

Results for the first quarter of the business year 2022/2023

(1 April 2022 to 30 June 2022)

- **strongest quarter in terms of revenue in the Company's history**
- **strong demand, especially at major events**
- **multi-year contract signed for Formula 1 in Miami**
- **hyperinflation in Türkiye impacts net result – first-time application of IAS 29**

Divisions and Group	Q1 2022/2023	Q1 2021/2022	Change	Change in %	Q1 2022/2023 excl. IAS 29
Group revenue	m€ 288.31	102.84	185.48	180.4%	287.71
Airline Catering	m€ 219.65	77.53	142.12	183.3%	219.05
International Event Catering	m€ 42.18	14.13	28.05	198.6%	42.18
Restaurants, Lounges & Hotels	m€ 26.48	11.18	15.30	136.9%	26.48
EBITDA	m€ 29.16	22.26	6.90	31.0%	31.16
Depreciation/impairment	m€ -14.33	-12.62	-1.71	-13.6%	-13.24
EBIT	m€ 14.83	9.64	5.19	53.9%	17.92
Net Result	m€ 3.35	2.18	1.18	54.0%	7.78
EBITDA margin	% 10.1%	21.6%			10.8%
EBIT margin	% 5.1%	9.4%			6.2%
Employees	10,449	7,496	2,953	39.4%	10,449

VIENNA – 11 August 2022 – DO & CO Aktiengesellschaft is publishing its results under IFRS for the first quarter of the business year 2022/2023 today. In the first quarter of the business year 2022/2023, the DO & CO Group recorded revenue in the amount of € 288.31m. This constitutes an increase in revenue by € 185.48m or 180.4% as compared to the previous year. The EBITDA of the DO & CO Group was € 29.16m (PY: € 22.26m) in the first quarter of the business year 2022/2023. The EBITDA margin was 10.1% (PY: 21.6%). Consolidated earnings before interest and tax (EBIT) of the DO & CO Group amounted to € 14.83m for the first quarter of the business year 2022/2023, € 5.19m higher than in the same period of the previous year. The EBIT margin was 5.1% (PY: 9.4%). The net result increased by € 1.18m from 2.18m in the previous year to € 3.35m.

The recovery from the impacts of the COVID-19 pandemic that started in the previous business year has continued in the first quarter of the business year 2022/2023. DO & CO has benefited from an increase in demand across all divisions and at € 288.31m reported the strongest quarter in terms of revenue in its history despite the continuing depreciation of the Turkish lira. Exchange rate fluctuations against the euro compared to the first quarter of the business year 2021/2022 resulted in a negative effect on Group revenue in the amount of € 51.30m, which was primarily due to the decline of the Turkish lira. Since a significant portion of costs in the Turkish subsidiaries is incurred in the local currency, the margins have largely remained unaffected by this development.

The result of the first quarter of the business year 2022/2023 was strongly affected by application of the provisions of IAS 29 "Financial reporting in hyperinflationary economies" to the financial statements of the Turkish subsidiaries. At € 7.78m, the net result would have been € 4.43m higher without applying IAS 29. As regards the result, the positive trend of the previous quarters has continued. Despite the strain resulting from the depreciation of the Turkish lira, at € 195.26m the Company again reports a high amount of cash and cash equivalents in the first quarter of the business year 2022/2023.

Below, a detailed account is given on the development of the three divisions of the DO & CO Group:

1. AIRLINE CATERING

Airline Catering		Q1 2022/2023	Q1 2021/2022	Change	Change in %	Q1 2022/2023 excl. IAS 29
Revenue	m€	219.65	77.53	142.12	183.3%	219.05
EBITDA	m€	22.83	16.41	6.42	39.1%	24.83
Depreciation/impairment	m€	-11.29	-9.58	-1.71	-17.9%	-10.21
EBIT	m€	11.54	6.83	4.71	68.9%	14.62
EBITDA margin	%	10.4%	21.2%			11.3%
EBIT margin	%	5.3%	8.8%			6.7%
Share in consolidated revenue	%	76.2%	75.4%			76.1%

The Airline Catering division can look back on a solid first quarter of the business year 2022/2023. With revenue of € 219.65m, the Airline Catering division reports the strongest quarter in terms of revenue in the Company's history. This performance is a significant milestone for DO & CO, and especially welcome given the current difficult market environment. Although demand for international air traffic has increased, enabling development and expansion of customer relations, it should still be noted that the entire Airline Catering market has, at best, only reached 70% of pre-crisis levels.

In the US, the establishment of the new location in Miami is underway. A property of about 20,000m² is available and will initially be used as logistics hub for the Event Catering activities in North, Central and South America. The gourmet kitchen will commence operations towards the end of the current business year. This is the sixth location in the US, following New York- JFK, Chicago, Boston, Detroit and Los Angeles.

In addition to Miami, business activities in New York were also extended. Since May 2022, DO & CO has been providing catering services on all Etihad Airways flights ex New York-JFK.

Moreover, DO & CO is pleased to have won KLM Royal Dutch Airlines as customer at the high frequency locations in New York-JFK, Chicago and Los Angeles for the first time.

In London Heathrow, British Airways has decided to also offer freshly prepared DO & CO meals, which had previously been sourced as frozen products via a third-party supplier, on its economy class long-haul flights. This way, regional raw materials fresh from the market are used as far as possible, and carbon emissions are strongly reduced as long transport routes for individual ingredients of the meals are avoided and the frozen meals are no longer stuck in long supply chains. In this context, DO & CO of course does not use any preservatives or flavour enhancers in the economy class meals that are freshly produced on a daily basis. This also ensures that the capacities of the new gourmet kitchen at London Heathrow will be much better utilised in the coming years.

Despite the unfavourable market environment, the Airline Catering division generated a massive increase in revenue of 183.3% as compared to the previous year. Revenue in the first quarter of the business year 2022/2023 amounts to € 219.65m (PY: € 77.53m). At € 22.83m, EBITDA is € 6.42m higher than the figure of the same period of the previous year. EBIT amounts to € 11.54m (PY: € 6.83m). The result of the Airline Catering division in the first quarter of the business year 2022/2023 has been strongly affected by application of the provisions of IAS 29 "Financial reporting in hyperinflationary economies" to the financial statements of the Turkish subsidiaries. At € 24.83m, the EBITDA would have been € 2.00m higher without applying IAS 29. At € 14.62m, EBIT would have been even € 3.09m higher.

2. INTERNATIONAL EVENT CATERING

International Event Catering		Q1 2022/2023	Q1 2021/2022	Change	Change in %	Q1 2022/2023 excl. IAS 29
Revenue	m€	42.18	14.13	28.05	198.6%	42.18
EBITDA	m€	4.21	5.03	-0.81	-16.2%	4.21
Depreciation/impairment	m€	-1.11	-1.21	0.10	8.5%	-1.11
EBIT	m€	3.10	3.81	-0.71	-18.6%	3.10
EBITDA margin	%	10.0%	35.6%			10.0%
EBIT margin	%	7.4%	27.0%			7.4%
Share in consolidated revenue	%	14.6%	13.7%			14.7%

“Business is back” – also in the International Event Catering division. Thanks to the lifting of COVID-19 restrictions in most countries, a strong increase in event activities is recorded in the first quarter. Major sports and cultural events now take place in the same way as before the pandemic.

For the 16th time, DO & CO was contracted to cater for guests at the UEFA Champions League final, one of the world’s most important football events. This year required particular flexibility and adaptability as the final was relocated from St. Petersburg to the Stade de France in Paris at short-notice. DO & CO was once again able to prove its quality as a reliable and flexible partner at international major events and catered to approximately 5,000 VIP guests in its usual superior quality.

At the same weekend, also the Formula 1 race in Monaco took place, demonstrating DO & CO’s ability to adapt to the great demand on the market. Both major events were exceptionally well received by the customers.

With 22 races in 20 countries, the new Formula 1 season 2022 is experiencing huge interest and a strong global customer demand. A new, innovative and customised hospitality concept by DO & CO is already being implemented. Together with Formula 1, DO & CO is continuously working on further development of a unique “money can’t buy experience”.

Furthermore, DO & CO is pleased to announce that the Paddock Club in Miami will be operated by DO & CO for the next five years, starting with the coming 2023 Formula 1 season.

A further event this year in May was the ATP Masters 1000 tournament in Madrid featuring the world’s leading tennis players. DO & CO again created a unique hospitality concept for the event, which was well received by guests, sponsors and players. With 34,000 guests

over 10 days, this fantastic event saw catering services provided to more guests than ever.

Since April 2022, Bayern Munich's Allianz Arena can be used again without capacity restrictions. In addition to football matches with up to 75,000 guests, DO & CO also provided catering at several major concerts at the Munich Olympic Park. These included, among others, shows by "The Rolling Stones" and "Guns n' Roses" with up to 70,000 guests each.

In the first quarter of the business year 2022/2023, revenue in the International Event Catering division increased by 198.6% on the previous year to € 42.18m (PY: € 14.13m). At € 4.21m, EBITDA is € 0.81m lower than the figure for the same period of the previous year. EBIT amounts to € 3.10m (PY: € 3.81m). The reduction in EBITDA and EBIT compared to the prior year mainly results from COVID-19 support measures in the previous year.

3. RESTAURANTS, LOUNGES & HOTELS

Restaurants, Lounges & Hotels		Q1 2022/2023	Q1 2021/2022	Change	Change in %	Q1 2022/2023 excl. IAS 29
Revenue	m€	26.48	11.18	15.30	136.9%	26.48
EBITDA	m€	2.12	0.82	1.30	158.1%	2.12
Depreciation/impairment	m€	-1.93	-1.82	-0.10	-5.8%	-1.93
EBIT	m€	0.19	-1.00	1.20	119.4%	0.19
EBITDA margin	%	8.0%	7.4%			8.0%
EBIT margin	%	0.7%	-9.0%			0.7%
Share in consolidated revenue	%	9.2%	10.9%			9.2%

The Restaurants, Lounges & Hotels division is the heart of the DO & CO Group, serving as the basis for the DO & CO Group's innovation activities. In addition, the activities in this division are the benchmark for best quality, training, branding and the standard bearer of the Group. The division is made up of the units Restaurants, Demel Café, Lounges, Hotels, Employee Restaurants, Gourmet Retail, Delivery Services and Airport Dining.

The first quarter of the business year 2022/2023 was characterised by the anticipated recovery of international tourism. Like the travel industry, the food service industry has also benefited from the relaxation of restrictions on international mobility. The Restaurants, Lounges & Hotels division reported a positive trend regarding demand and utilisation.

The DO & CO boutique hotel in Munich, which has one of the best locations in Munich right next to Marienplatz in the same building as the FC Bayern World, has already recorded very favourable occupancy rates.

At Vienna Airport, DO & CO was able to reopen restaurants and shops at the redesigned terminal 2 at the end of March 2022, after a break of two years. Since the partnership with Vienna Airport has lasted for ten years, it is of particular concern to us to continue to foster this partnership in the future.

Also in this division revenue was increased significantly compared to the previous year. In the first quarter of the business year 2022/2023, the Restaurants, Lounges & Hotels division accounted for revenue of € 26.48m (PY: € 11.18m). This represents an increase of 136.9% on the previous year. With € 2.12m EBIDTA is € 1.30m or 158.1% better than in the same period of the previous year. EBIT amounts to € 0.19m (PY: € -1.00m).

OUTLOOK

In general, all business divisions report great demand.

Particularly in the International Event Catering division, a number of large tenders are in progress which are quite promising but where no final decision has been made yet.

The demand in the restaurants and in gourmet retail is equally gratifying.

Utilisation in the field of Airline Catering is also quite gratifying. DO & CO has proven to be a reliable partner to airlines, and has shown great flexibility in responding to changes in flight schedules, cancellations of flights etc. in all its locations and, unlike some other suppliers, has provided the airlines with catering services as planned and, most of all, on time. This has further strengthened the partnership with most airlines.

Increasing raw material and energy prices represent further challenges, which have already been discussed with most customers, and have partially already been covered using new prices. Most customer relations of DO & CO are founded on long-term and fair partnerships. DO & CO's management therefore assumes that the major part of the increase in costs which are out of DO & CO's sphere of influence can be passed on.

Similar to many other companies, a big challenge of DO & CO's is also to inspire employees to work in the hospitality industry. New working time models and framework conditions adapted to employees' needs have already earned initial success in making DO & CO one of the best employers that can offer a lot of flexibility, the best remuneration and career opportunities. It is DO & CO's aim to be the best employer in its industry.

DO & CO's management therefore is proactively tackling all these challenges, communicates in an open and transparent way with all its customers and also employees regarding the current framework conditions, and is convinced of the successful further development of its business model also in these challenging times.

Investor Relations

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Reuters	DOCO.VI, DOCO.IS
Bloomberg	DOC AV, DOCO. TI
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