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## LSG GROUP: ON TRACK BOTH FINANCIALLY AND STRATEGICALLY TO BECOMING A STAND-ALONE COMPANY

**Neu-Isenburg, Germany, August 7, 2023** – As the first half of the year came to a close, revenues continued to rise for the LSG Group, as the company prepares to go through a change in ownership and begin a new chapter as a stand-alone organization. With the closing of the sale to AURELIUS approaching, the company remains focused on executing its three-pillar strategy, which calls for growth in its leading areas of business, namely classic catering, onboard retail and food commerce.

In the first half of 2023, the LSG Group reported a consolidated revenue of EUR 1,107 million, compared to EUR 857 during the same period in 2022, which translates into a 29 percent increase. This is thanks to continuing positive trends across all geographical regions of the company, particularly North America and Asia-Pacific.

The LSG Group's result turned positive in the first half of 2023. The adjusted EBIT (earning before interests and taxes) improved by EUR 23 million to EUR 10 million after a loss of minus EUR 13 million in the previous year. As a reflection of the overall business recovery, the number of FTEs as of the end of June was 20,918, a 21 percent increase over last year. "We are on track with our business performance and pleased with this positive result in the first half of the year, despite suffering a negative impact from currency developments," said **LSG Group CFO Holger Fleige**. "Overall, we are looking optimistically forward to the coming months and especially expect the Asian market to continue to recover."

### ***Business wins and extensions***

In the span of the quarter, LSG Sky Chefs won new business and extended **classic catering** contracts across all regions. Among the business wins are contracts with Delta Air Lines in Auckland (AKL), New Zealand, and Air Tahiti in Seattle (SEA), Washington, USA. There were also extensions secured with Cathay Cargo in the U.S., in Anchorage (ANC), Alaska, Miami (MIA), Florida and Pittsburgh (PIT), Pennsylvania. Emirates also extended its contract in Beijing (PEK), China. In the area of **food commerce**, there was a new deal signed with food services company Samsung Welstory (canteen/cafeteria catering) in South Korea and a contract extended with Home Chef (meal kits) in Raleigh-Durham (RDU), North Carolina, USA.



### ***Innovation and Digitalization***

The latest LSG Group innovation is called **AICA**, a consumption analytics tool that offers airline customers the ability to adjust their onboard service to better satisfy the tastes of their passengers and minimize waste. “**Next**,” the company’s own innovation program continues to make progress with the training of the first slate of facilitators. They are now prepared to conduct and guide innovation workshops, both internally and with customers, to drive new ideas forward faster from conception to implementation. **Virtual reality** is also making its way into the company’s operations with the latest virtual truck driver training, and virtual tours of its facilities that can save customers travel time and resources.

### ***WTCE 2023***

At this year’s World Travel Catering and Onboard Services Expo (WTCE) in Hamburg, Germany, the industry’s largest trade show, the emphasis was on the value of partnerships for the future of the LSG Group. At the center of the company’s booth was the culinary stand where chefs prepared a slew of enticing dishes alongside strategic partners like pasta giant **Barilla** and sous-vide specialist **Cuisine Solutions**, all served on equipment courtesy of partner **Kaelis**. In addition, the company invited its joint venture partners from around the world to learn more and lend their support to the execution of the three-pillar strategy mentioned above.

### ***Awards***

LSG Sky Chefs North America was recognized at the WTCE as Airline Caterer of the Year 2023 by PAX International, a leading industry publication. Meanwhile, at the Onboard Hospitality Awards, the consumption analytics tool AICA was named Catering Innovation of the Year . For its part, RiM took two Onboard Hospitality Awards in the Best Onboard Beverage category for their Deux Frères dry gin, and Best Onboard Innovation for their Currywurst & Fries in the Sky that is served on Eurowings.

### ***Sustainability and People***

The LSG Group recently set a number of **sustainability targets** and corresponding key performance indicators (KPIs) under the People, Planet and Prosperity umbrellas. Those targets will now be broken down further. The goal is to allow the organization to take ownership of these targets at their most granular level, so that achieving them becomes an accumulation of wins across the company’s network. As it seeks to also achieve its sustainability targets under the People umbrella, the LSG Group’s own internal LGBTQ support network, **Rainbow Sky**, continues to carve out its place within the company’s corporate culture. The network aims at further promoting diversity, equity and inclusion within the Group.

“All of these developments point in one direction,” said **Erdmann Rauer, LSG Group CEO**. “Our company is well on track, both financially and strategically, to becoming a stand-alone organization, with the full support of our future owner. That is why we are continuing to pursue our three-pillar strategy with renewed motivation, as we further develop our business and master our challenges while creating value for our customers. At this inflection point in our history, we remain a strong and innovative organization with a clear vision to assert leadership in the market.”



## About the LSG Group

*The LSG Group is the quality and technology leader in airline catering and related markets. It has two strong, independent expert brands: LSG Sky Chefs as a global catering specialist with the highest hygiene and quality standards for airlines, the home-delivery market and retail. Retail inMotion, which specializes in in-flight sales, product development and technology solutions, sets standards with its understanding of partnership and its innovative strength.*

*The LSG Group (International) is headquartered in Neu-Isenburg, near Frankfurt, Germany, and has an extensive network of joint ventures and partnerships around the globe. In the pandemic year 2022, its 18,778 FTE's at 131 locations in 40 countries worldwide generated a consolidated revenue of 1.960 million euros. LSG Sky Chefs produced 275 million airline catering meals (including minority interests) and 33 million food commerce units during this period. [www.lsg-group.com](http://www.lsg-group.com)*