sales achieved in the year 2022 amount to EUR 1,366 million.

Turnover can be broken down as follows:

- 1,049 million was achieved by dairy operations.
- 317 million was achieved by ice cream operations.

FINANCIAL RESULTS

The cost of debt decreased slightly compared with last year.

EVENTS

Within Milcobel, there is a strong focus on the Phoenix strategic plan, which, spread across nine sites, is being rolled out and followed up in all parts of the organisation. All strategic decisions must be positioned within the strategic framework outlined.

Milcobel Premium Ingredients

2022 was still partly marked by the Covid-19 crisis, with a severely disrupted supply chain. Virtually all dairy products evolved towards the summer to (near) record prices. This was due to a lag in milk supply in the first half of the year, with healthy demand in most regions worldwide. There was less milk powder production in the EU, leading many buyers to fear they could not obtain adequate supplies. This caused prices to rise further to levels that meant several regions were forced to buy other protein sources. As a result, demand fell considerably at the end of 2022, and the lag in milk production ended, driven by high milk prices. Besides powder, we saw the same evolution in butter and whey to historic prices just before summer and a decline towards the end of the year. We saw significant demand within food service and retail for mozzarella after the unprecedented Covid-19 measures were lifted. Mozzarella production volumes in the EU were slightly lower compared with previous years. All this resulted in tension between supply and demand, culminating in a continuous upward price movement during the year's first half. In 2022, we saw the expected growth of recent years cumulatively with additional demand due to a consumption shift towards mozzarella and strong growth within retail and takeaway. The summer season amplified this effect. We also faced unprecedented inflation. This was partly fuelled by skyrocketing energy prices and geopolitical concerns. Prevailing doubts regarding the economic situation and concerns around global relations resulted in a certain restraint in purchasing policy during the last quarter. This translated into lower mozzarella volumes and lower prices. At the end of the year, we opted to produce more cheddar, partly because of the better price and its longer shelf life.

Milcobel Consumer Products

2022 was a challenging year for our brands. The listeria incident also had an impact. Production at the Moorslede plant was shut down for a month, followed by an additional three months of halved production. To date, several red cheese spread brands still haven't returned to the market. Nevertheless, following the production cuts, the market has been characterised by necessary and very robust price increases. In a declining market, too, especially for the brands. Our market share came under severe pressure. Of course, we see the same effect with our Private Label cheeses. Despite temporarily marketing private label Gouda in a Dutch factory produced from Belgian pasture milk, we lost volume, mainly to Dutch producers of Gouda (film-wrapped) cheese. The private label market declined, albeit less than branded cheeses, with an additional shift to hard discounts.

Private label price increases were also significant, again driven by higher raw materials, packaging, labour and energy costs.

The improvement in the commercial and financial performance of Southern European cheeses continued in 2022. We saw an enhanced value of Southern European cheeses for the first time. Despite the reduction in volume due to the listeria incident, we observed steady demand for these types of cheeses, not only from Italy but increasingly from other countries as well.

We continued to roll out the turnaround plan for our cheese service business. An even more focused range; the number of SKUs will be permanently optimised. Less complexity by further reducing the number of possible product specifications, complemented by an 'Available To Promise' working tool. Retail outlets from the south of the country are increasingly served by 'Camal' instead of 'Dupont'. We are reaping the first benefits of lots of hard work; the decline in volume has halted, and we are even seeing, despite the market, a slight volume growth. Moreover, 100% of the price increases have been passed on to the market. Camal has once again, for the third year in a row, achieved strong commercial and financial performance.

To consolidate and strengthen the market position, the 'route to market' professionalism must improve. In this regard, market-based service levels, acceptable forecast accuracy, a sound attainment plan, and 'First Time Right' will be necessary.

YSCO

Over the past six years, even-numbered years have been characterised by more favourable weather (2018-2020-2022), and odd-numbered years have been more likely to have a poor summer and/or spring. 2022 was climatically favourable for Ysco sales, i.e. a good spring and great summer with record months because of the fine weather. Contract volumes should form the basis, and weather can only have a limited impact on extra sales or fewer sales. 2022 was no different; despite a price increase we implemented in late 2021, we successfully closed our contracts. The year ended at 189 million litres. The 2nd best year ever. 2020 holds the record at 190.5 million. Our top 25 customers solidified their share of total revenue. With a few exceptions, every customer grew in volume. Lidl was one such exception, but this was entirely in line with expectations. As announced, volume was directed towards their own factories. We could fully offset that with other customers, mainly Aldi UK and FR. 2022 was also marked by inflation. For the first time in a long time, we had to renegotiate ongoing contracts with all our customers in April/May. This meant that in 2022, the commercial relationship with our customers was very often limited to price talks. And since 2022, we were already finalising the contracts for 2023; we also ended up with price increases... This time also historically, but successfully.

Events after the balance sheet date: there are no significant post-balance sheet events to report.

FINANCIAL INSTRUMENTS

A long-term funding agreement was signed on 12 March 2021 between Milcobel, KBC, BNP Paribas Fortis, ING and Belfius. This funding agreement amounts to EUR 166.10 million. This guarantees long-term funding. The provisions have a term of five years. Milcobel will use the financing facilities to repay its COVID-19 facilities, capital expenditure, potential acquisitions and general business and working capital purposes.

Forward foreign exchange contracts mainly hedge currency risks arising from sales transactions. Interest rate hedges are used for significant short-term interest-bearing debt to counter interest rate fluctuations. The majority of long-term interest-bearing debt is incurred at a fixed interest rate.

RESEARCH AND DEVELOPMENT

The existing activities related to research and development continue in the various divisions.

RISKS AND UNCERTAINTIES

Besides general business risks, the Milcobel Group faces threats specific to a dairy company. Calamities can cause severe disruption in milk supply and the production and sales process. This risk is mitigated by introducing a Quality Assurance System (QAS).

Kallo, 15 March 2023

Betty Eeckhaut
Chairperson

Luc Van Laer
Director

C. Statutory auditor's report

STATUTORY AUDITOR'S REPORT TO THE GENERAL SHAREHOLDERS' MEETING OF MILCOBEL CV ON THE CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

We present to you our statutory auditor's report in the context of our statutory audit of the consolidated accounts of Milcobel CV (the "Company") and its subsidiaries (jointly "the Group"). This report includes our report on the consolidated accounts, as well as the other legal and regulatory requirements. This forms part of an integrated whole and is indivisible.

We have been appointed as statutory auditor by the general meeting d.d. 16 June 2020, following the proposal formulated by the board of directors and following the proposal formulated by the works' council. Our mandate will expire on the date of the general meeting which will deliberate on the annual accounts for the year ended 31 December 2022. We have performed the statutory audit of the Company's consolidated accounts for 15 consecutive years.

Report on the consolidated accounts

Unqualified opinion

We have performed the statutory audit of the Group's consolidated accounts, which comprise the consolidated balance sheet as at 31 December 2022, and the consolidated profit and loss account for the year then ended, and the notes to the consolidated accounts, characterised by a consolidated balance sheet total of EUR 530,750,458.04 and a consolidated profit and loss account showing a consolidated profit for the year of EUR 4,400,029.11.

In our opinion, the consolidated accounts give a true and fair view of the Group's net equity and financial position as at 31 December 2022, and of its results for the year then ended, in accordance with the financial-reporting framework applicable in Belgium.

Basis for unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Belgium. Furthermore, we have applied the International Standards on Auditing as approved by the IAASB which are applicable to the year-end and which are not yet approved at the national level. Our responsibilities under those standards are further described in the "Statutory auditor's responsibilities for the audit of the consolidated accounts" section of our report. We have fulfilled our ethical responsibilities in accordance with the ethical requirements that are relevant to our audit of the consolidated accounts in Belgium, including the requirements related to independence.

We have obtained from the board of directors and Company officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the board of directors for the preparation of the consolidated accounts

The board of directors is responsible for the preparation of consolidated accounts that give a true and fair view in accordance with the financial-reporting framework applicable in Belgium, and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated accounts, the board of directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Statutory auditor's responsibilities for the audit of the consolidated accounts

Our objectives are to obtain reasonable assurance about whether the consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated accounts.

In performing our audit, we comply with the legal, regulatory and normative framework applicable to the audit of the consolidated accounts in Belgium. A statutory audit does not provide any assurance as to the Group's future viability nor as to the efficiency or effectiveness of the board of directors' current or future business management at Group level. Our responsibilities in respect of the use of the going concern basis of accounting by the board of directors' are described below.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher

than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors.
- Conclude on the appropriateness of the board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the consolidated accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated accounts, including the disclosures, and whether the consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other legal and regulatory requirements

Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the directors' report.

Statutory auditor's responsibilities

In the context of our engagement and in accordance with the Belgian standard which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, our responsibility is to verify, in all material respects, the directors' report on the consolidated accounts and to report on these matters.

Aspects related to the directors' report on the consolidated accounts

In our opinion, after having performed specific procedures in relation to the directors' report on the consolidated accounts, this directors' report is consistent with the consolidated accounts for the year under audit and is prepared in accordance with article 3:32 of the Companies' and Associations' Code.

In the context of our audit of the consolidated accounts, we are also responsible for considering, in particular based on the knowledge acquired resulting from the audit, whether the directors' report on the consolidated accounts is materially misstated or contains information which is inadequately disclosed or otherwise misleading. In light of the procedures we have performed, there are no material misstatements we have to report to you.

Statement related to independence

- Our registered audit firm and our network did not provide services which are incompatible with the statutory audit of the consolidated accounts, and our registered audit firm remained independent of the Group in the course of our mandate.
- The fees for additional services which are compatible with the statutory audit of the consolidated accounts referred to in article 3:65 of the Companies' and Associations' Code are correctly disclosed and itemized in the notes to the consolidated accounts.

Ghent, 28 April 2023

The statutory auditor, PwC Reviseurs d'Entreprises SRL / PwC Bedrijfsrevisoren BV
Represented by Peter Opsomer, Réviseur d'Entreprises / Bedrijfsrevisor



Milcobel cv

Fabriekstraat 141 - 9120 Kallo

Tel +32 3 730 18 00 - Fax +32 3 730 19 00

info@milcobel.com - www.milcobel.com

Ed. june 2023

