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LSG GROUP: INNOVATION, PARTNERSHIPS IN THE SPOTLIGHT MASSIVELY GROWING REVENUE IN THE FIRST HALF OF 2022

Neu-Isenburg/Germany, August 4, 2022 – The LSG Group's revenue increased in the first half of 2022. This was due to the positive business development in all regions - especially in North and Latin America. The increase amounted to EUR 410 million or 92 percent compared with last year (2021: EUR 447 million), bringing total revenue to EUR 857 million. The LSG Group thus reached 77 percent of its pre-pandemic revenue level (2019: EUR 1,113.7 million). In the first six months, the company signed new contracts, renewed existing ones and entered into innovative partnerships.

"Our industry continues to move through challenging economic times," says Wilken Bormann, CFO of LSG Group. "The current pandemic is compounded by supply chain disruptions, flight cancellations due to capacity constraints and high fuel and inflation costs in much of the world. The LSG Group is nevertheless recording stable growth figures and is successfully maintaining its strategic realignment and strict cost management. I would like to thank all our employees around the world who, in line with our vision, give their best every day to drive this wonderful company forward and provide our customers with a service we can be proud of."

The growth in revenue is reflected in the number of employees at 30 June 2022, which was 18,659 (previous year: 15,288, up 22 percent). Adjusted EBIT decreased to EUR 13 million in the first half of 2022 (previous year: EUR 19 million) due to the elimination of grants under the US Cares Act. Excluding the grants, adjusted EBIT would have exceeded the previous year's figure.

Focus on strategic partnerships and innovations

In the first half of the year, the LSG Group focused on implementing its strategic realignment and in this context entered into strategic partnerships with [NotCo](#), [Kaelis](#) and [Cuisine Solutions](#). The aim is to expand the offering in the areas of food technology and sustainable food and equipment solutions. At the same time, the company launched its tailor-made [innovation program "next"](#). This is intended to anchor a continuous, rapid innovation approach as a core element of the mission "We connect food and people. Everywhere." mission. All employees can participate and innovate with the help of "next". At the WTCE, the largest airline catering trade fair held in Hamburg in June, the company presented innovations such as [Consumption Analytics](#), the [Inflight Management Suite](#), further developments and product innovations in the area of in-flight sales such as [pre-order and pre-select technology](#).



"We are seeing more and more how our strategy is becoming a reality and is creating more growth and new perspectives in all areas of the company. The excellent feedback and interest from our customers at the WTCE encourages us and spurs us on to act even faster and more innovatively," says LSG Group CEO Erdmann Rauer. "Looking back, we have achieved a lot in the past six months and demonstrated market leadership, despite all the market volatility. We can be proud of this and draw the necessary energy for the months ahead. We are on the right track, I am sure of that."

New contracts and contract extensions in classic airline catering and in-flight sales business

In its core business, airline catering LSG Sky Chefs renewed important contracts with international airlines and signed new ones in the first half-year. These included Delta Air Lines (23 US locations, 2 hubs, 5 international locations), Air France/KLM (7 Latin American locations), Condor (11 new US locations) as well as Vietnam Airlines in Los Angeles/USA, Saudi Arabian Airlines in Bangkok/Thailand and Incheon/Korea. Thai Air Asia X in Thailand, Greater Bay Airlines in Hong Kong, UPS Cargo-Catering in Anchorage/USA and Turkish Airlines in Seattle and Dulles/USA.

Retail inMotion, the LSG Group's onboard retail experts, also signed contracts in the first six months with Spirit Airlines (5-year extension), Eurowings Discover (several new US locations, last mile through LSG Sky Chefs), easyJet (onboard retail technology, last mile through dnata) and Greater Bay Airlines in Hong Kong (onboard retail management). The company also won four onboard hospitality awards and developed and implemented Condor's new home delivery webshop.

New locations and contracts in Food Commerce

Food commerce (business with retailers and home delivery services) is the second pillar of the LSG Group's business that gained importance and revenue growth in the pandemic. The Ghost Kitchen network was expanded by four new locations in the reporting period (Sao Paulo/Brazil, Denver and Chicago/USA, Helsinki/Finland). The catering operation in Chile now supplies all baked goods to one of the largest coffee house chains. The operation in Pittsburgh/USA won Fifth Season as a new customer.

Sustainability in the focus of all regions and business segments

The LSG Group's sustainability strategy - based on the three pillars People - Planet - Prosperity - was further developed in regional working groups on the topic. Concrete projects with measurable goals were developed jointly. Retail inMotion launched its sustainability strategy "Prism", which is intended to have a long-term impact across all IT solutions and divisions. All initiatives are brought together under the umbrella of the overarching sustainability strategy with the aim of anchoring the topic at the core of all corporate activities.



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 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.

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 2021, its 15,500 employees at 140 locations in 40 countries worldwide generated consolidated revenue of 1,113 million euros. LSG Sky Chefs produced 131 million meals (excluding minority interests) during this period. www.lsg-group.com