Press release
Regulated information

Half year results Miko

Turnhout, 25 September 2024 - Miko, the Euronext Brussels listed coffee service specialist, announced today that the results of its continuing recurring activities in the first half of the year showed double-digit growth compared to last year. Sales from these activities increased 12%. EBIT, EBITDA and net profit advanced by 38%, 25%, and 36%, respectively.

Miko has traditionally focused on the coffee service market. Under the motto “Your coffee, our care”, Miko provides a total package of hot drinks and related services to the out-of-home market, such as companies, the hospitality industry and institutions. Turnover of the coffee service, in this case the continuing recurring activity, grew by 12% to 138.1 mio euro. EBIT, EBITDA and net profit experienced growth of 38%, 25%, and 36%, respectively, to 6.5 mio euro, 19 mio euro, and 3.7 mio euro.

Within the recurring core business, all domestic markets are demonstrating good results. Investments in property, plant and equipment amounted to 13 mio euro. This mainly relates to commercial investments in coffee machines placed on rent or loan with customers.

This growth in core business is overshadowed by a non-recurring loss of 15.5 mio euro. This is the sum of 2 significant events.

On the one hand, there was an exceptional revenue of 5 mio euro. To respond to the consolidation trend in the sector, the plastic processing division Miko Pac was sold in 2021 to the German company Paccor, which was 6 times larger at the time. In the same context of economies of scale, Paccor had already been sold on to an industry peer in the meantime. When Miko Pac was sold, a business plan stipulated that an earn-out of EUR 5 million could be earned on the 2023 results, which has now been received.

On the other hand, at the end of May it was decided to sell subsidiary SAS NV, which focused entirely on private label coffee for the retail market, to the investment company Nimbus. This resulted in a significant loss of value and additional costs amounting to 20.5 mio euro. The strategic rationale behind the decision to acquire coffee roaster SAS at the end of 2021 was inspired by the fact that after COVID, home-based work was increasing sharply. Miko responded to this by diversification into the retail sector. Moreover, SAS was only a 15-minute drive from the headquarters at Miko, so it could also fit perfectly into a brand-new roastery that Miko is going to build. Barely four months later, an armed conflict in Europe caused explosive inflation and the retail sector came under heavy fire. SAS's results also suffered.

Says Frans Van Tilborg, CEO of the Miko Group: “The decision to exit from SAS was very painful. We took this decision barely 2.5 years after the takeover. But sometimes you have to dare to move quickly. As a group we are now ready to focus 100% on what we are good at: coffee service.
This core activity is running well. Today there is some uncertainty due to the very erratic movements in commodity prices. Coffee prices recently reached historic highs. Calculating such increases always remains a challenge. But we are of course very pleased that our coffee service managed to post a good first half of the year. The fact that we continue to invest confirms our positive attitude.”

ABOUT MIKO

Miko has been active in coffee service for more than 200 years. The group achieved a turnover of 289.8 million euros in 2023. Miko is an international group with its own companies in Belgium, France, the United Kingdom, the Netherlands, Germany, Denmark, Norway, Sweden, Poland, the Czech Republic, Slovakia, and Australia.

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More information about Miko can be found at www.mikogroup.be

Annexe 1 – Half year results Miko Group

	30/06/2024 (KEUR)	30/06/2023 (without SAS Koffie) (KEUR)	30/06/2023 (as reported) (KEUR)
Revenue	**138.081**	**123.736**	**142.652**
Revenue – sale of goods	131.776	118.811	137.727
Revenue - leasing	6.073	4.802	4.802
Revenue – sale of fixed assets	232	123	123
Other operating income	**5.657**	**3.953**	**3.968**
Total expenses	**-137.268**	**-122.988**	**-143.780**
Raw materials & consumables used	-62.041	-59.135	-73.992
Employee benefit expenses	-42.560	-36.098	-39.204
Depreciation and amortization	-12.378	-10.545	-11.022
Other operating expenses	-20.289	-17.210	-19.562
Operational result before interest and taxes (EBIT)	**6.470**	**4.701**	**2.840**
Net financial result	**-1.628**	**-1.024**	**-1.072**
Financial income	89	67	67
Financial costs	-1.717	-1.091	-1.139
Profit before taxes	**4.842**	**3.677**	**1.768**
Taxes on result	-949	-833	-827
Net profit of continued operations	**3.893**	**2.844**	**941**
Result of discontinued operations	-15.501	-1.903	0
Net profit of the group	**-11.608**	**941**	**941**
Attributable to minority interests	-202	-136	-136
Attributable to Miko shareholders	**-11.811**	**805**	**805**
Earnings per share			
Weighted average number of shares	1.242.000	1.242.000	1.242.000
Basic earnings per share, attributable to Miko sharehonders (in euro)	-9.51	0,65	0,65
Weighted average number of shares after dillution	1.201.181	1.229.447	1.229.447
Dilluted earnings per share, attributable to Miko sharehonders (in euro)	-9.83	0,65	0,65

Annexe 2 – Consolidated overview of comprehensive income

	30/06/2024 (KEUR)	30/06/2023 (without SAS Koffie) (KEUR)	30/06/2023 (as reported) (KEUR)
Net profit of the group	**-11.608**	**941**	**941**
Currency translation differences (may be reclassified to profit or loss)	-502	-1.965	-1.965
Other items of comprehensive income (may not be reclassified to profit or loss)	0	0	0
Comprehensive income	**-12.110**	**-1.024**	**-1.024**
Attributable to Miko sharehonders	-12.312	-1.160	-1.160
Attributable to minority interests	202	136	136