



COOPERATIVE ENTREPRENEURSHIP IN HARMONY WITH SOCIETY

Financial Report 2021

Credits

Editors: K. De Smedt

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A. Consolidated accounts

1. Consolidated balance sheet after appropriation

ASSETS

(in €)	Codes	PERIOD 2021	PERIOD 2020
FIXED ASSETS	21/28	207,566,411.73	206,538,046.17
Intangible fixed assets	21	16,651,929.12	11,548,130.67
Tangible fixed assets	22/27	189,720,916.63	193,869,641.61
Land and buildings	22	61,153,308.26	61,207,652.09
Plant, machinery and equipment	23	105,193,353.10	118,027,944.21
Furniture and vehicles	24	9,331,573.24	7,963,147.05
Other tangible fixed assets	26	53,876.16	110,468.29
Assets under construction and advance payments	27	13,988,805.87	6,560,429.97
Financial fixed assets	28	1,193,565.98	1,120,273.89
Companies accounted for using the equity method	9921	1,057,208.80	995,535.60
Participating interests	99211	1,057,208.80	995,535.60
Other enterprises	284/8	136,357.18	124,738.29
Shares	284	6,255.33	7,556.58
Amounts receivable	285/8	130,101.85	117,181.71
CURRENT ASSETS	29/58	263,933,719.59	281,917,349.74
Amounts receivable after more than one year	29	255,436.13	539,511.89
Other amounts receivable	291	255,436.13	539,511.89
Stocks and contracts in progress	3	127,085,808.19	129,724,253.53
Stocks	30/36	127,085,808.19	129,724,253.53
Raw materials and consumables	30/31	25,029,145.71	26,656,976.50
Finished goods	33	90,966,312.43	94,169,395.03
Goods purchased for resale	34	11,090,350.05	8,897,882.00
Amounts receivable within one year	40/41	123,946,679.80	145,454,881.62
Trade debtors	40	113,630,705.08	137,726,544.31
Other investments and deposits	41	10,315,974.72	7,728,337.31
Cash at bank and in hand	54/58	11,483,096.31	4,110,995.61
Deferred charges and accrued income	490/1	1,162,699.16	2,087,707.09
TOTAL ASSETS	20/58	471,500,131.32	488,455,395.91

LIABILITIES

(in €)	Codes	PERIOD 2021	PERIOD 2020
EQUITY	10/15	123,723,981.41	114,098,664.78
Contribution	10/11	46,624,473.76	47,537,978.76
Capital	10	46,624,442.50	47,537,947.50
Issued capital	100	46,624,442.50	47,537,947.50
Outside the capital	11	31.26	31.26
Share premium account	1100/10	31.26	31.26
Consolidated reserves	9910	75,120,254.34	64,286,992.75
Translation differences	9912	2,579.83	2,579.83
Investment grants	15	1,976,673.48	2,271,113.44
MINORITY INTERESTS	9913	8,066,934.89	10,655,131.68
PROVISIONS, DEFERRED TAXES AND LATENT TAXATION LIABILITIES	16	22,740,780.67	39,707,647.08
Provisions for liabilities and charges	160/5	6,207,946.04	21,499,785.45
Pensions and similar obligations	160	1,618,129.51	1,911,673.87
Other liabilities and charges	164/5	4,589,816.53	19,588,111.58
Deferred taxes	168	16,532,834.63	18,207,861.63
AMOUNTS PAYABLE	17/49	316,968,434.35	323,993,952.37
Amounts payable after more than one year	17	115,072,159.00	96,600,996.00
Financial debts	170/4	114,417,985.00	95,846,836.00
Credit institutions	173	114,417,985.00	95,846,836.00
Other amounts payable	178/9	654,174.00	754,160.00
Amounts payable within one year	42/48	201,586,594.49	226,623,866.98
Current portion of amounts payable after more than one year falling due within one year	42	29,456,339.00	25,844,842.21
Financial debts	43		55,394,033.44
Credit institutions	430/8		55,394,033.44
Trade debts	44	146,183,441.66	105,976,217.32
Suppliers	440/4	146,183,441.66	105,976,217.32
Advances received on contracts in progress	46	1,854,491.56	12,768,047.17
Taxes, remuneration and social security	45	23,163,821.03	25,693,111.68
Taxes	450/3	3,621,846.11	3,464,533.19
Remuneration and social security	454/9	19,541,974.92	22,228,578.49
Other amounts payable	47/48	928,501.24	947,615.16
Accrual and deferred income	492/3	309,680.86	769,089.39
TOTAL LIABILITIES	10/49	471,500,131.32	488,455,395.91

2. Consolidated income statement

(in €)	Codes	PERIOD 2021	PERIOD 2020
Operating income	70/76A	1,164,897,875.40	1,240,983,200.65
Turnover	70	1,140,729,885.13	1,235,303,250.21
Stocks of finished goods, work and contracts in progress: increase (decrease)	71	-6,330,966.56	-8,822,997.93
Other operating income	74	14,610,180.29	13,432,296.75
Non-recurring operating income	76A	15,888,776.54	1,070,651.62
Operating charges	60/66A	1,149,134,391.79	1,254,863,853.31
Raw materials, consumables	60	816,472,579.51	880,938,428.88
Purchases	600/8	815,087,733.86	877,844,907.82
Stocks: decrease (increase)	609	1,384,845.65	3,093,521.06
Services and other goods	61	156,558,036.83	172,066,216.65
Remuneration, social security costs and pensions	62	121,358,952.96	129,884,912.84
Depreciation of and amounts written off formation expenses, intangible and tangible fixed assets	630	31,574,359.62	32,363,850.65
Amounts written off stocks, contracts in progress and trade debtors: appropriations (write-backs)	631/4	-501,535.96	1,347,982.06
Provisions for liabilities and charges: appropriations (uses and write-backs)	635/8	1,245,885.99	69,990.86
Other operating charges	640/8	7,181,597.82	4,669,460.76
Non-recurring operating charges	66A	15,244,515.02	33,523,010.61
OPERATING PROFIT (OPERATING LOSS)	9901	15,763,483.61	-13,880,652.66
Financial income	75/76B	2,240,491.12	1,281,624.54
Recurring financial income	75	2,240,491.12	1,281,624.54
Income from financial fixed assets	750	14.76	
Income from current assets	751	13,386.48	29,099.34
Other financial income	752/9	2,227,089.88	1,252,525.20
Financial charges	65/66B	7,151,461.63	9,700,925.16
Recurring financial charges	65	7,151,213.74	9,700,925.16
Debt charges	650	3,778,681.08	4,339,216.57
Other financial charges	652/9	3,372,532.66	5,361,708.59
Non-recurring financial charges	66B	247.89	
GAIN (LOSS) FOR THE PERIOD BEFORE TAXES	9903	10,852,513.10	-22,299,953.28

	Codes	PERIOD 2021	PERIOD 2020
Transfer from deferred taxes and latent taxation liabilities	780	2,428,159.39	2,667,439.00
Transfer to deferred taxes and latent taxation liabilities	680	367,675.01	
Income taxes	67/77	2,291,605.91	953,416.15
Taxes	670/3	5,042,098.07	1,382,842.72
Adjustment of income taxes and write-back of tax provisions	77	2,750,492.16	429,426.57
GAIN (LOSS) FOR THE PERIOD	9904	10,621,391.57	-20,585,930.43
Share in the result of the companies accounted for using the equity method	9975	61,673.20	64,828.80
Profits	99751	61,673.20	64,828.80
CONSOLIDATED PROFIT (LOSS)	9976	10,683,064.77	-20,521,101.63
Of which:			
Share of third parties	99761	129,458.63	167,613.18
Share of the group	99762	10,553,606.14	-20,688,714.81



3. Notes on the consolidated annual accounts

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

NAME, full address of the REGISTERED OFFICE and for the enterprise governed by Belgian law, the COMPANY NUMBER	Method used (1)	Proportion of capital held (2) (in %)	Change of percentage of capital held (as compared to the previous period)
Milcobel 3F - BE 0424.899.491 - Cooperative company Fabriekstraat 141, 9120 Kallo (Beveren-Waas), Belgium	F	52.26	0.00
Belgomilk - BE 0870.017.447 Cooperative company Fabriekstraat 141, 9120 Kallo (Beveren-Waas), Belgium	F	100.00	0.00
Kaasimport Dupont - BE 0405.109.216 - Public limited company Lieven Bauwensstraat 9, 8200 Sint-Andries, Belgium	F	100.00	0.00
Cheeseline - BE 0441.187.078 - Public limited company Lieven Bauwensstraat 9, 8200 Sint-Andries, Belgium	F	100.00	0.00
Camal - BE 0412.859.912 - Public limited company Route de Légipont 12, 4671 Barchon, Belgium	F	100.00	0.00
Ysco - BE 0472.336.451 - Public limited company Fabriekstraat 141, 9120 Kallo (Beveren-Waas), Belgium	F	100.00	0.00
Ysco France sas Avenue de la 2e DB 53, 61208 Argentan, France	F	100.00	0.00
Ysco holding France sas Rue de la Gare 3087, 59299 Boeschepe, France	F	100.00	0.00

NAME, full address of the REGISTERED OFFICE and for the enterprise governed by Belgian law, the COMPANY NUMBER	Method used (1)	Proportion of capital held (2) (in %)	Change of percentage of capital held (as compared to the previous period)
Kaasbrik - BE 0423.910.091 - Public limited company Industriepark 1216, 3545 Halen, Belgium	F	100.00	100.00
Jokali - BE 0427.152.267 - Public limited company Reuvoortweg 27, 3520 Zonhoven, Belgium	F	100.00	100.00
KJD Consult - BE 0631.728.633 - Limited liability company Reuvoortweg 27 bus A, 3520 Zonhoven, Belgium	F	100.00	100.00
Milcobel Asia LTD. 21/F Edinburgh Tower The Landmark 15 QUEEN'S RD CENTRAL, Hongkong	F	100.00	0.00
Héritage 1466 - BE 0425.964.513 - Public limited company Rue de Charneux 32, 4650 Herve, Belgium	E4	20.00	0.00
Dupontcheese Nederland b.v. Escudoweg 1, 2153 PC Nieuw-Vennep, The Netherlands	F	0.00	-100.00

(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).

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 five-year period. 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: are included from financial year 2019 and at acquisition value according to weighted average. This has an impact of 8.1 million euros.
- 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;
 - o acquisition value according to FIFO method or lower market value on balance sheet date for liquid dairy produce;
 - o 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;
 - o in addition to the purchasing cost of raw materials, consumer goods and consumables, the manufacture price includes production costs that are directly accountable to individual products or product groups.

Accounts receivable within one year

Accounts receivable are included at nominal value. Write downs are booked to these accounts receivable when their collectability 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.

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 accruals and deferred income on the liabilities side.

4. Methods of calculating of deferred taxes

Detailed explanation on the methods applied in determining deferred taxes (deferral method, liability method, ...)

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

Analysis of Heading 168 of the liabilities

Future taxation (*Pursuant to article 3:54 of the Royal Decree of 29 april 2019 in implementation of Company and Association Law*)

Deferred taxes (*Pursuant to article 3:119 of aforementioned Royal Decree*)

(code 168)
16,532,834.63

16,532,834.63

5. Statement of intangible fixed assets

	CONCESSIONS, PATENTS, LICENCES, KNOWHOW, BRANDS AND SIMILAR RIGHTS (code 211)	GOODWILL (code 212)	ADVANCE PAYMENTS (code 213)
Acquisition value at the end of the previous period	30,474,471.57	7,033,113.27	4,041,221.21
Movements during the period			
Acquisitions, including produced fixed assets		3,235,463.43	6,861,142.13
Sales and disposals	87,313.23	1,236,985.25	2,127,663.92
Transfers from one heading to another	1,835,242.32		-1,835,242.32
Other movements	69,162.05		-43,700.40
Acquisition value at the end of the period	32,291,562.71	9,031,591.45	6,895,756.70
Depreciation and amounts written down at the end of the previous period	22,967,562.11	7,033,113.27	
Movements during the period			
Recorded	2,646,485.34	161,773.17	
Cancelled	73,875.54	1,236,985.25	
Other movements	68,908.64		
Depreciation and amounts written down at the end of the period	25,609,080.55	5,957,901.19	
NET BOOK VALUE AT THE END OF THE PERIOD	6,682,482.16	3,073,690.26	6,895,756.70

6. 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 previous period	131,869,980.63	471,498,846.53	42,650,345.72
Movements during the period			
Acquisitions, including produced fixed assets	23,950.96	361,006.72	48,749.88
Sales and disposals	8,991,288.18	63,398,239.89	3,365,204.13
Transfers from one heading to another	1,344,538.09	7,933,166.48	5,384,902.77
Other movements	6,766,335.41	3,412,512.64	275,567.77
Acquisition value at the end of the period	131,013,516.91	419,807,292.48	44,994,362.01
Depreciation and amounts written down at the end of the previous period	70,662,328.54	353,470,902.32	34,687,198.67
Movements during the period			
Recorded	3,923,223.45	21,043,073.13	3,797,290.82
Cancelled	6,714,617.87	61,955,318.24	3,036,419.15
Other movements	1,989,274.53	2,055,282.17	214,718.43
Depreciation and amounts written down at the end of the period	69,860,208.65	314,613,939.38	35,662,788.77
NET BOOK VALUE AT THE END OF THE PERIOD	61,153,308.26	105,193,353.10	9,331,573.24

	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	778,991.14	6,560,429.97
Movements during the period			
Acquisitions, including produced fixed assets		9,000.00	22,394,804.88
Sales and disposals		182,822.69	347,521.64
Transfers from one heading to another			-14,662,607.34
Other movements			43,700.00
Transfers from one heading to another	25,978.84	605,168.45	13,988,805.87
Depreciation and amounts written down at the end of the previous period	25,978.84	668,522.85	
Movements during the period			
Recorded		2,513.71	
Cancelled		119,744.27	
Other movements			
Depreciation and amounts written down at the end of the period	25,978.84	551,292.29	
NET BOOK VALUE AT THE END OF THE PERIOD	0.00	53,876.16	13,988,805.87

7. Statement of financial fixed assets

PARTICIPATIONS	ENTERPRISES ACCOUNTED FOR USING THE EQUITY METHOD (code 280)	OTHER ENTERPRISES (code 282 and code 283)
Acquisition value at the end of the previous period	743,829.90	7,556.58
Movements during the period		
Sales and disposals		1,301.25
Acquisitions		
Acquisition value at the end of the period	743,829.90	6,255.33
Movements during the period		
Recorded		
Cancelled		
Movements in the capital and reserves at the end of the previous period using the equity method	251,705.70	
Movements during the period		
Share in the result for the financial period	61,673.20	
Other movements in the capital and reserves		
Movements in the capital and reserves at the end of the period using the equity method	313,378.90	
NET BOOK VALUE AT THE END OF THE PERIOD	1,057,208.80	6,255.33

AMOUNTS RECEIVABLE				OTHER ENTERPRISES (code 282 and code 283)
Net book value at the end of the previous period				117,181.71
Movements during the period				
Additions				18,870.00
Repayments				5,949.86
NET BOOK VALUE AT THE END OF THE PERIOD				130,101.85

8. Statement of consolidated reserve

CONSOLIDATED RESERVES				(code 9910)
Consolidated reserves at the end of the previous period				64,286,992.75
Movements during the period:				
Shares of the group in the consolidated income				10,553,606.14
Other movements				279,655.45
Transactions with minority interests				279,655.50
CONSOLIDATED RESERVES AT THE END OF THE PERIOD				75,120,254.34

9. 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	29,256,347.00	83,530,485.00	30,887,500.00
Credit institutions	29,256,347.00	83,530,485.00	30,887,500.00
Other amounts payable	199,992.00	654,174.00	
TOTAL	29,456,339.00	84,184,659.00	30,887,500.00

10. Net turnover

NET TURNOVER		PERIOD 2021	PERIOD 2020
Aggregate turnover of the group in Belgium		405,036,974.91	343,935,955.87
AVERAGE NUMBER OF PERSONS EMPLOYED AND PERSONNEL CHARGES		PERIOD 2021	PERIOD 2020
Consolidated enterprises and fully consolidated enterprises			
Average number of persons employed (in units)		1,898	1,881
Workers		1,414	1,413
Employees		478	456
Management personnel		6	12
Other persons			
Personnel costs			
Remuneration, social security costs		122,875,862.59	129,628,913.41
Pensions		137,987.04	255,999.43
Average number of persons employed in Belgium by the enterprises concerned		1,696	1,719
NON-RECURRING INCOME		PERIOD 2021	PERIOD 2020
Non-recurring operating income		15,888,776.54	1,070,651.62
Capital gains on disposal of intangible and tangible fixed asset		11,628,612.64	139,176.33
Other non-recurring operating income		4,260,163.90	931,475.29
Of which: proceeds from sale of Schoten site		3,560,654.26	
NON-RECURRING EXPENSES		PERIOD 2021	PERIOD 2020
Non-recurring expenses		15,244,762.91	33,523,010.61
Non-recurring operating charges		15,244,515.02	33,523,010.61
Non-recurring depreciation of and amounts written off formation expenses, intangible and tangible fixed assets			3,647,000.00
Capital losses on disposal of intangible and tangible fixed assets			699,379.81
Other non-recurring operating charges		15,244,515.02	29,176,630.80
Of which: costs related to closure Schoten back-payment / loyalty bonus			21,373,053.89
Non-recurring financial charges		247.89	14,500,833.16
Capital losses on disposal of financial fixed assets		247.89	

INCOME TAXES	PERIOD 2021	PERIOD 2020
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	-16,287,373.79	-17,876,136.88

11. Rights and commitments not reflected in the balance sheet

RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET	PERIOD 2021
Commitments to exchange rates	11,987,910.97
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 2022 of 7,382K EUR for external storage. - Commitment to purchase raw materials and packaging for 94,059K 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	nihil

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

AFFILIATED ENTERPRISES	PERIOD 2021	PERIOD 2020
Financial fixed assets <ul style="list-style-type: none"> Participating interests and shares 	1,057,208.80	995,535.60
Transactions with enterprises linked by participating interests out of market conditions	nihil	nihil

13. Financial relationships with

DIRECTORS, INDIVIDUALS OR BODIES CORPORATE FROM THE CONSOLIDATED ENTERPRISES			PERIOD 2021
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.			367,296.71
AUDITORS OR PEOPLE THEY ARE LINKED TO			PERIOD 2021
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			3,200.00
Other missions external to the audit			4,200.00
Fees to people auditors are linked to according to the mandate at the group level led by the company publishing the information			22,000.00
Fees to people auditors are linked to for the execution of exceptional services or special missions executed in the group's companies			
Other attestation missions			3,900.00
Tax consultancy			16,231.98

14. Derivatives not measured at fair value

For each category of 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	112907060	0.00	1,425,295.23	0.00	2,910,534.21

15. Additional explanatory notes:

The write-down period for the goodwill of the acquisition of Kaasbrik was put at 10 years in view of the fact that this acquisition falls within the scope of the Milcobel group's strategic plan and bring about the sustainable improvement of the profitability in the mozzarella cheese business.

This concerns an update of the consolidated annual accounts as per 31 December 2021. The adjustments relate to the consolidation of Milcobel 3F, following an intensively technical analysis and the addition of a number of explanatory notes, such as the cash flow statement, on the occasion of drawing up the prospectus. The figures for 2020 and 2021 were adjusted. This means that Milcobel's consolidated own equity dropped in 2021 and 2020 by EUR 8,066,934.89 and EUR 10,655,131.68, respectively, in favour of an interest by third parties, which had not been expressed in the past. The interest by third parties for 2019 amounts to EUR 11,508,703. The submitted consolidated annual accounts as per 31 December 2020 and as per 31 December 2019 were not corrected.



B. Consolidated cash flow statement

The following cash flow statement was exceptionally included in the consolidated annual accounts pursuant to the published prospectus of Milcobel CV. Although the cash flow statement below is based on the consolidated annual accounts that were drawn up in accordance with the accounting reference system applicable in Belgium, its presentation was based as much as possible on IAS 7 - The Cash Flow Statement, however.

(in €)	PERIOD 2021	PERIOD 2020
A. BUSINESS ACTIVITIES		
Consolidated operational profit (loss)	15,763,483.62	-13,880,652.66
Provision for risks and costs and related non-cash costs/income	-15,291,839.41	17,163,576.60
Write-downs on intangible fixed assets	2,808,258.53	2,780,747.81
Write-downs on tangible fixed assets	28,766,101.09	33,230,102.84
Depreciations on stocks	4,781.28	43,869.56
Depreciations on trade receivables	-506,317.24	1,304,112.50
Surplus value realised on intangible fixed assets	-11,628,612.64	-139,176.33
Surplus value realised on tangible fixed assets	247.89	699,379.81
Capital subsidies	-294,439.96	-180,151.18
Non-cash income/costs (emission allowances)	-536,170.24	426,547.48
Other financial (costs) income not included in the operational result	-1,132,289.43	-4,080,084.05
<i>= Gross operational cash flows</i>	<i>17,953,203.49</i>	<i>37,368,272.38</i>
Change in stocks	6,186,660.39	11,941,716.15
Change in trade receivables	29,199,748.32	10,850,623.04
Change in other receivables	-2,497,069.40	2,060,770.75
Change in trade debts	34,481,968.02	-23,708,525.34
Change of the advance payments received	-10,913,555.61	8,789,196.51
Change in the social and tax debts	-3,777,933.08	1,343,242.50
Change in other debts	-85,498.31	-349,323.99
Change in accruals and deferred income	497,566.95	-651,252.45
<i>= change in the net operating capital</i>	<i>53,091,887.28</i>	<i>10,276,447.17</i>
Net Operating Cash Flow	71,045,090.77	47,644,719.55
Interest costs	-3,778,681.08	-4,339,216.57
Taxes paid on the result	-694,784.97	-191,885.25
OPERATING CASH FLOW	66,571,624.72	43,113,617.73

	PERIOD 2021	PERIOD 2020
B. INVESTMENT ACTIVITIES		
Acquisitions of intangible fixed assets	-1,888,793.59	-1,690,414.68
Acquisitions of tangible fixed assets	-22,837,512.44	-16,028,177.22
Purchase of emission allowances	-2,310,800.00	-1,499,967.20
Sale of intangible fixed assets	15,723.29	-166,857.12
Sale of tangible fixed assets	16,087,342.22	903,465.06
Acquisition of companies (net after acquired cash in bank and on	-11,150,147.62	0.00
NET CASH FLOW FROM INVESTMENT ACTIVITIES	-22,084,188.14	-18,481,951.16
C. FINANCING ACTIVITIES		
Withdrawal of investment credits	52,700,000.00	0.00
Repayment of long-term debts	-31,253,887.20	-4,001,353.61
Change in other long-term debts	-99,986.00	0.00
Change in short-term financial debts	-55,394,033.44	-18,359,270.77
Change in other long-term receivables	284,075.76	302,442.53
Capital increase	4,974,057.50	4,523,730.00
Refund of capital	-5,887,562.50	-1,319,602.50
Transactions involving third-party interests	-2,438,000.00	-839,000.00
Dividends paid out during the current financial year	0.00	-1,089,946.60
NET CASH FLOW FROM FINANCING ACTIVITIES	-37,115,335.88	-20,783,000.95
= NET CASH FLOW (A+B+C)	7,372,100.70	3,848,665.62
+ CASH RESOURCES ON COMMENCEMENT OF FINANCIAL YEAR	4,110,995.61	262,329.99
= CASH RESOURCES AT END OF FINANCIAL YEAR	11,483,096.31	4,110,995.61



C. Other documents to be filed under Belgian company law

1. Consolidated Annual Accounts 2021

In accordance with obligations laid down by law and the articles of association, we have the honour of presenting you with a report on the consolidated annual accounts for Milcobel cv as per 31 December 2021.

This concerns an update of the annual report pursuant to the changes to the consolidated annual accounts relating to the adjustment concerning the consolidation of Milcobel 3F following an intensively technical analysis and the addition of a number of explanatory notes, such as the cash flow statement, on the occasion of drawing up the prospectus. The financial figures for 2020 and 2021 were adjusted. This causes Milcobel's consolidated equity to decrease in 2021 and 2020 by EUR 8,066,934.89 and EUR 10,655,131.68 respectively in favor of a third-party interest that was not previously expressed. For 2019, the minority interest amounts to EUR 11,508,703, 81. The filed consolidated financial statements as of December 31, 2020 and December 31, 2019 were not corrected.

ASSETS

INTANGIBLE FIXED ASSETS (EUR 16,651,929)

This principally concerns investments in software (EUR 1.9 million) and goodwill for Kaasbrik (EUR 3.1 million) and the acquisition of greenhouse gas emission allowances.

TANGIBLE FIXED ASSETS (EUR 189,720,917)

The investments for the financial year amount to EUR 23 million.

FINANCIAL FIXED ASSETS (EUR 1,193,566)

The enterprises having shareholding structure (EUR 1,057,209) concern Héritage 1466 SA.

STOCK (EUR 127,085,808)

The stock formed 27% of the balance total and dropped by 2% in respect of the previous year. The group-level drop in stock was almost fully compensated for by the increase in dairy value.

AMOUNTS RECEIVABLE WITHIN 1 YEAR (EUR 123,946,680)

The amounts receivable have fallen by 15% in respect of the previous year.

LIABILITIES

THIRD-PARTY INTERESTS (EUR 8,066,934)

This concerns the interests in Milcobel 3F, held by third parties and the movement relates to the result of Milcobel 3F, paid dividends and changes to the percentage held, as well as the own equity of Milcobel 3F.

PROVISIONS AND DEFERRED TAXES ON INCOME (EUR 22,740,781)

Spending of the provision that was set up last year for the closure of the Drinks site in Schoten. The deferred and post-deferred taxes on income originated in the difference between business-economic and tax valuation of the material fixed assets.

DEBTS FALLING DUE AFTER ONE YEAR (EUR 115,072,159)

The financial debts falling due principally concern term loans concluded with various banking institutions. In the year 2021, new loans in the amount of EUR 52.7 million were taken out and an amount of EUR 30.5 million was paid off.

DEBTS PAYABLE WITHIN ONE YEAR (EUR 201,586,594)

The debts have fallen by 11% in respect of the previous year.

RESULTS

OPERATING RESULTS

The sales achieved in the year 2021 amount to EUR 1.141 million.

The turnover can be divided up as follows:

- 867 million is achieved by means of the dairy activities.
- 274 million is achieved by means of the ice-cream activities.

FINANCIAL RESULTS

The costs for debts have dropped in respect of the previous year.

EVENTS

In general, it can be stated that there is strict focus on the Feniks strategic plan at Milcobel, which is being rolled out and followed up in all its sections that are spread over 9 sites. All the strategic decisions must fall within the strategic framework drawn out in this way.

Dairy Premium Ingredients: In 2021, Milcobel continued to be a highly appreciated and leading producer on the mozzarella market. Despite the uncertain market, Milcobel continues to be an important partner for a substantial number of processors. The shredding company Kaasbrik nv was acquired within the framework of vertical integration in June 2021 and it was successfully integrated in the mozzarella business. The EU became more important with regard to skimmed-milk powder in 2021. As far as price is concerned, the EU origin is strongly competitive and this was substantially boosted by the logistics problems in the USA, Oceania and South America. At DPI, we were able to further expand our Powder+ activities with regard to volume and clientèle. In 2021, Milcobel rapidly grew in the butter section and was able to take advantage of shortages on the 5 kg-market. Due to the milk loss and growth of the butter production, the surplus of cream was less significant towards the end of the year.

Consumer Products & Service: Bruges cheese grew strongly in 2021. Bruges cheese experienced a strong 2021, not only in absolute volume, but also relatively speaking. The market share in both value and volume rose once again, despite the falling market. Other parameters according to which we measure the strength of our brands were also showed up as being between positive and extremely positive for the Bruges cheese. In addition, we launched the “Notre Terroir/Eigen bodem” (Locally Grown) brand, by means of which we want to respond to the need for more locally produced types of cheese. By contrast, there was a downward trend in the volume of cheese packaged under private labels. The volumes in respect of 2020 fell to the same extent as the market. This is, of course, spurred on by the comparison with the Corona year of 2020, when a large number of consumers were driven towards the retail market by the Corona measures applicable at that time – which is where most of the private-label cheese is sold. The export market slowly recovered in 2021. Physical contact with customers slowly but surely resumed, albeit subject to strict rules, which not only improve the relationship with the customers but also resulted in a growing revival of the appetite for our top products. Cheese service displays a mixed image. The market is falling even further, as are the volumes being supplied by Cheese Importer Jan Dupont, which meant that we were able to retain our market share, despite the operational delivery problems. From a financial point of view, we cast a satisfied look back at the cheese service in 2021. This result once again turned out to be positive, thanks largely to making what we have on offer and our operational flows less complicated. Camal in Barchon had a fantastic year in 2021. We delivered the last volumes of own production in Drinks in March of last year. The operations of the remaining references, which are packaged at 2 co-packers, have been successfully taken over.

YSCO: following an unusual year in 2020 – during which Covid had a great impact on the increases in sales in retail and which, as a matter of fact, had experienced a brilliant spring – we started 2021 with 2 certainties. The first certainty was the fact that Lidl was going to start up the 2nd factory in Waldfeucht-Haaren (ex-DMK factory), due to which there was the known loss of a substantial number of jumbos as from May. The second certainty was that Covid was still with us but that it would probably have a lower impact on the sales in retail (i.e. a negative impact compared to the increased sales in 2020). The year started excellently with a number of successive months of record turnover figures but, unfortunately, that was in the off-peak periods with regard to turnover.

Thereafter, everyone still remembers the cold and wet consecutive months and an extremely bad summer. This led to high stock levels and production planning needed to be considered extremely carefully.

A long-term financing agreement was concluded between Milcobel, KBC, BNP Parisbas Fortis, ING and Belfius on 12 March 2021. This financing agreement amounted to a total of EUR 166.10 million, which guarantees the long-term financing. The provisions have a duration period of 5 years. Milcobel will use the financing facilities to repay its COVID-19 facilities, investment expenses, possible acquisitions and for general operational and working capital purposes.

Finally, the entire site in Schoten was sold to a third party in June 2021.

Post-balance-sheet events

An extremely low concentration of listeria was recently established in one of the brine baths of the site in Moorslede during an internal quality control. Immediately after this had been established, Milcobel started up the necessary reactive procedures, performed extensive analyses of all the Milcobel cheese products and the cheese products where contamination had been established were immediately destroyed. In consultation with the FASFC, Milcobel proactively took another few additional measures, including the recall of certain cheese products. The recent listeria contamination on the site in Moorslede is being carefully monitored in cooperation with the FASFC and will not have any significant impact on developing the result in 2022.

FINANCIAL INSTRUMENTS

Forward exchange contracts are mainly used to hedge the currency risks arising from sales transactions. Interest cover ratios are used to counter interest fluctuations for a substantial part of the interest-bearing short-term debts. The majority of the interest-bearing long-term debts are concluded at a fixed interest rate.

RESEARCH AND DEVELOPMENT

The existing activities concerning research and development are being continue in the various divisions.

RISKS AND UNCERTAINTIES

Besides the general enterprise risks, the Milcobel group is contending with risks that are specifically limited to enterprises in the dairy sector. Contingencies can cause serious disruption in the delivery of milk and the in the production and sales processes. This risk is limited by the implementation of a quality assurance system (IKM - integral quality for milk).

Kallo, 17 May 2022

B. Eeckhaut
Chairperson

L. Van Laer
Director



D. 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 2021

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 adjusted consolidated accounts, as well as the other legal and regulatory requirements. This forms part of an integrated whole and is indivisible. This report replaces our report on the consolidated accounts prepared on 22 April 2022, after determining a correction on the consolidated accounts.

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 14 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 2021, 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 471.500.131 and a consolidated profit and loss account showing a consolidated profit (share of the Group) for the year of EUR 10.553.606.

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 2021, 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, 20 May 2022

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 2022

