2023

gategroup

Annual report

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A message from gategroup's CEO and Chairman

A company reinvigorated by new team members who are building a future we could not even have imagined five years ago.

Dear gategroup stakeholders,

During 2023, gategroup executed its transformation from legacy to launchpad. In the past twelve months, we amplified our strengths, demonstrated that our capacity is equal to our ambitions, and took decisive steps toward converting aspirations into achievements.

With the publication of this 2023 Annual Report, we are pleased to introduce you to the new gategroup: a more diversified, more sustainable, more innovative company poised to offer a greater breadth of solutions and services to a growing customer base. A company that honors its legacy but is not constrained by it. A company reinvigorated by new team members who are building a future we could not even have imagined five years ago.

Among the highlights of 2023 are:

- Our enhanced value proposition as our airline customers' dedicated culinary partner. While the strength of these relationships continues to reflect our excellence in menu design and execution, we drove further innovation by exploring advanced digitization, big data, machine learning, and artificial intelligence to track food consumption patterns and reduce food waste.

- The Food Solutions rollout, which brings together all our non-aviation businesses into a consolidated vertical alongside gategourmet, servair, and gateretail to promote stronger commercial, financial, and environmental sustainability. This development was designed to optimize our responsiveness to market trends and customer requirements.

- The success of our lounge and event catering expansion, which reached the CHF 100 million milestone during the year. Previously, we provided this service to airline customers as assigned. Today, we see opportunities to create increased value attain a sustainable margin for this business by exploring emerging hospitality market opportunities.

- Definition of our short- and medium-term targets on environmental management and occupational health and safety and integration of ESG into our Enterprise Risk Management process and into the CAPEX investment decision-making process. We earned a Bronze rating from EcoVadis for gategroup as a whole and a Gold rating for our deSter packaging brand.

- Achievement of a historically high customer retention rate. This is an indicator of the positive impact our growth roadmap is having on employee engagement and team-wide ownership of our ambitions.

- The appointment of President, Food Solutions Chris Plüss, Chief Legal Officer Angela Petzold Theiler, and Chief People Officer Jeanette Hron to the Executive Management Board. Their success underscores our ability to attract great talent from outside the company, benchmark for internal promotions, and better integrate gender equity into our organization. To recognize and celebrate the diversity of employees' backgrounds and perspectives, we prioritized DE&I initiatives designed to ensure that all team members feel valued and welcome in our workplace.

Each of these accomplishments validates gategroup's navigate25 strategy and affords us greater clarity and confidence as we develop our roadmap for continued improvement across our key performance indicators.

We want to express our gratitude to our shareholders and the members of our Board of Directors for their role in carrying out the decisive actions we took during 2023. We value our shareholders' and lenders' engagement and commitment to our strategy for transformation, profitability, and growth. We acknowledge and thank the loyalty and collaborative energy of our customers, whose needs are always central to each step we take into the future. And we thank our employees for infusing our workplace each day with remarkable energy, ideas, and confidence in our ability to bring our objectives to fruition.

With gratitude for all you have contributed to our advances toward sustainable prosperity and growth,

Timo Vättö
Chairman of the Board

Christoph Schmitz
Chief Executive Officer

About gategroup

2023 at a glance

ca.590 million airline passengers served

2800+ fleet of highloaders

300+ global aviation customers

End-to-end services to **7** rail operators, catering **33,000** trains and **52 million** passengers

ca.3.5 million flights catered

CHF **4.7 bn** revenue

20+ airline retail customers served

41k+ employees

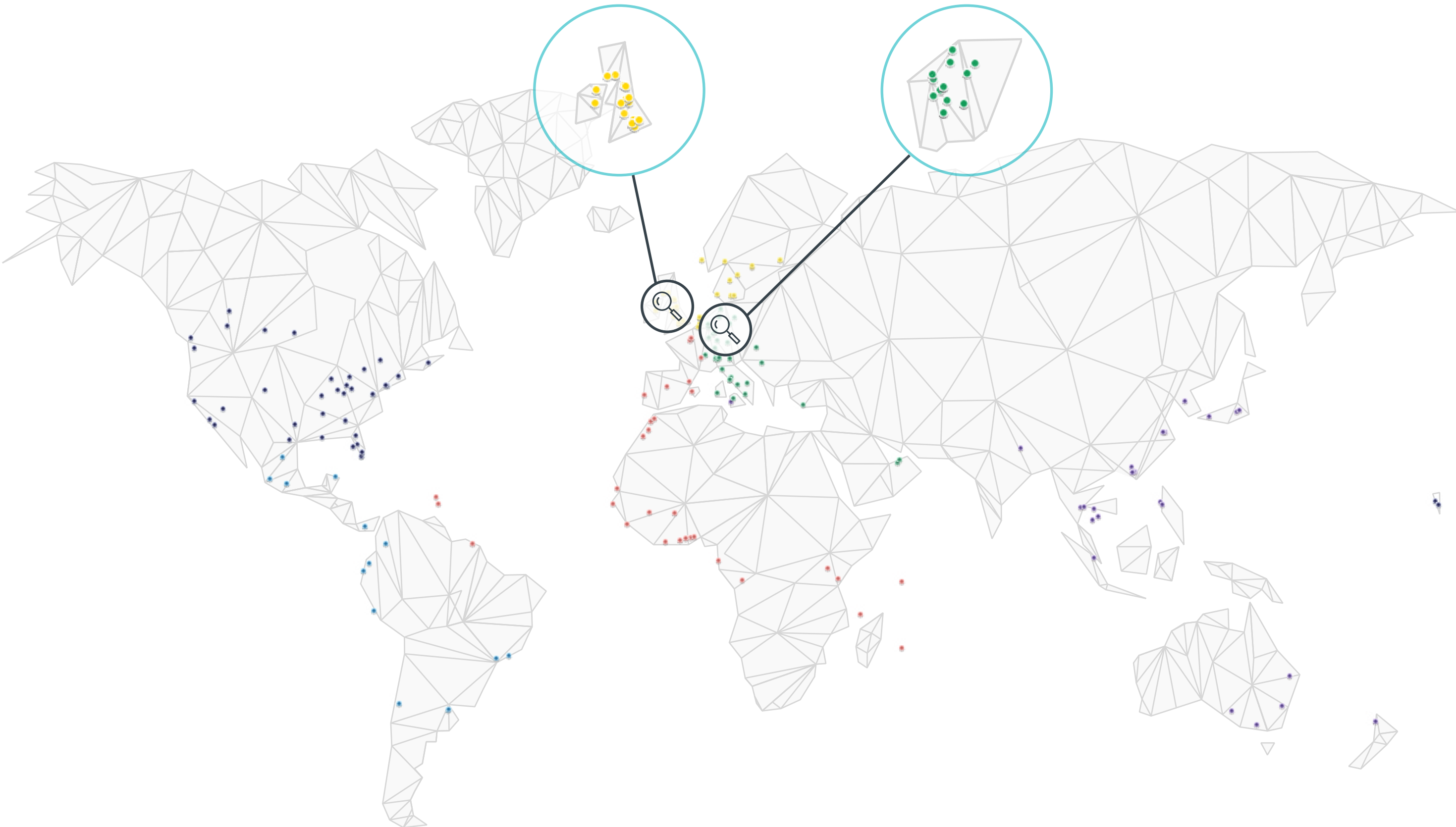
250+ food solutions customers: packaged meals, catering and packaging solutions

operating in **200+** locations

80+ lounges: serving 16 million guests

60 countries **6** continents

Global presence & network 2023



Headquarters, Zurich, Switzerland

North America
40 catering facilities
1 deSter production facility

Latin America
14 catering facilities
1 retail operation

Central Europe, Eastern Europe, & Middle East
31 catering facilities
1 retail operation

North Western Europe
28 catering facilities
1 deSter production facility
2 retail operations

Southern Europe & Africa
37 catering facilities

Asia Pacific
23 catering facilities
1 deSter production facility
3 retail operations

Our business

Our vision & strategy

Today, our extensive offerings of solutions meet culinary and sustainability requirements in our legacy and emerging markets.

For several years, gategroup has been reconceiving itself and its earnings potential beyond its traditional model. This transformation reflects a shift not just to new lines of business, but also to a new perspective on what it means to be a culinary company.

We are evolving into a more diversified company drawing on the strengths of multidimensional leaders and team members whose expertise extends beyond the traditional parameters of their positions. Chefs who are accomplished in menu development and in sustainable sourcing. Finance executives with advanced knowledge of supply chain management. Emerging leaders who exemplify our ability to coalesce around shared goals, take collective ownership of the solutions we bring to market, and steer the business toward its potential for sustainable growth.

We have shown gategroup to be distinguished by its capacity for envisioning a path forward and harnessing the human capital and organizational excellence necessary to bring innovations to a growing base of customers. Today, our extensive offerings of solutions meet culinary and sustainability requirements in our legacy and emerging markets.

With that foundation, gategroup is evolving into a company with a more comprehensive scope of business and a stronger framework for achieving its commercial, financial, environmental, and social performance metrics.

During 2023, we launched our Project Restore initiative, whose implementation targeted best practice in cost management and in continually strengthening our revenue streams and bottom line. A second project, Accelerate, addresses business performance and provides a framework for ensuring that we maintain an optimal balance between operational efficiency and customer centricity objectives. These concrete actions taken during 2023 address challenges and prepare gategroup for stronger performance during 2024.

For the top 15 customers in gategroup's core business, 2023 was a year of continued recovery. Overall, available seat miles reached 94% of 2019 levels, with variations in this result by region: 98% in the Americas, 95% in Southern Europe & Africa, 94% in Central & Eastern Europe, 92% in North West Europe, and 84% in Asia-Pacific.

With aviation industry growth exceeding GDP growth, we remain confident in the sector's continued recovery and progress toward its pre-pandemic strength. Our customers' rebound and long-term resilience are excellent indicators for gategroup's own prospects as we continue to build on our Aviation Catering leadership. Looking ahead, we are confident that we can continue to grow our Aviation market share.

Our customer retention rate of above 90% and new wins aggregate to more than twice the size of our losses in Aviation. This affirms our leadership position in this segment and its continued contributions to top- and bottom-line growth.

To accelerate our diversification and capitalize on the synergies among our areas of focus, we announced the consolidation of various activities under the Food Solutions umbrella in July 2023. This brought the former Food Service and Packaging teams, Evertaste (including frozen food manufacturing in Alzey), the global lounges business, and the Ringeltaube retail business under the unified direction of Chris Plüss, who joined the company as President, Food Solutions and is a member of the Executive Management Board.

Expanding our areas of focus also strengthened our position as a global citizen.

The Food Solutions business made significant progress in 2023 compared to previous years, which demonstrates the effectiveness of the dedicated management team. The results achieved allowed gategroup to selectively exit certain areas of Food Service with limited growth or profitability potential.

This ability to pivot rapidly helped to avoid costly investments with uncertain paybacks and is necessary to build a sustainable, profitable Food Solutions business. This reflects the significant progress made already toward our mid-term target of having more than 20% of gategroup revenue generated by Food Solutions. Expanding our areas of focus also strengthened our position as a global citizen, a good neighbor, and an employer of choice, all of which we recognize as being integral to market leadership and innovation delivery.

Diversification of our business and our team has strengthened gategroup's capabilities organization-wide and will remain a cornerstone of our potential to effect change in our operations and in the sectors we serve. We are enthusiastic about the financial impact of our Food Solutions diversification, which we have identified as having the potential to generate 20% of gategroup's revenue in the mid-term.

Longstanding gategroup partners are already seeing the benefits of this diversification in the scope of our collaborations. Our servair brand teamed with Air France to replace dry ice with reusable gel packs used to maintain the cold-chain for inflight meals. The result: a non-toxic solution that meets all food safety requirements, reduces waste relative to single-use dry ice, and achieves a lower carbon footprint than dry ice, which is the solid form of carbon dioxide.

Virgin Atlantic also relied on our partnership in its completion of the world's first commercial transatlantic flight using 100% Sustainable Aviation Fuel. To support the flight's resource conservation goals, gategourmet and deSter provided the capacity for passengers to pre-select their meals, a tactic that reduces onboard food waste. In addition, we provided a trial of waste-reducing packaging innovations. We're also participating in data analysis of the environmental impact of these solutions.

On another front, in September of 2023 gategroup and Immfly Group signed an alliance to become the most technologically advanced retailer in the aviation industry, through a combination of deep industry knowledge and innovative technology. This partnership makes gategroup the leader in crew applications, payment solutions, in-seat ordering, and back-office solutions.

We also maintained our commitment to pushing the frontiers of technology through an ongoing partnership with Aicadium to train and deploy AI/ML tools specifically designed to improve the quality and safety of our offering. This partnership adds another dimension to our engagement with AI/ML and builds on our existing predictive intelligence collaboration with Black Swan.

This is the performance of a company that, rather than trying to regain its former strength when coming out of the COVID pandemic, is taking bold steps to achieve a much greater future strength. The pre-pandemic model no longer reflects the scope of our operations or the scope of market opportunities available to our diversified and multi-dimensional business. The top-line growth we are already achieving affirms that we are on the right path, and we have the talent in place to bring bottom-line growth in line with our long-term financial objectives.

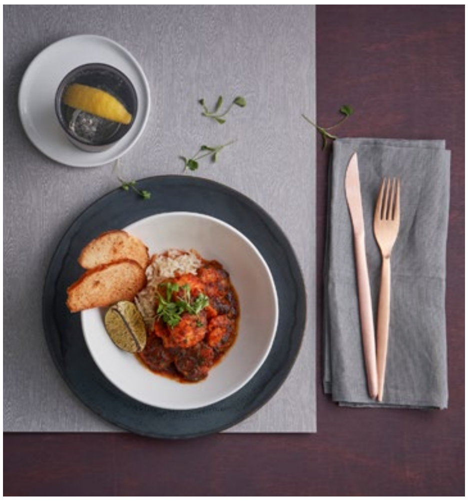
Diversification has been the catalyst for sustainable progress at gategroup. In years to come, 2023 will stand out as the year in which we formalized the organizational structures necessary to support gategroup's move forward as a catalyst for a new standard in culinary solutions.

The move to diversify gategroup's business has also played a role in enhancing our operational strengths, as each area of the business pilots initiatives that can be expanded for implementation across the enterprise.

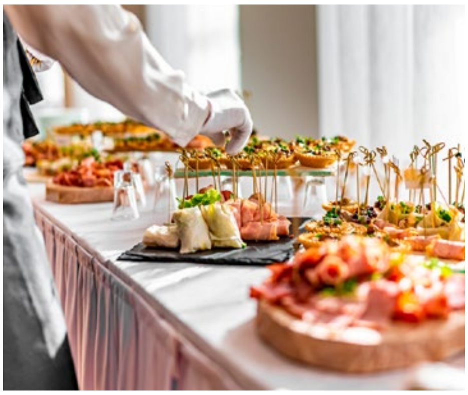
With a workplace culture that invites and welcomes ideas from employees throughout the organization, we have converted each team member into a source of insight into opportunities for standardization, efficiency, and productivity. As our accomplished leadership team provides guidance on our overall vision and expectations, we can apply our collective expertise to metrics as diverse as equipment efficiency, resource conservation, and cost management in pursuit of gategroup's operational performance targets.

Culinary leadership and core capabilities

"What's past is prologue," Shakespeare wrote in *The Tempest.*
That statement has great resonance at gategroup: We continue to serve our traditional customer base, but we now recognize our legacy business as having developed competencies that have value across a growing spectrum of culinary industry segments. Rather than trying to recapture what gategroup was, we are focused on what gategroup has the capacity to become: a stronger and more sustainably diversified company.



Aviation remains the cornerstone of our business. By harnessing our collective creativity and capacity for innovation, we have initiated a transformation that has created exciting new market opportunities. Already, our response to the growing market demand for packaged meal, catering, event catering, and food packaging solutions has enhanced our financial and is contributing CHF 800 million in revenue.



The response to these initiatives affirms our belief that there is a need for gategroup's culinary leadership and core competencies beyond the segments we served in the past. The resulting expansion of gategroup's business lines and operations also affords us new avenues for crossover of our expertise and ability to deliver solutions of the highest caliber.

Rather than trying to recapture what gategroup was, we are focused on what gategroup has the capacity to become: a stronger and more sustainably diversified company.

Aviation

Airline catering and provisioning solutions remain the core of gategroup's business, and we are proud to partner with our longstanding aviation customers on advances that will define the future of air travel.

Together, we took important steps toward that future during a year of continued recovery for the sector. Our top 15 aviation partners progressed in a key performance metric, available seat miles, which overall reached 94% of 2019 levels during 2023. The returning strength of business and leisure air travel affirms our optimism about the market's long-term prospects and our commitment to building on our record of innovation for airlines and their passengers.

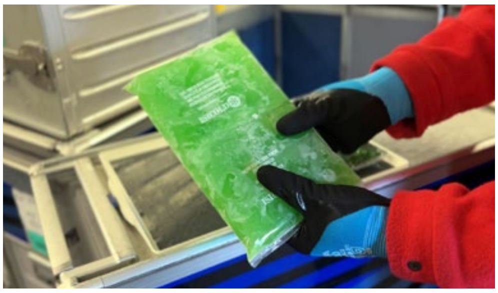
Our core aviation offering remains culinary excellence: during 2023, we prepared approximately 590 million meals for airline passengers on six continents. With great pride, we joined our subsidiary servair in congratulating Air France on its 2023 "Best Airline Catering for First Class" award from Skytrax.

Menu innovation remains a priority, in keeping with airline requirements and passenger expectations. During 2023, our global network of kitchens continued to introduce new inflight meals created to please passenger palates and support our own and our partners' environmental targets.

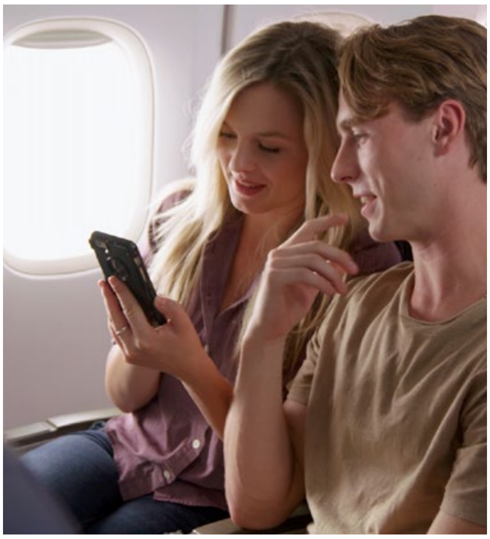
But the year also presented frequent opportunities to demonstrate how gategroup's business diversification strengthens our value proposition for aviation partners.

Digitization, artificial intelligence, and machine learning are assuming a higher profile as tools we use to track food consumption patterns. This allows us to achieve greater precision in developing our inflight offerings so that passengers are delighted by what they're served and we minimize food waste.

gategourmet and deSter are pioneering new approaches to achieving these goals in partnership with Virgin Atlantic following its completion of the world's first transatlantic flight (from London to New York) using 100% Sustainable Aviation Fuel. The flight served as a trial of deSter waste-reduction packaging innovations designed to decrease the amount of single-use plastics onboard. Following the flight, gategourmet and Virgin Atlantic collaborated on a recycling trial of waste offloaded at Kennedy Airport. This project is in keeping with our commitment to addressing current regulatory restrictions on managing international catering waste, an area of active advocacy at gategroup.



Another first achieved during 2023 saw the servair team and Air France partnering on strategies for using gel packs instead of dry ice (the solid form of carbon dioxide) to main to maintain the cold-chain for inflight meals. The solution we delivered had to be non-toxic and comply with all necessary food safety requirements. This development contributes to ongoing strategies for reducing flights' carbon footprints and minimizing both resource use and plastic waste.



In a further technology advance, gategroup and the cabin digital services and retail technology company Immfly Group forged a strategic alliance in onboard retail technology. The companies' areas of expertise create strong synergies: gategroup is an established leader in designing inflight retail programs for airlines worldwide, and Immfly has a strong record of success in delivering innovative, engaging digital solutions that enhance the inflight experience and drive cabin harmonization.

As gategroup continues to diversify its business, we anticipate adding further dimensions to the solutions we offer to our aviation customers. Long trusted for our stability and reliability, we are working to be equally known for our innovative approach not just to menu creation, but to the way inflight meals are sourced, prepared, packaged, and served. This is our blueprint for collaborating with our partners to achieve the highest level of performance across all metrics.

Food Solutions

A strong strategy implementation in 2023 is also an indicator of gategroup's capacity for future performance. Under the leadership of Chris Plüss, Food Solutions is on course to become a fundamental pillar of the business, with its newly launched brand gatesolutions taking its place alongside the aviation services of gategourmet, servair, and gateretail.

This structural approach aligns with gategroup's Navigate 25 strategy for achieving commercial, financial, and environmental sustainability to become a more diversified and customer-centric global food company.

Food Solutions is capitalizing on and bundling existing gategroup competences in the areas of packaged meal solutions, catering solutions, and lounges and events as well as deSter packaging solutions in food service and retail channels.

This expansion is responding to a variety of market trends, most notably the shortage of qualified applicants available to work for leading contract catering companies, coffee chains, and food and beverage retail stores. This labor shortfall can be addressed by outsourcing the production of meals and components to cloud-kitchens at gategroup. Our kitchens maximize their utilization while our new customers can achieve their own profitability targets without being distracted and frustrated by lack of access to talent. The strategy supports consistently meeting the highest quality standards and culinary ambitions.

Food Solutions is on course to become a fundamental pillar of the business with its newly launched brand gatesolutions.

Demand for elimination of single-use plastics and the introduction of sustainable packaging, such as compostables and reusables, are driving our deSter packaging business. Reusable cups, dishes, and cutlery and our circular dishwashing concepts are not only environmentally friendly but also aid our customers in meeting emerging regulatory requirements and promoting loyalty among end customers.

As we continue to explore the growth potential of the Food Solutions pillars, we are confident that they will prove strong support for revenue and profit growth for us and our broad base of internationally leading food service and retail customers.

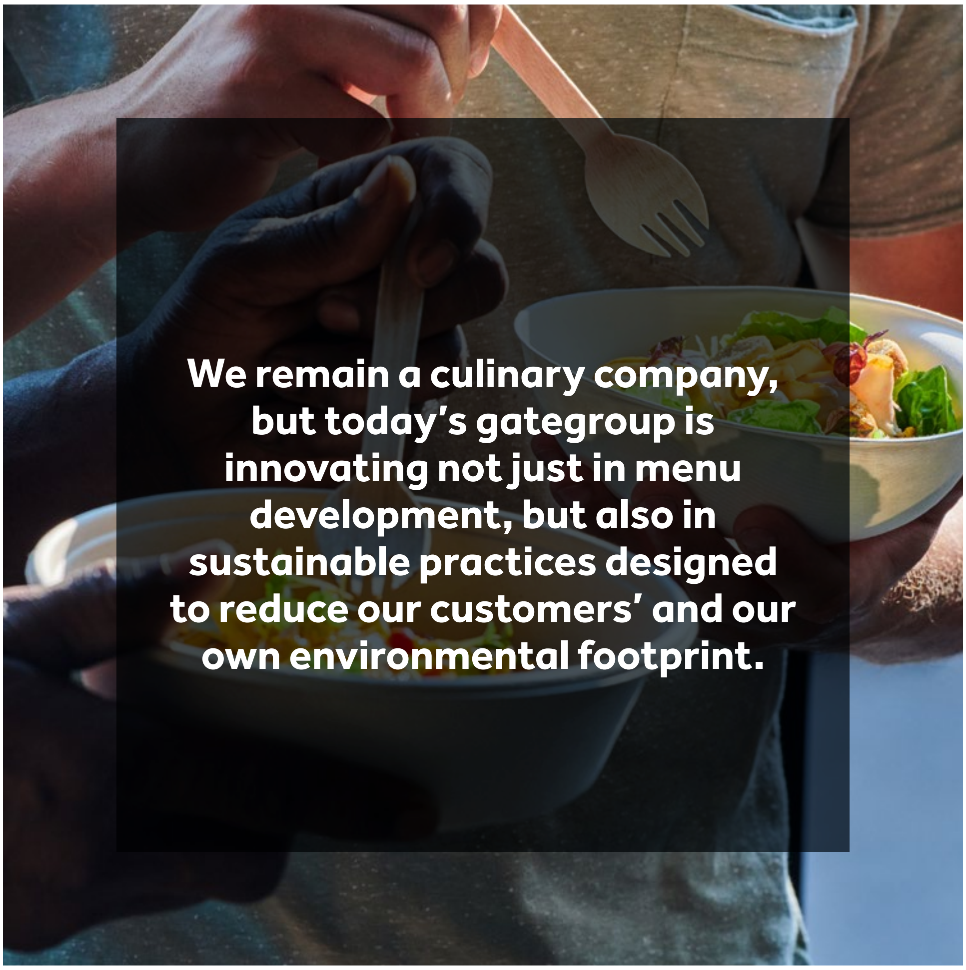
Reusable cups, dishes, and cutlery and our circular dishwashing concepts are not only environmentally friendly but also aid our customers in meeting emerging regulatory requirements and promoting loyalty among end customers.

In conclusion

We anticipate continued dynamic interplay between Aviation and Food Solutions as our teams apply their creativity to building on our track record of bringing culinary solutions to market. As market leaders, we have expanded our focus to the full spectrum of challenges in the industries we serve.

Today, gategroup is working to set standards in everything from menu development that meets diverse dietary requirements to packaging that contributes to waste reduction sustainability development goals. From training our teams to deliver consistent quality worldwide to using technology and data tools to track, respond to, and more accurately predict end-customer preferences and behaviors. And from maintaining a global network of local food vendors to advancing the science of keeping food fresh longer to support inventory management and ensure that every gategroup meal is a pleasure to eat.

These are our strategies for pursuing growth in market share across all the sectors we serve and for sustaining gategroup's reputation for delivering culinary excellence.



Our performance

What do diversification and expansion mean for gategroup's brand performance? While our targets include top- and bottom-line growth, the bigger story is our ability to deliver greater value to customers in our legacy and emerging markets. We remain a culinary company, but today's gategroup is innovating not just in menu development, but also in resource management, packaging and food storage strategies, and sustainable practices designed to reduce our customers' and our own environmental footprint.

One measure of our success across this spectrum of performance is our customer retention ratio, which for 2023 was 94% — an achievement underscored by our new wins versus losses ratio of 237%.

Our family of brands

gategroup is the global leader in airline catering, retail-on-board, hospitality services, food solutions and packaging. Our family of brands is at the forefront of each of their respective categories in the industry. Providing passengers with superior culinary and retail experiences onboard or ready-to-go meals at supermarkets using sustainable food packaging concepts, our brands leverage innovation and operational excellence to deliver unique food experiences and environmentally friendly solutions that adhere to the highest standards.

Global leader in airline catering and provisioning services

gategourmet is the global leader in airline catering solutions, serving airlines at over 200 airports and airport lounges. Our passion lies in delivering an exceptional dining experience to airline customers and passengers. From menu design to execution and delivery, we work closely with our airline partners and culinary community to develop innovative and authentic creations that delight the senses of passengers around the world. Our culinary team is supported by our dedicated operational excellence team which stringently ensures that we deliver standardized, consistent catering services using the highest quality ingredients through our vast network of appraised suppliers.

Caterer to the world and market leader in Africa

Leveraging its rich heritage in airline culinary excellence, servair is the premium caterer and food service provider for France and the African continent. Passionate about gastronomy, servair joined gategroup in 2017 and delivers world-class inflight catering and operates a wide variety of airport services and non-aviation hospitality and catering facilities focused on France and its overseas territories as well as Africa.

Innovating and delivering profitable retail programs

As the world's leading inflight retailer, gateretail enhances the passenger experience through our award-winning, omni-channel retail programs for our airline partners. With an extensive knowledge and experience in food and beverage in travel retail, gateretail's programs are designed to drive increased revenue streams for airlines through technological innovation and training. With a global customer portfolio covering four continents, gateretail serves more than 20 airline customers on over 1,000 aircraft to more than 315 million passengers a year.

Shaping the future of sustainable dining

deSter is the market leader in designing and manufacturing sustainable food packaging and serviceware concepts for the aviation, hospitality, and food service industries. Prioritizing environmental goals and incorporating lightweight, eco-friendly materials into product development, each design is unique and always aims toward contributing to a circular economy. deSter excels at transforming distinct product concepts into tangible solutions that meet the highest quality standards.

Tailored food experiences

gatesolutions, the new brand of our Food Solutions division, is the gate for food service and retail customers in need for tailor-made packaged meals & sandwiches, unique catering components, innovative food packaging concepts and premium lounges & event catering. Leveraging our operational facilities and expertise around the world, we are confident in gategroup's ability to continue to win new business and fortify longstanding relationships as we build on our reputation for culinary excellence and sustainability.

Making news in 2023

"The airplane food is good. No, really." That was the headline of a *Washington Post* article after its reporter attended a gategroup tasting at Dulles International Airport in February. Photography gave the newspaper's readers a glimpse of dishes such as impossible rendang croquette cake, whipped blue cheese with bacon-date relish, and roasted heirloom cauliflower steak with fresh dill, pickled onion, and pomegranate, each a new creation from Molly Brandt, gategroup's executive chef for culinary innovation in North America. The article featured an interview with Brandt along with reporting on inflight dining trends such as providing more plant-based meals and appealing to passengers' increasingly sophisticated palates.

A *Seattle Times* article also featured Brandt's comments in a behind-the-scenes look at how on any given day, 400 gategourmet employees at Sea-Tac Airport prepare 5,800 meals for service on 160 departing flights operated by four airlines (roughly a third of the output at airports in the largest U.S. cities). The star menu item in this article: slow-poached oysters served on a buttermilk-horseradish emulsion, "bright dill oil and paprika oil dotting the surface alongside a koji-marinated cherry tomato and a teaspoon of Osetra caviar."

Los Angeles Magazine and SimpleFlying.com also ran behind-the-scenes stories about another event held at Los Angeles International Airport. Reporters for both articles marveled at appetizers such as golden beet tartare with silky rillettes of mature cheddar and sweet-umami-pickled flavors rolled together with crab and seaweed butter smørrebrød.

Throughout the year, gategroup made news as a culinary standard-bearer in articles published in *Aviation Week*, *Business Traveler*, and *Business Insider*, and gategroup CEO Christoph Schmitz was interviewed for a Q&A published by PWC Switzerland.

Culinary achievements

servair and Air France introduced eight new dishes on the La Première menu created by Mauro Colagreco, a three-star chef and UNESCO Goodwill Ambassador for Biodiversity. The new meals, which made their debuts between March and June, were created by selecting products grown in accordance with nature's cycles. Additional firsts in our partnership: Angelo Musa, Meilleur Ouvrier de France and world pastry champion, added a sweet and elegant touch to the desserts. In the Business cabin, three-star chef, Bocuse d'Or and President of the servair Culinary Studio Régis Marcon offered a new cycle of refined dishes inspired by nature and the French regions, between the Ardèche and Auvergne.

School cafeterias represent another target market for expansion. gategourmet marked the third year of its partnership with the Ministry of Education in New Zealand, which relies on our team to provide nutritious lunches to school children. Our contract with the GetFed program supports the government's goal of supporting cognitive learning by reducing food insecurity among students. Meals meet the Ministry's strict nutritional guidelines and weights, are supplied in compostable packaging, and cater to diverse dietary requirements, including halal, gluten free, dairy free, vegan, and vegetarian. During 2023, the volume of gategourmet's participation in the program doubled. We are now supplying upward of 5,000 meals a day to 17 schools.

Sustainability & innovation

Since August, fans at the Royal Antwerp FC stadium have been enjoying beverages served in reusable cups developed by deSter. Our partnership with the stadium is adding momentum to the events industry's move toward better sustainability practice. In addition to being reusable, the cups feature an implanted RFID tag that ensures traceability. The RFID technology was developed in association with Belgian company Aucxis and installed in our Hoogstraten factory. In addition to being popular with fans, this sustainable solution was covered on television by the local station RTV.

This RFID technology is also integrated into the rotable service ware that's being deployed across Europe by many big-name chains. Also created by deSter, these fully circular serving options not only use the RFID technology to monitor their lifecycle and ensure top quality, but also are made of fully recyclable plastics for a completely circular lifecycle.

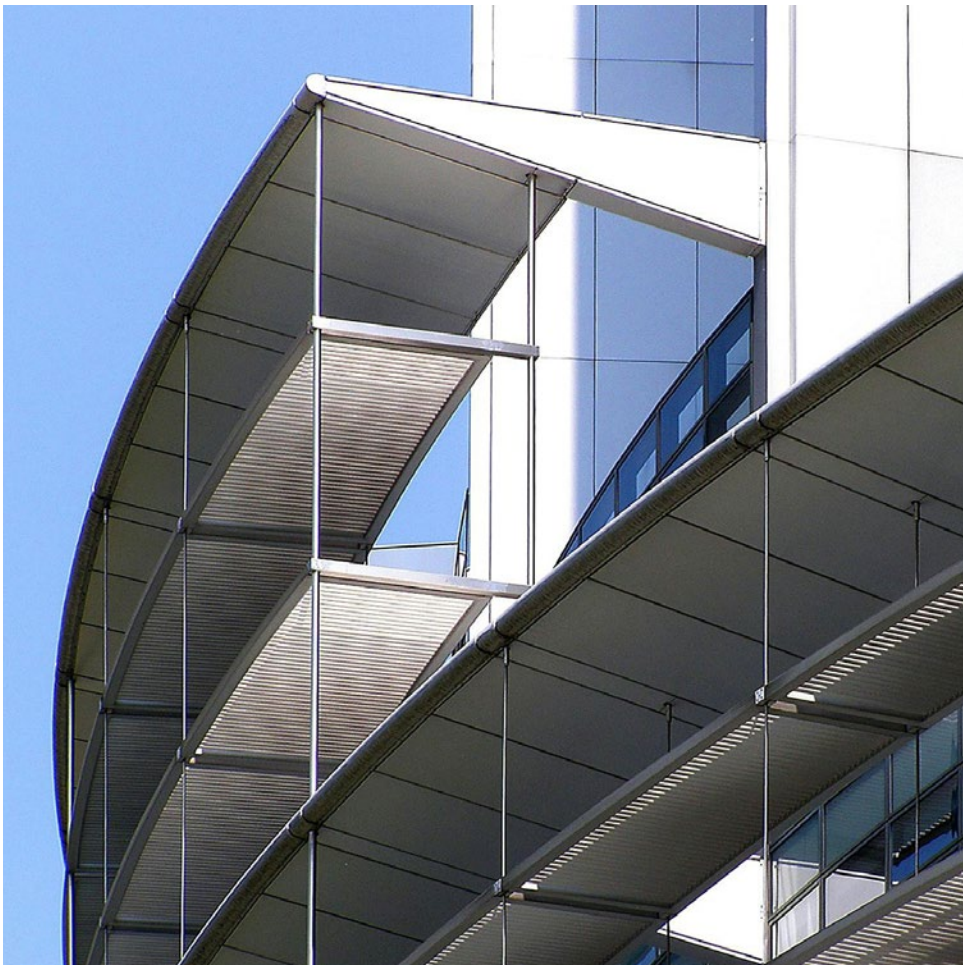
Eco-friendly tableware is now also part of the experience of flying Premium class on Norse Atlantic Airways, which selected deSter to launch a collection that includes wet-molded fiber (bagasse) casseroles with lids and bowls as well as bamboo cutlery. A reusable tray, designed for durability, and a 100% paper cup certified by plastic-free agency Flustix complete the collection.

A year of win-backs

We take pride in being regarded as a stable, reliable partner, and we welcome every business contract. But opportunities to renew relationships with customers who return to work with gategroup are cause for extra celebration and were among our 2023 highlights.

Resumption of service can present challenges that offer an opportunity to demonstrate gategroup's agility and flexibility in meeting new commitments. Early in 2023, as we prepared to renew one partnership following a decade-long hiatus, we had to combine creativity and decisive action to overcome a potential obstacle: a delay in Customs clearance of our equipment. Working collaboratively with local and Zurich-based team members, we found a solution that kept the launch of services on track. Every detail mattered, and we conducted quality assurance checks until midnight ahead of our start date.
Every modification to the food, equipment, and beverages underwent careful inspection, leaving no room for compromise.

Demonstrating this level of commitment provided the customer with an immediate affirmation of our dedication to supporting and strengthening our relationship and provided a model for meeting future challenges whenever additional win-back opportunities arise.



Our governance

I. Group structure and shareholders

gategroup Holding AG ("Company"), headquartered in Glattbrugg (Switzerland), is the holding company of *gategroup* (hereinafter referred to as "gategroup" or "group"), a market-leading global network of companies in the catering and hospitality business. As of 31 December 2023, the corporate network of gategroup encompassed 169 subsidiaries in 55 countries are included in the scope of consolidation. Associated companies are not consolidated. Neither the Company nor any of its subsidiaries' equity securities are listed on SIX Swiss Exchange or any other stock exchange.

The Company is indirectly owned in equal shares by two shareholders. They are:

- Temasek Holdings, a global investment company owned by the Government of Singapore, and
- RRJ Capital, an Asian investment company headquartered in Singapore that focuses on private equity investments.

In 2023, no changes in significant shareholdings have occurred.

The global management functions are centralized in the Company's headquarters in Glattbrugg and comprise, *inter alia*, the Company's corporate bodies (see below in detail), Finance and Tax, group Legal & Compliance, M&A, Global Operations, Commercial, Human Resources, IT and Global Communications. The global management is supported by a network of regional management functions which are established in the key areas of the group's business and which directly support the business needs of our regional and commercial teams. The Company's organizational structure is subject to re-alignment from time to time to ensure the structure is ideally suited to achieve business objectives.

II. Capital structure

As of 31 December 2023, the share capital (*Aktienkapital*) of the Company amounts to CHF 180,557,383.75 and is divided into 144,445,907 fully paid-in registered shares (*Namensaktien*) with a nominal value of CHF 1.25 each.

The Company may issue its registered shares in the form of single share certificates (*Einzelurkunden*), global share certificates (*Globalurkunden*), uncertificated securities (*einfache Wertrechte*) or ledger-based securities (*Registerwertrechte*) and may also organize its shares as intermediated securities (*Bucheffekten*). As of 31 December 2023, all 144,445,907 shares of the Company were registered with SIX SIS as intermediated securities (*Bucheffekten*).

The share capital may be increased (in each case, by means of conditional share capital (*bedingtes Aktienkapital*):

- in a maximum amount of CHF 7,581,038.75 through the issuance of up to 6,064,831 fully paid registered shares with a nominal value of CHF 1.25 each through the exercise of options or preemptive rights thereof which the employees or members of the Board of Directors (*Verwaltungsrat*) ("Board") of the Company or a group company are granted in accordance with regulations of the Board; and

- in a maximum amount of CHF 22,743,115.00 through the issuance of up to 18,194,492 fully paid registered shares with a nominal value of CHF 1.25 each through the exercise of conversion and/or options rights granted alone or in connection with the issuance of new or existing bonds, loans, debentures or other financing instruments by the Company or one of its group companies, and/or by the exercise of options that are granted by the Company or one of its group companies.

In the case of share issuances from conditional share capital (*bedingtes Aktienkapital*), the advance subscription rights of the existing shareholders are and/or may be excluded by the Board in the events and under the conditions laid out in Article 3bis of the Company's articles of association dated 31 May 2023 ("Articles of Association"), which can be obtained online at https://gategroup.com/wp-content/uploads/2024/03/HAG-AG_Legalized-Articles-of-Association-31-May-2023.pdf.

As of 31 December 2023, the Company's Articles of Association do not allow for the increase or decrease of the share capital within the limits of a capital band (*Kapitalband*).

During the past three financial years, the Company's share capital has been increased once on 23 April 2021 by way of an ordinary capital increase from CHF 135,418,036.25 to the current share capital of CHF 180,557,383.75. The capital increase was conducted by way of (i) a cash payment in the amount of CHF 25,000,000.00, in exchange for which 20,000,000 registered shares (*Namensaktien*) were issued, and (ii) a conversion of freely disposable equity in the amount of CHF 20,139,347.50, in exchange for which 16,111,478 registered shares (*Namensaktien*) were issued. In 2023, no capital measures were carried out.

For additional information on the capital structure and the transferability of the Company's shares, please refer to Part II (*Capital*) and Article 4, respectively, of the Articles of Association.

BOND
Gategroup Finance (Luxembourg) S.A., a fully owned direct subsidiary of the Company, issued a Swiss law governed, non-convertible bond listed with SIX Swiss Exchange in the form of intermediated securities based on a permanent global certificate (*Globalurkunde*). The Company acts as guarantor under the bond. The details of the bond are as follows:

• Issuance Date: 28 February 2017
• Face Value: CHF 5,000
• Total Amount: CHF 350 million
• ISIN Code: CH0353945394
• Exchange: SIX Swiss Exchange ("SIX")
• Currency: CHF
• Interest Rate: 3.0% p.a., paid annually (in arrears)
• Maturity: 28 February 2027

Bond Issuer:
gategroup Finance (Luxembourg) S.A.
33 St. James's Square
SW1Y 4JS
London
England

III. Board
The Board is entrusted with the ultimate direction of the Company's business and the supervision of the persons entrusted with the Company's management. It determines the organization and management structure of the group and adopts the group's fundamental business policy and resolutions concerning strategic issues. For the entire scope of the Board's non-delegable duties please refer to Article 17 of the Articles of Association.

The Board represents the Company toward third parties and manages all matters that have not been delegated to another body of the Company by law, the Articles of Association or by other regulations. The members of the Board and the chair of the Board are elected individually for a term of one year by the General Meeting of Shareholders (*Generalversammlung*). The Board constitutes itself outside of the powers of the General Meeting of Shareholders (*Generalversammlung*).

Article 15 of the Articles of Association provides that the Board may consist of a minimum of five (5) and a maximum of ten (10) members. As of 31 December 2023, the Board consists of nine (9) members, all of whom were re-elected by the General Meeting of Shareholders (Generalversammlung) on 31 May 2023 for a term of office of one year. The members of the Board can be re-elected without limitation. No member of the Board may hold more than ten (10) additional mandates of which no more than four (4) may be in listed companies. However, certain mandates (e.g. mandates in governing bodies of group companies) are not subject to such limitation. For detailed information on the members of the Board (including their professional background and other mandates) please refer to pages 52-54. The Board has re-appointed Angela Petzold Theiler, Chief Legal Officer of the Company, as secretary of the Board.

The chair of the Board convenes, organizes and chairs the meetings of the Board and, in the case of a tie, casts the decisive vote. Meetings are generally held as often as required, but at least four (4) times each year, and unless all of the members agree otherwise, at least once every four (4) months. In the reporting year, the Board In the reporting year, the Board met five times. The meetings lasted between 4.5 and 17 hours (2-day Board meeting).

Effective control by the members of the Board is ensured by a comprehensive set of information and control rights. Information rights on all affairs of the Company and the group can be exercised during meetings of the Board vis-à-vis each Board member and present member of the group management (in particular, the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO"). Outside of Board meetings, any information request concerning the course of the group's business can be posed through the chair of the Board to the CEO.

The CEO and the CFO have a duty to report on the course of business of the Company and the group at each meeting of the Board. The CEO must immediately report to the chair of the Board any material extraordinary event and any material change within the Company or the group.

In accordance with Swiss law, the Articles of Association and the Company's organizational rules, the Board has delegated the Company's operational management to the CEO, who is supported by the EMB. In addition, the Board has established the Audit Committee and the Nomination and Compensation Committee as advisory bodies to the Board.

AUDIT COMMITTEE

The Audit Committee consists of four (4) non-executive members of the Board: Andreas Schmid (chair), Björn Bajan, Bernie Han, and Thomas Weyer. There have been no changes in this reporting year.

The Audit Committee assists the Board in fulfilling its duties of supervising the management and organization of the group's financial controls, financial planning, and reporting. It is responsible, among others, for assessing the Company's risk management; reviewing compliance with applicable laws, rules and internal policies: reviewing auditor's reports; reviewing the appointment, re-appointment or termination and remuneration of the Company's auditors; reviewing financial statements; and reviewing together with the CEO and the CFO whether the group's accounting principles and financial control mechanisms are appropriate.

To fulfill its responsibilities, the Audit Committee has unrestricted access to the group's management, books, and records. It is not vested with own decision-making authority. The Audit Committee reports its proposals, assessment, findings within its scope of duties to the Board and makes related recommendations.

In the reporting year, the Audit Committee met three times. The meetings lasted between 2 and 2.5 hours. The appointed auditor (Revisionsstelle) for the financial year 2023 participated in two meetings of the Audit Committee. The CEO and CFO attended all meetings of the Audit Committee in 2023.

NOMINATION AND COMPENSATION COMMITTEE

The Nomination and Compensation Committee consists of three (3) non-executive members of the Board: Björn Bajan (chair), Vivian Lam, and Timo Vättö. The members of the Nomination and Compensation Committee were elected by the General Meeting of Shareholders (*Generalversammlung*) on 31 May 2023. There have been no changes in this reporting year.

The main duties and responsibilities of the Nomination and Compensation Committee are preparing and proposing to the Board the compensation policy and compensations of the Board and the EMB, including bonus and participation plans. It decides on the terms of the employment or mandate contracts with the members of the EMB or the Board.

The Nomination and Compensation Committee has unrestricted access to the group's management, books and records, as well as to mandate and employment agreements. Unless otherwise provided for in the Articles of Association, it is not vested with own decision-making authority. The Nomination and Compensation Committee reports its proposals, assessment and findings within its scope of duties to the Board and makes related recommendations.

In the reporting year, the Nomination and Compensation Committee met five times. The meetings lasted between 1 – 1.5 hours. Members of the management and external advisors attended occasionally as required.

IV. CEO and EMB
The CEO has the responsibility to manage and administer the day-to-day business of the group under the overall direction and supervision of the Board and in accordance with the approved business plan and budgets. The CEO is the direct link between the Board, to which he has a duty to report and whose resolutions he has to implement, and the group management, which he needs to organize, manage and control. The CEO is supported by the members of the EMB.

The EMB consists of the CEO and those persons who were appointed by the Board. The members of the EMB attend to the day-to-day business of the group under the supervision of the CEO and within their functional duties. Within the EMB, the CEO has the sole decision-making power and all other members of the EMB report to him. No member of the EMB may hold more than five (5) additional mandates of which no more than one (1) may be in a listed company. However, certain mandates (e.g. mandates in governing bodies of group companies) are not subject to such limitation.

As of 31 December 2023 the EMB consisted of eight (8) members (including the CEO): Christoph Schmitz (as CEO), Urs Schwendinger (as CFO), Federico Germani (Chief Commercial Officer and President LATAM & APAC), Herman Anbeek (as President North America, Europe and Middle East), Alexis Frantz (as President Southern Europe and Africa), Angela Petzold Theiler (as Chief Legal Officer) and Dr. Jeanette Hron (as Chief People Officer). Mrs. Petzold Theiler and Dr. Hron were confirmed by the Board as members on the EMB effective as of 1 June 2023. With effect as of April 30, 2023 Francisco Moreno, who served as Chief Operating Officer, left the EMB and gategroup. For further information on the CEO and the current members of the EMB and their functions, please refer to page 42 of this annual report.[1]

V. Compensation, shareholdings, and loans
The compensation of the members of the Board and the EMB is determined in accordance with legal and statutory requirements and the Articles of Association. The Board submits the maximum aggregate amount of compensation of the Board and the EMB to the General Meeting of Shareholders (*Generalversammlung*) for approval, on a yearly basis, prospectively and bindingly for the term until the next annual General Meeting of Shareholders (*Generalversammlung*). For further detail on basic compensation principles, please refer to Article 20 (Compensation) of the Articles of Association.

According to Article 21 (Credits and Loans, Pensions) of the Articles of Association credit and loan agreements in favor of any member of the EMB may not exceed CHF 500,000 per person. As of 31 December 2023 no loans or other form of credit was granted to any member of the EMB.

Transparency on non-financial matters
In respect to the reporting of non-financial matters, please be refer to the group's ESG Report which sets out in detail the group's efforts and achievements in respect to environmental matters, social matters, employee matters, respect for human rights, and anti-corruption measures.

VI. Auditor
The auditor (*Revisionsstelle*) is one of the Company's corporate bodies and is elected every year by the General Meeting of Shareholders (*Generalversammlung*). Re-election of the auditor is permitted, provided that the auditor remains at all times independent and meets special professional standards required by applicable law. The auditor reports directly to the General Meeting of Shareholders (*Generalversammlung*). The activities and reports of the auditor are monitored and reviewed by the Audit Committee within its responsibility (see above).

Ernst & Young AG is the auditor for the Company and the group. It was re-elected as the Company's auditor for the reporting year by the General Meeting of Shareholders (*Generalversammlung*). Ernst & Young AG has served as the Company's auditor since the financial year 2016.

1 With effect as from 1 January 2024 Sebastién Burnier was appointed as member of the EMB as Chief Operating Officer. Further organizational changes within the EMB were made between 31 December 2023 and the date of this annual report.

The auditors are elected annually at the Annual General Meeting for one year upon proposal of the Board of Directors. When selecting the auditors, the Board of Directors takes various criteria into account, in particular the independence, quality, reputation, and costs of the auditors. Ernst & Young AG (EY) have been the statutory auditors of gategroup Holding AG since 2016. The auditor in charge has been responsible for auditing the individual financial statements of gategroup Holding AG as well as the consolidated financial statements of the gategroup Group since fiscal year 2019. The auditor in charge is changed every seven years at the latest, as required by law.

The fees charged by EY as the auditor of gategroup Holding AG and its subsidiaries were CHF 3.7m for audit services, CHF 0.7m for audit-related services and CHF 0.3m for tax and other services.

Information policy

The Company has an open and active information policy for the benefit of its shareholders in line with the Articles of Association, organizational policies and its other contractual commitments.

Gategroup Finance (Luxembourg) S.A., as the issuer of a bond listed on SIX Swiss Exchange (guaranteed by the Company), complies with all the rules and regulations applicable to issuers of listed debt securities. In particular, the group publishes audited consolidated financial statements in accordance with the applicable financial reporting standards, as well as the corresponding audit report. The annual report is submitted electronically to SIX Exchange Regulation and published on the group's homepage. The bond issuer also observes the requirements for the publication of price-sensitive events (i.e. ad-hoc disclosure) which will be issued, among others, as a press release on the group's homepage.

Any reports and other information that are made available to the public can be obtained online under https://gategroup.com/corporate-affairs/mandatory-reporting/. The Company's official publications are made in the Swiss Official Gazette of Commerce. Any other important developments on the group's business are regularly published as press releases and can be obtained online under https://gategroup.com/media-center/.

The Company's contact details are:

gategroup Holding AG
Sägereistrasse 20
CH-8152 Glattbrugg
Switzerland
Phone: +41 44 533 7000
Email: IR@gategroup.com
Website: www.gategroup.com


A core component of our strategy is creating a workplace where our team members see not only gategroup's future, but also their own future with us.

Our people

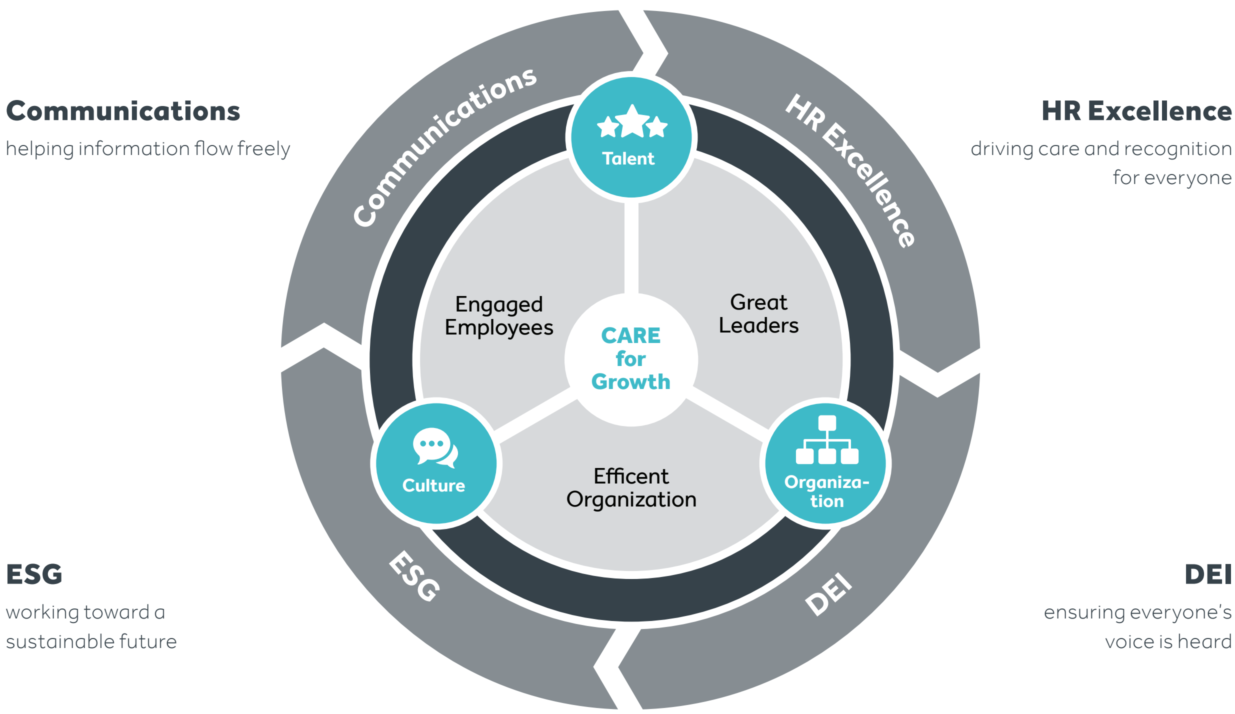
Our people strategy

Companies succeed when their employees thrive. That's why a core component of our strategy for market expansion and sustained growth is creating a workplace where our team members see not only gategroup's future, but also their own future with us. Professional development means different things to different people. Some have management ambitions and want to be confident that their career path leads in that direction. Others are more invested in continual learning and the opportunity to progress to new responsibilities. The goal of our people strategy is to give every employee a chance at the gategroup career they'll find most rewarding.

From a corporate perspective, leadership development and succession planning are priorities, but a core value within the People team is to provide learning and career development to everyone at all levels of the organization. One of our guiding principles is that everyone at gategroup should have those opportunities, and we recognize that by growing our people, we grow our business.

We're equally committed to ensuring that all our colleagues feel free to be themselves at work. It's essential that they feel secure and welcome here. Day to day, we consider it a priority to demonstrate that diversity and inclusivity are at the core of who we are and how we collaborate with one another. Those are key performance metrics for gategroup as we strive to make the company an employer of choice.

Our Chief People Officer, Dr. Jeanette Hron, took the lead during 2023 to align talent acquisition and retention more closely with our business needs and strategies. Under her guidance, the human resources function is transforming into a people partnership with our leadership and our teams. Instead of being focused on recruiting internal or external candidates as positions open, Dr. Hron and her team approach their work with a proactive understanding of the competencies needed in each role. This still-evolving approach was affirmed in December 2023 at our inaugural workshop for regional human resources directors, where the consensus supported this people partnership approach as the right strategy to support gategroup's continued progress and growth.



Meet our people

These are a few of the 40,000+ people who make gategroup thrive.

Teresa Rawson

Senior Manager, Regulatory Compliance, U.S. Customs, gategourmet

Teresa is the Senior Manager, Regulatory Compliance, U.S. Customs with gategourmet and has been with the company for over 16 years.

Based out of the North America head offices in Reston, Virgina, she is a paralegal dealing with importing and exporting, U.S. customs related business, regulatory matters that fall outside of Customs as well as taking care of a lot of tasks within her department and outside it, ready to help and assist whenever someone needs it.

Outside of the office, Teresa has a son and daughter, 30 and 34, as well as one grandson she loves to spoil. She is a big baseball fan, active in her local church, teaches religious education, and is a lover of dogs.

Addy Ng

Design Director, Amenities and Sleepwear for deSter

Addy Ng is the Design Director, Amenities and Sleepwear for deSter, working out of Hong Kong. After starting in 2015 as design director for LSG equipment offshoot Spiriant, Addy transitioned into his role with deSter following gategroup's acquisition of LSG Europe in 2020, gaining more responsibility, adding sleepwear to the airline amenity kits he was already designing.

Addy grew up and studied in Hong Kong, earning a degree in Linguistics and Literature in English before accepting a scholarship and moving to Paris to study, where he earned a Fashion degree.

The "Around the World" tote bag is a project he was part of that he is extremely proud of. He designed these reusable bags that were given to customers, and still sees people using them out on the street, several years later. He feels extremely lucky to be working in a field that he shares a passion with, fashion design, but also really enjoys the people he works with.

Outside of work, he likes keeping active, working out, or enjoying a nice glass of wine with friends. Addy also has an identical twin brother though looks are where the similarities end, as they have completely different personalities.

Diversity, Equity & Inclusion (DEI)

For the year, gategroup reduced our employee turnover by 6.7% to 29.4% — an improvement, but also a reminder of our responsibility to the people entrusted with gategroup's future. We are committed to maintaining a culture that allows all employees to be themselves at work and makes everyone feel welcome. In keeping with our navigate25 target of establishing "a framework to recognize, support, and uplift the diversity and communities within our organization" by the end of 2025, we launched *Challenge the Bias*, our global diversity, equity, and awareness campaign.

We are committed to maintaining a culture that allows all employees to be themselves at work.

We chose gender equity as our first area of diversity focus, and in December, the Executive Management Board defined a new commitment: to "increase gender balance at all levels, targeting over one-third representation of women in top 100 executives and lower/middle management by 2030." This step followed the participation of senior women from across the company in an event held in conjunction with our General Management Meeting in October. The input they provided will help to galvanize our next steps on gender equity initiatives and opportunities for action.

The 2023 ESG Report included more extensive information about these programs and additional initiatives launched at the Regional level.

Respect stands at the core of these diversity principles and actions. Those values extend beyond our workplace to human and labor rights at a global level and in the communities in which we do business. These beliefs are codified in our group-wide Code of Conduct and global Labor and Human Rights policy.

Meet our people

These are a few of the 40,000+ people who make gategroup thrive.

Catherine Chiu

Head of Key Accounts and Service Delivery

Catherine has been with gategroup for over 10 years and is currently the Head of Key Accounts and Service Delivery. Working at the Ash House, London location, she leads a team managing key customer accounts as well as acting as the point of contact for the clients.

Catherine is an advocate in promoting women in the workplace as well as raising awareness for the difficulties that women go through to thrive within the business landscape. She also plans all the special events that happen at Ash House, and says that her favorite part of working at gategroup is working with the people on her teams, and just coming into the office and being with the people here. Catherine is very proud to be one of CPO Jeanette Hron's first mentees in the new gategroup mentoring program.

When not working, Catherine enjoys traveling, and taking driving holidays such as bounding down the Pacific Coastal Highway or Route 66. She has an "unhealthy obsession" with Disney, is a LEGO aficionado, former game guru, and can be adventurous when it comes to food. She loves the simple dishes but has a taste for the luxurious delicacies too.

Tony McMillon

Vice President of Hub Operations in North America

Tony McMillon has been with gategroup for 38 years and is currently the Vice President of Hub Operations in North America, which has him overseeing eight Hubs including Dulles Airport, Newark, LaGuardia, Chicago, Denver, LA, San Francisco, and Seattle.

Tony graduated from Binghamton College in the U.S. before heading out on his gategroup journey. Since starting on the frontlines as an entry level CSA, Tony has worked across the USA and has turned his hand to most everything since then. He has worked as CSR Driver, Drivers' Lead, Supervisor, Transportation Manager, Buyer, Assistant General Manager, and he became the first African American GM in the company in Sarasota, Florida.

When he isn't working, he likes to keep active and follow a few sports as best he can, but since he loves his work and knows that there is always something happening, he still keeps one eye on the job. To help share his knowledge and leadership, Tony has also taken on the role of Mentor in gategroup's new online mentoring program.

Social impact and long- and short-term performance targets

Historically, gategroup has provided institutional support and partnership with programs engaged in emergency response to refugee crises, training and employment for displaced people, and skills development in communities with limited access to jobs.

In North America, we collaborated with 16 nonprofit organizations, community centers, and refugee/immigrant resettlement agencies providing aid to refugees from Afghanistan, Venezuela, and other countries in Latin America. Among these efforts were our ongoing work through the Tent partnership, through which we recruited 948 new hires during 2023. This, in combination with the 61 employees recruited through the partnership in 2022, exceeded our target of 1,000 refugees hired over a three-year period.

Our global social commitments include diverse advocacy and charitable endeavors. We have been a participant in the United Nations Global Compact since 2022, and gategourmet has been a corporate partner of Cuisine sans frontières since 2017. In 2023, we formalized our global procedures related to charitable activities in a document prepared for publication in early 2024. Our goal is to align all charitable activities around food and local communities.

Publication of that document provides guidelines for each Region to follow in selecting at least one dedicated cause. But our team members demonstrated their individual social commitments and priorities even before that document became available. In Morocco, servair employees served 55,000 meals to refugees following the Safi earthquake in September 2023. A dead-stock sale event hosted by staff in the UK raised £10,500 that was donated to Stanwell Food Bank and Shooting Stars Childrens Hospices. And colleagues in Rio de Janeiro, Brazil joined the Enraizando Sonhos social project to provide homeless people with items such as winter clothes, blankets, and shoes.

Our goal is to align all charitable activities around food and local communities.


ESG and business priorities often run in parallel and complement one another. With that in mind, we have linked process enhancements to key performance indicators.

ESG

Following the completion of our inaugural ESG materiality analysis in 2022, gategroup entered 2023 ready to establish the policies, infrastructure, and performance targets necessary to realize our environmental, social, and governance ambitions.

We recognized from the outset that ESG-optimized operations need standardization and structure to succeed. It's also clear to us that ESG and business priorities often run in parallel and complement one another, as in the cases of creating an empowering and welcoming working environment, or setting up robust waste management solutions, equipment efficiency, and best practice in resource use. With that in mind, we have linked process enhancements to key performance indicators, and we have begun to monitor and to measure the results on a continuous basis to track our progress and flag challenges we need to address.

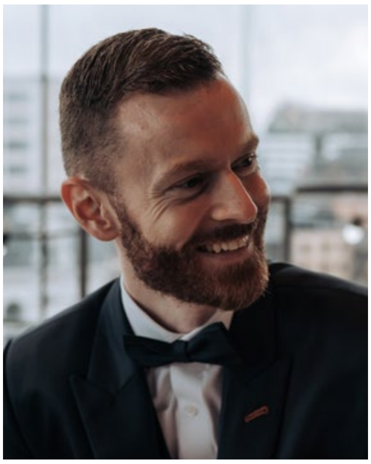
The ESG Framework 2025+ serves as the foundation of gategroup's global ESG management and as a reference point for determining the concrete measures and KPIs the company will undertake to achieve its sustainability goals.

In late 2023, the now approved Global ESG Charter was presented to gategroup's Global Risk and Compliance Committee. It is a mandate for all gategroup entities worldwide that details ESG roles and responsibilities at each level of the gategroup hierarchy to facilitate progress toward our sustainability goals and enhance the robustness and quality of nonfinancial data management and external reporting. ESG is expected to be integrated into the Internal Controls System during 2024 for internal auditing purposes.

Meet our people

These are a few of the 40,000+ people who make gategroup thrive.

Nicholas DeNijs



Commercial Director, Middle East and Indian Subcontinent for deSter

Nicholas DeNijs is currently the Commercial Director, Middle East and Indian Subcontinent for deSter, having joined the company straight out of university in 2012. He started off in a Commercial back-office function, and after four years was asked to move to Dubai, where he is currently situated, managing large airline customers such Saudia and Etihad. He has Bachelor's degrees in Business Management, Marketing and in Project Management.

Nicholas enjoys working in deSter, having built relationships and strong connections over the years. With gategroup engaging a lot on the ESG aspects of the business, investing into people and making it a great place to work, Nicholas is happy and proud to be part of that growth and development.

When he's not working with customers, Nicholas enjoys Sport Climbing, which takes him from the indoor gyms in the summer to the mountains outdoors in the winter. He also enjoys the occasional trip out into the sand dunes for some off-roading.

Ku Yat Fei

Senior Equipment Supervisor for gategourmet

Ku Yat Fei is the Senior Equipment Supervisor for gategourmet, working out of the Hong Kong airport unit. She attended college before entering the workforce as a Warehouse Clerk, preparing shipping documents. Through a friend, she heard that gategourmet was a company newly set up in the new Hong Kong airport and decided to try her luck and apply for a job. She joined the team and soon established herself as a key member of the gategourmet Hong Kong team. She participated in the first Kaizen in gategourmet Hong Kong which was the W&P implementation, which she holds in high regard as a great work achievement.

When she isn't working, she enjoys the calmness of planting and gardening as well as travelling, seeing sights and visiting new locations.

ESG governance structure

APPROVAL & OVERSIGHT

Executive Management Board (EMB)

PROGRAM SPONSOR

Chief People Officer (CPO)

GLOBAL COORDINATION

ESG Committee

Representatives from Global HR, Risk & Compliance, Communications, Procurement, Ops, deSter

VETTING

Global ESG team

Responsibility:

- Global alignment / coordination with Regions
- Best practice sharing, communications
- Tracking of progress on group level

SUPPORT

Global Operations Compliance

ESG data, systems, and processes

REGIONAL / BUSINESS COORDINATION OF ESG

North Western Europe | Southern Europe & Africa | Central Eastern Europe | North America | APAC & Oceania | Latin America | gatesolutions

Responsibility:
- Regional alignment based on global frameworks and regional/local needs – coordination with the units (where implementation takes place)
- Best practice sharing, communications
- Validation of environmental and OHS data submitted by the units and tracking of unit progress

IMPLEMENTATION

A B C ... | A B C ... | A B C ... | A B C ... | A B C ... | A B C ... | A B C ...

Meet our people

These are a few of the 40,000+ people who make gategroup thrive.

Pauline Alsters

Head of Product Development for the Air France division at servair

Pauline joined servair/gategroup in 2009 and is currently the Development Chef for Air France at servair, where she develops Air France's short-, medium-, and long-haul dishes. Along with her team, she works with Michelin-starred chefs, understanding them and their meal mantras, putting together their signature dishes and adapting them for travel.

She loves to jump at new challenges and projects, and even special ones like working on the Air France table at this year's Cannes Film Festival. Pauline has a BEP in the hotel and catering trade, starting out her career in the hotel business, but quickly transitioning into the culinary side of the business, finding her feet in a gourmet restaurant. For 13 years, prior to joining servair, she worked in production for several airlines, including Delta, Air France, Qatar, and Etihad.

Pauline is an active woman, finding new challenges to take on in her career outside of the work kitchen. She often travels around the world, enjoying the culinary offerings of different cultures. She always leaves a little room in her suitcase for products from different countries, as well as spices, so that she can share them with her family by preparing dishes from other countries and cultures.

Soobin Chung (Stella)

Production Planning Supervisor at gategourmet Korea

Stella Chung is the Production Planning Supervisor at gategourmet Korea. She has earned several academic achievements, including a bachelor's degree in culinary arts and a double major in business administration, both of which have been integral to her success as a Production Planning Supervisor.

She says her role can be challenging, as there is pressure to coordinate a number of moving parts into one seamless service experience, but Stella relishes the chance to collaborate with a diverse team of professionals.

Outside of work, she enjoys going for long walks. She finds solace in a calming walk, as it has a way of easing stress, even when facing problems without immediate solutions. She has also found purpose and fulfillment in mentoring within her professional community. Guiding her junior team members not only helps them grow but also enriches her own understanding and brings fresh perspectives to her own career. This balance of teaching and learning has become a cornerstone of her professional journey.

ESG governance

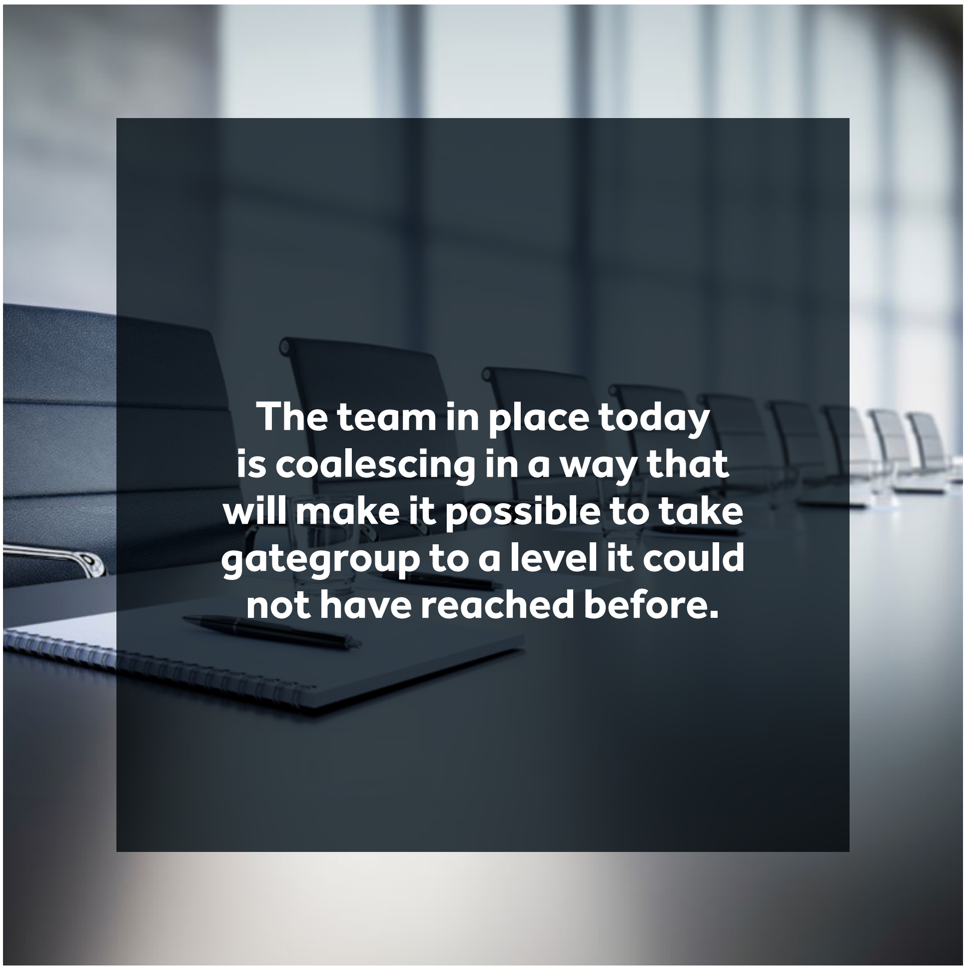
The Global ESG Steering Committee, whose members include representatives of HR, Procurement, Compliance, and Operations, oversees the development and implementation of ESG strategies and actions. The CPO chairs the monthly meetings of the Committee and provides quarterly updates to the EMB together with the Global Head of ESG. During 2023, we set up a complimentary virtual Regional ESG coordinating organization that meets monthly to ensure global alignment of concepts and to share knowhow and best practice insights.

In addition, we included ESG on the agenda during global and Regional townhalls held throughout the year. Employees at units across the organization as well as at corporate headquarters participated in information sessions and trainings to provide greater depth of understanding of our ambitions and targets and to emphasize the value of sound ESG data. At the direction of the EMB, performance evaluations will include ESG from 2024 onward.

During 2024, we will assess our existing processes and governance structures against the European Sustainability Reporting Standards (ESRS) expectations communicated in the EU Corporate Sustainability Reporting Directive. In 2026, we plan to publish a gategroup-wide ESRS-aligned report on 2025 activities in a format that conforms to transparent disclosure requirements.

In addition to setting targets at the corporate level, we continually solicit ideas from teams throughout the organization to gain the benefit of diverse perspectives and approaches. We are committed to fostering a culture in which every gategroup employee has a sense of personal responsibility for upholding the highest standards of ESG performance. For full details of environmental, social, and governance actions we undertook during the year, see gategroup's ESG Report 2023.

We are committed to fostering a culture in which every gategroup employee has a sense of personal responsibility.



EMB profiles

Christoph Schmitz

Chief Executive Officer

In culinary terms, freshness is one of the most important attributes a chef can bring to the table. The same is true of the way gategroup is conducting business today. The leadership, team members, business model, areas of innovation, and target markets all represent the fresh approach the company is taking to move forward rather than trying to recapture its past.

As Chief Executive Officer, Christoph Schmitz is leading a company that he and his colleagues are still in the process of imagining and re-inventing. And he is convinced that the team in place today is coalescing in a way that will make it possible to take the company to a level it could not have reached before.

Mr. Schmitz was appointed Chief Executive Officer of gategroup effective November 1, 2021, following a tenure of nearly seven years as the company's Chief Financial Officer. Prior to joining gategroup, he was CFO at Wild Flavors, an international supplier of ingredients to the food and beverage industry. In that role, he successfully implemented a private equity-supported buy, build, and exit strategy. Earlier in his career, Mr. Schmitz held a succession of C-level roles at multinational companies in North America, Australia, Germany, and India, which gave him the opportunity to unite a global mindset with diverse real-world experience.

A Swiss and German national, Mr. Schmitz holds an MBA from the Rotman School of Management at the University of Toronto and an M.Sc. in Business Management. A native German speaker, he is fluent in English.

Herman Anbeek

President, Europe

Member, Executive Management Board

With a background that encompasses commercial relationships, global markets, and business engineering, Herman Anbeek brings diverse perspectives to his roles at gategroup. His credentials span corporate and consulting responsibilities within the retail, aviation, and airline catering industries. These include positions with major airline carriers that enhance his rapport with gategroup customers and provide a profound understanding of the challenges they face.

Mr. Anbeek was appointed gategroup's President, North America, Europe & Middle East in June 2015, following his tenure as President, Airline Solutions and, before that, Group Senior Vice President and President Emerging Markets. He initially joined the company as Chief Commercial Officer.

Prior to joining gategroup, Mr. Anbeek held positions at LSG Sky Chefs, Pfister, PricewaterhouseCoopers, and KLM Royal Dutch Airlines, where he worked in the Netherlands and the Caribbean. Mr. Anbeek holds a Master of Science in Business Engineering from the University of Technology, Enschede, The Netherlands. A Dutch national and native Dutch speaker, he is fluent in German and English.

Sebastien Burnier

Chief Operating Officer

Member, Executive Management Board
since January 1, 2024

As gategroup works to align its targets for sustainability, operational efficiency, and financial performance, Sebastien Burnier is focused on defining the relevant strategy that will allow our operational teams to achieve excellence in execution. His approach as Chief Operating Officer is to implement the relevant operational organization and standardized processes that will turn strategic ideas into executional reality to deliver in outstanding and sustainable results.

Mr. Burnier assumed his role at gategroup from January 1, 2024, following his tenure at the WFS-SATS Group, where he was Head of Operations and Transformation. His responsibilities in that role included spearheading new operational excellence initiatives across the business, with the goal of driving a culture of teamwork, engagement, and empowerment. He is a strong advocate for encouraging employees to contribute their best ideas and work collaboratively.

His 20 years of senior leadership experience includes roles in quality, supply chain, and general management. Mr. Burnier holds a master's degree in Engineering from the National Conservatoire of Arts et Métiers of Paris and is certified in Production and Inventory Management by the Association for Supply Chain Management. A French national, he is a native French speaker and is fluent in English.

Alexis Frantz

President, Southern Europe & Africa
Member, Executive Management Board

Versatility is a hallmark of Alexis Frantz's experience and interests. A fine gourmet and committed to defending the values of cuisine, he leads from a position of hands-on knowledge of our business and the industries we serve. This affords him insights that extend from gategroup's operational oversight and growth strategies to our clients' perspectives on the challenges they rely on us to resolve.

Mr. Frantz was appointed gategroup's President, Southern Europe & Africa in January 2019. Prior to joining the company, he assumed successively responsible executive roles at servair, which he joined in 2013 as Director of Strategy. Following promotions to Corporate Secretary and Member of the Executive Committee, he was appointed Chief Executive in 2019.

His career trajectory at servair mirrors his earlier series of promotions at Air France, where his work in several leadership positions culminated in his appointment as Head of Organization and Communication for Ground Operations.

Mr. Frantz holds an MS from the École Polytechnique and an MBA from the Kellogg School of Management in Chicago. A French national and native French speaker, he is fluent in English.

Federico Germani

Chief Commercial Officer & President LATAM & APME

Member, Executive Management Board

Managing commercial relationships effectively requires a comprehensive understanding of the dynamics of human relationships. Federico Germani's work at gategroup demonstrates the importance of keeping person-to-person interactions in the foreground when forging commercial alliances. He is committed to the principle that this approach yields the most efficient manner of delivering the best results to customers.

Mr. Germani joined gategroup in October 2017 and currently serves as Chief Commercial Officer & President LATAM Middle East and Asia Pacific, as well being responsible for gategroup's global culinary team and the Retail on Board business. He is a seasoned aviation industry expert with more than 14 years of experience in the LATAM Group. Among his roles were Corporate Senior Vice President for Services and Innovation as well as several corporate global leadership roles in the United States and then Brazil.

Prior to joining LATAM Airlines Group, Mr. Germani held leadership roles at McKinsey, Goldman Sachs, and IBM. Following completion of his MSc in Industrial Engineering from Instituto Tecnológico de Buenos Aires, Mr. Germani earned an MBA in marketing and finance from the Kellogg School of Management in the United States. An Argentinian national who also holds Italian and U.S. citizenship, he is a native Spanish speaker, is fluent in English, has professional proficiency in Portuguese, and has an elementary knowledge of Italian.

Dr. Jeanette Hron

Chief People Officer

Member, Executive Management Board

Corporate performance can be tied to many metrics. For Dr. Jeanette Hron, key performance indicators include whether the company's culture allows employees to be themselves at work and whether those team members have the support they need to realize their full potential.

Dr. Hron joined gategroup as Chief People Officer in October 2022 and approaches her work as a partner in aligning the best talent & people development with the best opportunities for business growth and innovation. To that end, she oversees the four pillars of gategroup's People strategy: organizational design and development, HR excellence, talent and people development, and culture — including the company's diversity, equity, and inclusion initiatives.

Prior to joining gategroup, Dr. Hron served as Chief People Officer for Europe and the Middle East at Compass Group. Her insights reflect the breadth of knowledge she gained during two decades of executive experience at market-leading companies such as Munich RE, Novartis/Sandoz, and Danone. This career trajectory afforded her the opportunity to master People strategies in international roles across a variety of industries.

Following completion of her master's degree in Psychology in Switzerland, Dr. Hron earned a PhD in Organizational Psychology at the Ludwig-Maximilians-University in Munich. A German national and native German speaker, she is fully fluent in English and French and has basic professional proficiency in Italian.

Angela Petzold Theiler

Chief Legal Officer & Corporate Secretary

Member, Executive Management Board

Angela Petzold Theiler supports diversity, equity, and inclusion not just in principle, but as a practice that creates competitive advantages for companies and teams. Her commitment extends to providing formal mechanisms for voicing and responding to diverse opinions. She is an advocate for giving employees confidence that when they express concerns, they will be taken seriously, and the company will seek to address the problem and prevent it from recurring.

Ms. Petzold Theiler was named gategroup's Chief Legal Officer and Corporate Secretary in November 2021. She also has served as a member of the board of the Airline Catering Association since 2022. Her experience prior to joining gategroup includes several high-profile roles in Switzerland and the United States at Barry Callebaut, the world's leading manufacturer of high-quality chocolate and cocoa products. Among her assignments there were running the legal department for the Americas and the EMEA region in addition to service as corporate secretary of the Barry Callebaut group. Earlier in her career, she was a senior associate at Niederer Kraft & Frey AG, one of Switzerland's top law firms.

After completing her master's degree in law at the University of Zurich, Ms. Petzold Theiler earned an LLM with honors in law at Northwestern University's Pritzker School of Law in Chicago. In addition, she has completed executive management programs at Yale School of Management and at Harvard Business School. A Swiss national and native German speaker, she is fluent in English and French and has basic knowledge of Spanish.

Chris Plüss

President, gategroup Food Solutions

Member, Executive Management Board since January 1, 2024

With his passion for business growth, commitment to sustainability, and record of achievements in the culinary sector, Chris Plüss has a clear vision of gategroup's future and the drive necessary to play a key role in bringing that vision to fruition.

For more than 30 years, he has had an impact on the performance of globally recognized food sector leaders across Europe, APAC, and North America. His expertise encompasses B2C and B2B, and his professional accomplishments reflect his personal commitment to fitness and healthy and nutritious cooking of the highest caliber.

Prior to joining gategroup's leadership team, Mr. Plüss served as Managing Director, Aryzta Germany (including Austria & Exports), a position he was appointed to after successful tenure as Chief Operating Officer, Aryzta Asia Pacific Middle East & Africa; Regional Managing Director, Aryzta Southern Europe; and Managing Director, Aryzta Switzerland. His experience also includes Managing Director and Commercial Director positions at Fressnapf Schweiz/Maxizoo Suisse, HACO Swiss Group, and Unilever Switzerland Foods.

Mr. Plüss earned his MBA (magna cum laude) at the University of Berne and completed the Executive General Management Program at Harvard Business School. A Swiss national, he is a native German speaker, fluent in English, and has advanced command of French.

Urs Schwendinger

Chief Financial Officer

Member, Executive Management Board

Over the course of more than 20 years at gategroup, Urs Schwendinger has gained tremendous industry and leadership experience and completed assignments in four countries. Because he's energized by working across borders and cultures in a fast-paced environment, he succeeded in transitions from Switzerland to the United States to Singapore to Belgium, with interim returns to Switzerland along the way. As a master of navigating new territories and having helped to steer gategroup through various industry cycles and growth periods, he is a key member of the gategroup leadership team responsible for moving the company forward.

Mr. Schwendinger was appointed Chief Financial Officer in November 2021. His previous positions at gategroup include Vice President, Group Controlling; Chief Financial Officer, North America; Chief Financial Officer, Asia Pacific and Middle East; and Director, Group Financial Planning & Analysis. His experience prior to joining gategroup includes work in the banking industry with UBS and in the telecommunications industry with Switzerland's sunrise communications.

Mr. Schwendinger holds a BBA in Accounting and Finance from Hochschule für Wirtschaft Zürich and an MBA in Supply Chain Management from the Swiss Federal Institute of Technology Zurich (ETH). A Swiss national, he is a native German speaker and fluent in English.

Board of directors

Timo Vättö

Chairman of the Board

Timo Vättö has over 30 years of experience in strategy, financing, and M&A in multiple industries and regions, and currently holds the position of Chairman of the Board of Directors for gategroup.

In addition, he owns Cundo Management AG, a provider of corporate advisory services, and serves as Vice-Chairman of Aktia Bank plc, and is a director at IHAG Holding AG, Rettig Group Ltd, and Evalueserve Holdings AG. Previously, he served as Chairman/Director at Altisource Portfolio Solutions SA (2009-2019), and Director at Citibank Switzerland (2004-2009). Prior to 2008, he worked 20 years at Citigroup in Corporate and Investment Banking (CIB). He holds a Master of Science, Economics and Business Administration from the University of Tampere, Finland.

Björn Bajan

Member of the Board

Mr. Bajan currently serves as a member of the Board of Directors for gategroup. He is a business lawyer with over 30 years of experience as partner in a Zurich law firm as well as Executive Manager and Member of the Board in various Swiss and international corporations.

He is presently the Vice-Chairman of Susi Partners AG in Zurich, a leading sustainable infrastructure investor. He also serves and served as an Executive General Counsel and Corporate Secretary and Executive Board member in various Swiss listed and non-listed Companies.

Mr. Bajan holds a degree in Law from the University of Zurich and is a member of the Zurich Bar. Additionally, he earned a Master of Law in international Business Law from the University of London.

Bernie Han

Member of the Board

Bernie Han is a 20-year veteran of the airline industry and currently sits on the Board of Directors for gategroup as well as serving as a member of the Board of Directors of Frontier Airlines.
He served as President and CEO at Frontier Communications from 2019 to 2021, and previously held several senior roles at DISH, including EVP Strategic Planning, COO and CFO from 2006 to 2018. Prior to DISH, he spent 20 years in the aviation industry holding several senior roles at companies such as American West Airlines, Northwest Airlines, and American Airlines. He holds Master of Business Administration, Master of Electrical Engineering, and Bachelor of Science degrees from Cornell University, USA.

Prof. Dr. Dr.h.c. Uwe Krueger, FREng.

Member of the Board

Dr. Krueger joined Temasek in 2018 and is currently Head of Industrials, Business Services, Energy & Resources, and Head of EMEA (Europe, Middle East & Africa). Prior to Temasek,

Dr. Krueger was CEO of WS Atkins plc. from June 2011 to July 2017 and from February 2010 to July 2011, he was President of Cleantech Switzerland, additionally serving as Senior Advisor for TPG Capital and up to September 2009, he was CEO of Oerlikon Group.

Dr. Krueger began his career at the international strategy consulting firm A.T. Kearney, followed by several positions at Hochtief AG, an $18 billion international provider of construction and engineering services. Posts during his 10 years at Hochtief AG included SVP and Chairman of Turner International (a subsidiary of Hochtief AG); CEO of Central Eastern Europe and SVP of Corporate Development.

At the University of Frankfurt, Dr. Krueger received his undergraduate degree in Physics and Business Administration and his PhD in Complex System Theory and Brain Research. He also worked on various research assignments at Columbia University and Ecole Normale Superieur. As an honorary professor of Physics, he lectures at the University of Frankfurt. He also holds an Honorary Doctorate at Heriot-Watt University, Edinburgh. In 2016 he won the ACE European CEO of the Year award.

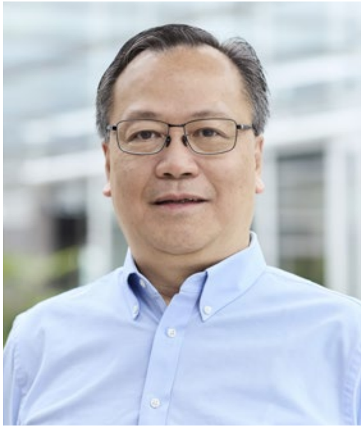
Vivian Lam

Member of the Board

Vivian Lam is the Chief Executive Officer at RRJ Management (Hong Kong) Ltd and one of the founding managing directors of RRJ Capital, an Asia-based USD private equity fund with total assets under management of approximately US$13 billion. Prior to joining RRJ in 2011, Vivian spent more than 11 years working in the Hong Kong and Shanghai offices of General Electric (GE) joining as the financial management program trainee in 2000. There she started her private equity career as an analyst at the GE Capital Asia Pacific – Private Equity Division and rose to the rank of Executive Director at GE Capital. Vivian is a home-grown, seasoned, private equity investor.

Vivian has been active in promoting Green Finance and ESG. She is a member of the Council and Technical Committee for the Green Finance Certification Scheme under Hong Kong Quality Assurance Agency (HKQAA), a non-profit-distributing organization set up in 1989.

Vivian obtained her Master of Business Administration from the University of Chicago and her Bachelor of Business Administration (Accounting & Finance) from The University of Hong Kong with First Class Honors. Vivian is also a Chartered Accountant and a Chartered Financial Analyst.



Richard Ong

Member of the Board

Richard Ong is the Founder, Chairman, and CEO of the RRJ Group, an Asian investment firm, founded in March 2011, which focuses on structured private equity investments in China and South-East Asia, and operates out of offices based in Hong Kong and Singapore. Prior to founding the RRJ Group, he was a co-founder and chief executive officer of HOPU Fund I. Richard managed over US$15 billion of funds under RRJ Group and HOPU I.

Leading up to 2008, Richard had a 15-year career with Goldman Sachs. Based in Beijing, he was a partner and co-head of the Asian Ex-Japan Investment Banking Division. Richard became a managing director of Goldman Sachs in 1996 and a partner in 2000. Richard was also a member of the Goldman Sachs Asian Management Committee. Prior to his transfer to Goldman Sachs Gaohua Securities Co. Ltd. in Beijing, he was the co-president of Goldman Sachs Singapore. Richard also has experience working in Hong Kong, and prior to joining Goldman Sachs, he worked in New York City for Chase Manhattan Bank and Prudential-Bache Capital Funding.

Richard graduated from Cornell University in 1986 with a Bachelor of Science and from the University of Chicago in 1989 with a Masters of Business Administration.

Andreas Georg Schmid

Member of the Board

Andreas Schmid is an entrepreneur and has served as Chairman and co-owner of Helvetica Capital AG since 2017. He has recently stepped down as Chairman of the Board of Zurich Airport, a position he held from 2000 to 2023. Mr. Schmid has a Master's degree in Law from Zurich University, where he also studied Economics and management. In 2008 Andreas Schmid was elected to the Board of Steiner AG and two years later to the Board of Wirz Partner Holding AG, where he has served as Chairman of the Board from 2017 to 2021. In 2014 he was named Chairman of the Board of Trustees of Avenir Suisse and in 2017 was elected to the Board of The Radisson Hotel Group. Formerly, Mr. Schmid was Chairman of gategroup from 2009 until 2015.

Next to his role as a board member of gategroup, Mr. Schmid currently holds several positions on a multitude of Boards including Chairman of the Supervisory Board Villeroy & Boch AG, Germany, prior Member since 2020; Member of the Board of Directors Steiner AG, Zurich; Member of the Advisory Board of Lakefield Partners AG, Zurich; Member of the "International Advisory Board", Ecole Hotelière Lausanne; and he also holds the position of Chairman at Nüssli AG, Switzerland. He speaks German, English, and French.

Christoph Schmitz

Member of the Board

Christoph Schmitz has served as Chief Executive Officer of gategroup and Member of the Executive Management Board since November 1, 2021. Prior to his appointment, he served as gategroup's Chief Financial Officer since January 2015. Before joining gategroup, he was CFO at Wild Flavors, an international supplier of ingredients to the food and beverage industry, where he successfully implemented a private equity-supported buy, build and exit strategy. Prior to this Mr. Schmitz held various C-level roles at several multinational companies in North America, Australia, Germany and India. Mr. Schmitz has over 20 years of experience in executive management roles, holds an MBA from the Rotman School of Management at the University of Toronto and an M.Sc.

Thomas Weyer

Member of the Board

Thomas Weyer is a Board Member of gategroup, having been appointed in 2021. Prior to joining the Board, he served at Munich Airport GmbH from 2008 to 2011 as Chief Operating Officer, then as Chief Financial Officer from 2011 to 2021. Before joining Munich Airport GmbH, from 2004 to 2008 he held the position of Chief Operating Officer at Berlin Brandenburg Airports GmbH after having served 10 years at HOCHTIEF Airport GmbH as well as HOCHTIEF Infrastructure GmbH. There, he was responsible for all worldwide infrastructure developments of HOCHTIEF AG.

Before that, he held various positions at Philipp Holzmann AG and Mobay Corporation. He holds an MBA from Duquesne University and a Master's in Civil and Structural Engineering (Dipl.-Ing.) from RWTH Aachen and studies in marketing and finance from the University of Evansville, USA.

Financial report 2023

Consolidated financial statements

Consolidated Financial Statements

Consolidated Income Statement

in CHF m	Notes	2023	2022
Total revenue	6	**4,698.6**	**3,874.6**
Materials and service expenses		(1,753.4)	(1,457.4)
Personnel expenses	7	(2,053.9)	(1,750.4)
Other operating expenses, net	8	(681.4)	(584.4)
Impairment charges	16	(0.2)	(2.4)
Depreciation and amortization	16, 17, 18	(172.4)	(187.6)
Other gains and (losses), net	9	(1.2)	2.7
Total operating expenses		**(4,662.5)**	**(3,979.5)**
Operating profit/(loss)		**36.1**	**(104.9)**
Financial income	10	7.6	1.5
Financial expenses	10	(197.8)	(133.0)
Share of result of associates and joint ventures	11	7.2	0.7
Loss before tax		**(146.9)**	**(235.7)**
Income tax expenses	20	(1.6)	(10.2)
Loss for the year		**(148.5)**	**(245.9)**
thereof attributable to shareholders of the Company		(176.4)	(251.7)
thereof attributable to non-controlling interests		27.9	5.8

Consolidated Statement of Comprehensive Income

in CHF m	Notes	2023	2022
Loss for the year		**(148.5)**	**(245.9)**
Items that will not be reclassified to profit or loss			
Remeasurement (losses)/gains on defined benefit plans, net of taxes	20, 21	(7.2)	205.9
Items that may be reclassified subsequently to profit or loss			
Currency translation differences arising during the year, net of taxes		(13.4)	6.6
Other comprehensive income		**(20.6)**	**212.5**
Total comprehensive income		**(169.1)**	**(33.4)**
thereof attributable to shareholders of the Company		(188.9)	(37.4)
thereof attributable to non-controlling interests		19.8	4.0

The accompanying notes form an integral part of these Consolidated Financial Statements.

Consolidated Balance Sheet

in CHF m	Notes	December 31, 2023	December 31, 2022
Cash and cash equivalents	12	284.6	208.1
Trade receivables	13	384.0	380.2
Other current receivables and prepayments	14	223.6	214.2
Inventories	15	190.8	203.6
Current income tax assets		9.4	10.0
Total current assets		**1,092.4**	**1,016.1**
Property, plant and equipment	16, 18	724.1	829.4
Intangible assets	17	963.6	1,052.0
Investments in associates and joint ventures	11	30.1	28.8
Financial assets at fair value through profit or loss	19	29.6	20.7
Other non-current receivables	14	75.5	108.6
Deferred income tax assets	20	31.0	9.4
Total non-current assets		**1,853.9**	**2,048.9**
Total assets		**2,946.3**	**3,065.0**
Short-term debt	22	75.3	72.0
Trade and other payables	23	437.2	393.5
Current income tax liabilities		41.7	32.8
Short-term provisions	24	49.1	63.8
Other current liabilities	25	740.1	747.4
Total current liabilities		**1,343.4**	**1,309.5**
Long-term debt	22	2,016.6	2,030.1
Deferred income tax liabilities	20	33.5	36.9
Defined benefit liabilities	21	278.4	292.1
Long-term provisions	24	101.4	106.9
Other non-current liabilities	25	158.6	86.9
Total non-current liabilities		**2,588.5**	**2,552.9**
Total liabilities		**3,931.9**	**3,862.4**
Equity attributable to shareholders of the Company		(1,071.2)	(877.0)
Non-controlling interests		85.6	79.6
Total equity		**(985.6)**	**(797.4)**
Total liabilities and equity		**2,946.3**	**3,065.0**

The accompanying notes form an integral part of these Consolidated Financial Statements.

Consolidated Statement of Changes in Equity

	Attributable to shareholders of the Company						
in CHF m	Share capital	Treasury shares	Retained earnings and other reserves	Currency translation	Total	Non-controlling interests	Total equity
At January 1, 2023	**180.6**	**(4.1)**	**(1,060.1)**	**6.6**	**(877.0)**	**79.6**	**(797.4)**
(Loss)/Profit for the year	–	–	(176.4)	–	(176.4)	27.9	(148.5)
Other comprehensive income	–	–	(6.9)	(5.6)	(12.5)	(8.1)	(20.6)
Total comprehensive income	**–**	**–**	**(183.3)**	**(5.6)**	**(188.9)**	**19.8**	**(169.1)**
Effect of hyperinflation accounting	–	–	(8.3)	–	(8.3)	–	(8.3)
Contribution by non-controlling interests	–	–	–	–	–	0.3	0.3
Change in non-controlling interests (Note 26)	–	–	3.0	–	3.0	(6.5)	(3.5)
Dividends paid to non-controlling interests	–	–	–	–	–	(7.6)	(7.6)
At December 31, 2023	**180.6**	**(4.1)**	**(1,248.7)**	**1.0**	**(1,071.2)**	**85.6**	**(985.6)**
At January 1, 2022	**180.6**	**(4.1)**	**(1,007.7)**	**(2.0)**	**(833.2)**	**81.3**	**(751.9)**
(Loss)/Profit for the year	–	–	(251.7)	–	(251.7)	5.8	(245.9)
Other comprehensive income	–	–	205.6	8.7	214.3	(1.8)	212.5
Total comprehensive income	**–**	**–**	**(46.1)**	**8.7**	**(37.4)**	**4.0**	**(33.4)**
Effect of hyperinflation accounting	–	–	(4.6)	–	(4.6)	–	(4.6)
Change in ownership of subsidiaries without loss of control (Note 25)	–	–	(2.0)	–	(2.0)	–	(2.0)
Change in non-controlling interests	–	–	0.3	(0.1)	0.2	(0.2)	–
Dividends paid to non-controlling interests	–	–	–	–	–	(5.5)	(5.5)
At December 31, 2022	**180.6**	**(4.1)**	**(1,060.1)**	**6.6**	**(877.0)**	**79.6**	**(797.4)**

The accompanying notes form an integral part of these Consolidated Financial Statements.

Consolidated Cash Flow Statement

in CHF m	Notes	2023	2022
Loss before tax		**(146.9)**	**(235.7)**
Adjustments for:			
Finance result	*10*	190.2	131.5
Long-term incentive plans	*27*	11.6	4.3
Share of result of associates and joint ventures	*11*	(7.2)	(0.7)
Depreciation and amortization	*16, 17, 18*	172.4	187.6
Impairment charges	*16*	0.2	2.4
Other losses and (gains), net	*9*	1.2	(2.7)
Cash flow before working capital and provision changes		221.5	86.7
Changes in working capital		61.8	(116.9)
Changes in provisions and defined benefit plans		(30.7)	(23.1)
Cash generated from/(used in) operations		252.6	(53.3)
Interest paid		(55.1)	(40.8)
Interest received		3.7	1.3
Income taxes paid, net		(14.7)	(5.8)
Cash flow from operating activities		**186.5**	**(98.6)**
Purchase of non-controlling interests	*26*	(1.4)	–
Purchase of property, plant and equipment	*16*	(72.9)	(39.8)
Purchase of intangible assets	*17*	(1.8)	(2.9)
Acquisition of equity-accounted investments		–	(3.0)
Purchase of financial assets at fair value through profit or loss		(0.5)	–
Disposal of subsidiaries, net of cash disposed	*30*	(0.3)	–
Proceeds from sale of non-current assets		26.9	15.6
Payment on sale of investments		–	(0.6)
Other investing activities		(0.3)	(1.9)
Dividends from associates and joint ventures	*31*	0.2	0.1
Cash flow from investing activities		**(50.1)**	**(32.5)**
Proceeds from debt	*22*	48.4	181.0
Repayments of debt and principal amount of lease liabilities	*22*	(81.5)	(75.0)
Dividends paid to non-controlling interests		(7.6)	(5.5)
Contribution by non-controlling interests		0.3	–
Cash flow from financing activities		**(40.4)**	**100.5**
Change in cash and cash equivalents		**96.0**	**(30.6)**
Movement in cash and cash equivalents			
At start of the year		203.3	244.7
Change in cash and cash equivalents		96.0	(30.6)
Effects of exchange rate changes		(19.6)	(10.8)
At end of the year	*12*	**279.7**	**203.3**

The accompanying notes form an integral part of these Consolidated Financial Statements.

Notes to the Consolidated Financial Statements

1 General Information

gategroup Holding AG (the "Company") and its subsidiaries (together the "Group") are the world's largest provider of airline catering services in terms of revenue. The Group also provides retail on board services as well as other services and products linked principally to airline hospitality and logistics. The Group operates a global network spanning approximately 60 countries and territories on six continents. The Company has its registered office in Opfikon, its address is Sägereistrasse 20, CH-8152 Glattbrugg, Switzerland.

As at December 31, 2023, 98.6% of the shares outstanding in the Company were held by Saffron Asset Holding Ltd, Hong Kong, Zeppelin Asset Holding Ltd, Hong Kong, and Esta Investments Pte Ltd, Singapore. The shareholdings are overall split equally between RRJ Capital Master Fund III, Cayman Islands, and Temasek Holdings (Private) Ltd, Singapore. The remaining shares are held by the Company.

These consolidated financial statements were authorized for issue by the Board of Directors of the Company (the "Board") on March 18, 2024.

2 Accounting Policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied for all years presented, unless otherwise stated.

2.1 Basis of Preparation

The Group's consolidated financial statements are prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the requirements of the Swiss Code of Obligations, as well as with the accounting and measurement principles described below. The consolidated financial statements are expressed in Swiss Francs ("CHF") (presentation currency) and prepared on a historical cost basis, except for certain financial assets and liabilities which are measured at fair value.

The preparation of consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4 Critical Accounting Estimates and Judgments.

The Entity's Ability to Continue as a Going Concern

The Group continued and even accelerated its path of operational and economic recovery in 2023. Despite the challenging macroeconomic environment, demand for air travel remains strong and there are no signs of a slowdown. As a result, revenues increased significantly during the year, at CHF 4,698.6m being 21% higher than in 2022 with the ramp-up being in all regions. Business volumes gradually approached pre-COVID levels towards the end of 2023 and we expect to reach 2019 levels during the course of 2024, as particularly the Asian markets continue to recover strongly.

A number of initiatives were launched in 2023 to improve profitability. These included renegotiating existing customer contracts, exiting loss-making contracts and developing higher margin products.

These initiatives, together with economies of scale, resulted in a significantly improved EBITDA margin compared to the previous year. An EBITDA margin of 4.8% was achieved in 2023 (2022: 2.6%), although this is still below the pre-COVID level of 8.9%. It should be noted that only a very small amount of support from governments is recognized in the 2023 result. The higher EBITDA also correlates positively with the increase in operating cash flow whilst there was also a higher level of investment in order to cope with current and future growth. Some of these investments have been financed through sale and leaseback transactions (Note 22).

Considering the undrawn commitments of the shareholders amounting to CHF 30.2m (CHF 53.2m undrawn on December 31, 2022, minus drawn amount in 2023 of CHF 23.0m (Note 22)), the current financial projections demonstrate that there are anticipated to be adequate resources available to allow the business to continue in operational existence for at least twelve months from the date of the authorization of these consolidated financial statements. As such, these consolidated financial statements have been prepared on a going concern basis.

2.2 Changes in Accounting Policies

The following new standards and amendments apply for the first time in 2023, but they have not had a material impact on the consolidated financial statements of the Group:

Standard	Effective date
Classification of Liabilities as Current or Non-Current – Amendments to IAS 1	January 1, 2023
Disclosure of Accounting Policies – Amendments to IAS 1	January 1, 2023
Definition of Accounting Estimates – Amendments to IAS 8	January 1, 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12	January 1, 2023
International Tax Reform – Pillar Two Model Rules – Amendments to IAS 12	January 1, 2023

The Group has early adopted the amendments on classification of Liabilities as Current or Non-Current – Amendments to IAS 1 in preparing these consolidated financial statements.

International Tax Reform - Pillar Two Model Rules - Amendments to IAS 12

The Organisation for Economic Co-operation and Development ("OECD")/G20 Inclusive Framework on Base Erosion and Profit Shifting has published the Pillar Two model rules designed to address the tax challenges arising from the development of the global economy.

It is unclear currently if these Pillar Two model rules create additional temporary differences for the Group, whether to remeasure deferred taxes for the Pillar Two model rules and which tax rate to use to measure related deferred taxes. In response to these uncertainties, which are common to all entities falling within the scope of Pillar Two, on May 23, 2023, the IASB issued amendments to IAS 12 'Income Taxes' introducing a mandatory temporary exception to the requirements of IAS 12 under which a company does not recognize or disclose information about deferred tax assets and liabilities related to the proposed Pillar Two model rules. The Group applied the temporary exception at December 31, 2023. Please also see Note 20.

Published Standards, Interpretations, and Amendments not yet applied

No published future amendments to IFRS are currently expected to have any material impact on the Group's accounting practices or on its financial position, performance and disclosure in 2024 or later.

2.3 Consolidation Accounting

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date control ceases.

The acquisition method is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets paid, equity instruments issued and liabilities incurred or assumed at the date of exchange. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. Goodwill is measured as the excess of the sum of the fair value of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized immediately in the consolidated income statement.

If a business combination is achieved in stages, the acquirer's previously held equity interest in the acquiree is remeasured to fair value at each acquisition date and a resulting gain or loss relating to the previously held equity interest is recognized through profit or loss.

Any contingent consideration payable is measured at fair value at the acquisition date and subsequent changes to the fair value are recognized in the consolidated income statement.

All material intercompany transactions and balances, and any unrealized gains or losses arising from intercompany transactions, are eliminated in preparing the consolidated financial statements.

Gains and losses on transactions with non-controlling interests are recorded in equity.

When the Group loses control over a subsidiary the assets and liabilities, any related non-controlling interests and other components of equity are derecognized. Any resulting gain or loss is recognized in the consolidated income statement.

Associates and Joint Ventures

Associates are those entities in which the Group has significant influence, but no control, over financial and operating policies. Significant influence is presumed to exist when the Group holds, directly or indirectly, between 20.0% and 50.0% of the voting rights of the entity.

The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent of the parties sharing control for strategic financial and operating decisions, and whereby the parties that have joint control have rights to the net assets of the arrangement.

Associates and joint ventures are accounted for using the equity method and are initially recognized at cost. When the Group's share of losses in an associate or joint venture equals or exceeds its interest, no further losses are recognized unless there is a legal or constructive funding obligation. If the associates or joint ventures subsequently report profits, then the Group resumes recognizing its share of those profits only after these equal the share of losses not previously recognized. The book value of investments in associates and joint ventures consists of the share of net assets and goodwill.

In reporting the results of associates and joint ventures their accounting policies are changed where necessary to ensure consistency with the policies adopted by the Group.

2.4 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Executive Management Board ("EMB"), which has been identified as being the Group's Chief Operating Decision Maker.

2.5 Foreign Currency Translation

The consolidated financial statements are expressed in CHF, which is the Group's presentation currency. Each of the Group's entities determines its own functional currency based on the primary economic environment in which it operates. Transactions in foreign currencies are accounted for at the rates prevailing on the date of the transaction.

Monetary assets and liabilities of the Group's entities which are denominated in foreign currencies are translated using year-end exchange rates. Exchange differences are recorded as an income or expense. Non-monetary assets and liabilities are translated at historical exchange rates. When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of the net investment in a foreign operation and are recognized in other comprehensive income, and presented under currency translation in equity.

For the translation of a foreign-currency operation into the Group's presentation currency (CHF), the following rates are applied:
- year-end exchange rates for assets and liabilities,
- monthly average rates for income statement accounts and
- monthly average rates, or actual rates for significant transactions, in the cash flow statement.

This policy is applicable for all foreign-currency operations, except for operations whose functional currency is the currency of a hyperinflationary economy, for which all amounts – assets and liabilities, income statement accounts and cash flows – are translated at year-end exchange rates.

Translation differences are recorded in other comprehensive income. On disposal of a foreign operation, the related cumulative translation adjustment is transferred from equity and included in the profit or loss from the disposal in the income statement.

The principal exchange rates used were as follows:

Swiss Francs per	**2023 Closing rate**	**2023 Annual average rate**	**2022 Closing rate**	**2022 Annual average rate**
1 Australian Dollar	0.57	0.60	0.63	0.66
1 Euro	0.93	0.97	0.99	1.00
1 US Dollar	0.84	0.90	0.92	0.95

2.6 Hyperinflation Accounting

In 2018, the economy of the Argentine Republic was newly classified as being hyperinflationary under the criteria included in IAS 29 – Financial Reporting in Hyperinflationary Economies. In 2022 and 2023, the economy of the Argentine Republic continued to be hyperinflationary. The application of inflation accounting requires restatement of the financial statements of the Argentinian subsidiary into current purchasing power, which reflects a price index at the end of the reporting period, before being included in the consolidated financial statements. Therefore, all non-monetary items are presented in units of measure as of December 31, 2023. All items recognized in the income statement are restated by applying the change in the price index from the dates when the items of income and expenses were initially earned or incurred. For the restatement, the Group uses a conversion coefficient derived from the consumer price index in the Argentine Republic, published by the Federación Argentina de Consejos Profesionales de Ciencias Económicas. The index increased by 2,398.6 basis points from 1,134.6 as at December 31, 2022, to 3,533.2 as at December 31, 2023 (2022: increase by 552.1 basis points). The gain or loss on the net monetary position is recognized in finance result in the consolidated income statement.

2.7 Recognition of Revenue

Revenue is recognized at an amount that reflects the consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer. Revenue is reduced for estimated volume rebates and other similar allowances. These elements are generally determined applying the expected value method. The Group recognizes revenue when it transfers control over a product or service to a customer. Contract assets primarily relate to the Group's right to consideration for delivery of services and goods not yet invoiced. Contract liabilities consist mainly of deferred revenue, which is recognized when the consideration from the customer has been received but the performance obligations have not yet been satisfied. The Group reports revenue in the categories catering and other, retail on board and equipment as well as food service not related to the aviation business. Revenue for all categories is recognized at a point in time.

2.8 Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown in the balance sheet within short-term debt.

2.9 Trade and Other Receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost, less provision for impairment. The impairment provision is calculated applying the simplified approach of the Expected Credit Loss ("ECL") model considering only the lifetime ECL. The provision includes an element based on historic credit loss experience, reflecting the average bad debt write-offs over the last three years and a forward-looking element, incorporating country specific credit default rates reflecting public information and expectation of changing conditions. Further, an additional provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization and default or delinquency in payments are considered indicators that a trade receivable is impaired.

Trade and other receivables are further classified as either current or non-current depending on whether they are expected to be realized within twelve months of the balance sheet date.

2.10 Financial Assets

The Group classifies its financial assets in the following categories: financial assets at fair value through profit or loss and financial assets at amortized cost. The classification depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. Management determines the classification of its financial assets at initial recognition and reclassifies them only when it changes the business model for managing financial assets. All purchases and sales are recognized on the settlement date.

Financial Assets at Fair Value through Profit or Loss
Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets at fair value through profit or loss are measured at fair value and related transaction costs are expensed in the income statement. Fair value changes on a financial asset at fair value through profit or loss are recognized in the period in which they arise. Assets in this category are classified as current if they are expected to be realized within twelve months and non-current otherwise.

Financial Assets at Amortized Cost
Financial assets at amortized cost are non-derivative financial assets held to collect contractual cash flows, where those cash flows are solely payments of principal and interest on the principal amount outstanding. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivable. They are included in current assets, except for maturities of more than twelve months which are classified as non-current assets. Amortized cost is the amount at which the financial asset is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest rate method for any difference between the initial amount and the maturity amount, minus any reduction for impairment or collectability.

Impairment of Financial Assets
Financial assets at amortized cost are impaired based on the ECL model. At each balance sheet date the Group assesses whether the credit risk for a financial instrument has increased. For trade receivables, the Group applies the simplified approach permitted by IFRS 9.

Offsetting Financial Assets and Liabilities
Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

2.11 Inventories

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Cost is determined using the standard cost method, the weighted average cost method, or the first-in first-out method. The cost of inventory comprises the purchase cost of raw materials and traded goods, as well as transport and other direct costs. Allowances are made for obsolete and slow-moving inventories. Unsaleable items are fully written off.

2.12 Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the assets. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. The carrying amount of any replaced asset is derecognized. All other repairs and maintenance costs are charged to the income statement during the financial year in which they are incurred.

Land is not depreciated. Capitalized leased assets are depreciated over the shorter of the useful life and the lease term. Depreciation on other assets is calculated using the straight-line method to allocate cost less any expected residual value over their estimated useful lives, as follows:

– Buildings	10–40 years
– Catering and other equipment	3–10 years
– Fixtures and fittings	5–15 years
– Vehicles	3–12 years

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at each balance sheet date.

Gains or losses on the sale of property, plant and equipment are determined by comparing proceeds with the carrying amount and are included in the consolidated income statement.

2.13 Leases

As a Lessee

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e. those leases that have a lease term of twelve months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of assets that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

At the commencement date of a lease, a lessee recognizes a liability representing its obligation to make lease payments (i.e. lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e. the right-of-use asset).

Right-of-use assets are initially measured at cost and subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of useful life or the end of the lease term and are adjusted for impairment losses and any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are presented in the consolidated balance sheet under property, plant and equipment.

Lease liabilities are initially measured at the present value of the lease payments that are yet to be paid at commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's Incremental Borrowing Rate ("IBR"). As the Group cannot readily determine the interest rates implicit in the leases, the IBR is applied. Lease liabilities are subsequently measured at amortized cost using the effective interest method. The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever there is a change in cash flows based on contractual clauses that have been part of the contract since inception (e.g. change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments).

Lease liabilities are presented in the consolidated balance sheet under short-term debt and long-term debt.

As a Lessor

The lessor classifies its leases as operating leases or finance leases, and accounts for them accordingly. The Group has no material lessor arrangements other than intercompany sublease arrangements.

2.14 Intangible Assets

Goodwill

Goodwill arising on the acquisition of subsidiaries is included in intangible assets. Goodwill arising on acquisitions of associates and joint ventures is included in the carrying value of the investment and is tested for impairment as part of that investment. Separately recognized goodwill is tested at least annually for impairment or whenever there are indications of potential impairment, and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. On disposal of a Cash Generating Unit ("CGU") or an operation forming part of a CGU, the related goodwill is included in the determination of profit or loss on disposal. Goodwill disposed of is measured on the basis of the relative values of the operation disposed of and the portion of the CGU retained. Goodwill is allocated to the Group's reportable regions (groups of CGU's), being the lowest level at which the goodwill is monitored for internal management purposes.

Other Intangible Assets

Other intangible assets comprise intellectual property, customer relationship assets from acquisitions and capitalized software. Intellectual property comprises trademarks acquired in business combinations. Acquired intangible assets from business combinations are capitalized at fair value at the acquisition date. Intangible assets acquired separately are measured initially at cost. For capitalized software, capitalized costs can include purchase consideration, employee and consultant costs, and an appropriate portion of relevant overheads. Only costs that are directly associated with the purchase or internal development of identifiable software products controlled by the Group and that are designed to generate economic benefits exceeding costs beyond a one year time horizon, are recognized as capitalized software.

The useful lives of intangibles are assessed to be either finite or indefinite. Trademarks are considered to have an indefinite life if they arise from contractual or other legal rights that can be renewed without significant cost, are subject to continuous marketing support and if there is no foreseeable limit to their useful economic life. Intangible assets with finite lives are amortized on a straight-line basis over their estimated useful life, as follows:

- Customer relationships 5–30 years
- Intellectual property with finite useful life 3–25 years
- Capitalized software 2–5 years

Intangible assets other than trademarks with indefinite useful lives are assessed for impairment when events or changes in circumstances indicate that the carrying value may not be fully recoverable. The useful life is reviewed annually and changes are made on a prospective basis.

Trademarks with indefinite useful lives are tested for impairment at least annually or whenever there is an indicator of potential impairment. The useful life of a trademark with indefinite useful life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, any changes are made on a prospective basis.

2.15 Impairment of Non-Financial Assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested at least annually for impairment or whenever there are impairment indicators. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying value exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash inflows, or the reportable regions for goodwill and intellectual property. Non-financial assets other than goodwill that previously suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.16 Employee Benefits

Wages, salaries, social security contributions, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued, net of governmental support received, in the year in which the associated services are rendered by employees of the Group. Where the Group provides long-term employee benefits, the cost is accrued to match the rendering of the services by the employee concerned.

Group companies operate various pension schemes that are designed to follow local practices in the respective countries. The Group has defined benefit and defined contribution plans. The major defined benefit plans are generally funded through payments to independent pension or insurance funds, with the level of funding being determined by regular actuarial calculations.

Defined Benefit Plans

The asset or liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the accrued portion of the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension liability.

When the fair value of the plan assets exceeds the present value of the defined benefit obligation, the Group's management assesses whether this surplus is fully recoverable through refunds or reductions in future contributions. Any portion of the surplus which is not fully recoverable is not recognized.

Pension costs comprise service costs (current and past service cost) and net interest. Current and past service costs are recognized immediately in the consolidated income statement. Net interest is determined by applying the discount rate to the net defined benefit liability or asset and is recognized in the consolidated income statement.

Remeasurements of the net defined benefit liability arising from actuarial gains and losses, return on plan assets differing from the assumed interest rates and any change in the effect of an asset ceiling, are reported through the consolidated statement of comprehensive income in the period in which they arise. They are not reclassified to profit or loss in subsequent periods.

Defined Contribution Plans
Under a defined contribution plan the Group pays fixed contributions. The Group has no legal or constructive obligation to pay further contributions. Defined contribution and state administered plans may require employees to make contributions and typically enable employees to earn matching or other contributions from the Group. The funding of these plans is in accordance with statutory funding requirements. Obligations for contributions to defined contribution and state administered plans are recognized as personnel expense in the income statement as incurred.

Other Long-term Employee Benefits
Other non-current employee benefits (including among others jubilee or long service benefits) are also measured using the projected unit credit method. However, unlike the accounting required for defined benefit plans, remeasurements of the net liability (asset) are presented in the consolidated income statement and not in the consolidated statement of other comprehensive income.

Termination Benefits
Termination benefits are recognized on the date on which the Group can no longer rescind the offer of the benefit or when restructuring provisions are recorded.

Long-term Incentive Plans
The Group provides long-term incentive plans to members of management. The cost of these are recognized as personnel expense in the income statement with a corresponding charge to provisions until payment is made.

2.17 Taxation

Income tax expense in the consolidated income statement is comprised of current and deferred income taxes. Transactions recognized in other comprehensive income include any related tax effects. Current income tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date together with any adjustments to tax payable in respect of previous years.

Deferred income tax is recognized based on the balance sheet liability method, which measures temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred income tax recognized is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. At each balance sheet date, the Group assesses the recoverability of its deferred income tax assets. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax assets and liabilities are offset only when the Group has a legally enforceable right to offset.

2.18 Financial Liabilities

Financial liabilities comprise predominantly trade payables, bank overdrafts, loans and lease liabilities. The Group classifies its financial liabilities into the following categories: Trade payables and other financial liabilities at amortized cost and financial liabilities at fair value through profit or loss.

Trade Payables
Trade payables are recognized initially at fair value and subsequently measured at amortized cost.

Financial Liabilities at Fair Value through Profit or Loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss. They are classified as current if they are due within twelve months and non-current otherwise. They are measured at fair value and related transaction costs are expensed in the income statement. Fair value changes are included in profit or loss for the period in which they arise.

Other Financial Liabilities, including Debt
Debt and other financial liabilities are initially recognized at fair value, net of transaction costs incurred and subsequently carried at amortized cost. Any difference between the amount borrowed and the repayment amount is reported in the consolidated income statement over the duration of the loan using the effective interest rate method. They are classified as a current liability unless the Group has an unconditional right to defer settlement for at least twelve months after the balance sheet date.

2.19 Provisions

Provisions for legal claims, non-income tax disputes, onerous contracts, property disputes, restructuring costs and other matters are recognized when the Group has a present or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

A contract is onerous when the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received. If the Group has a contract that is onerous, a provision is recognized at the present value of the obligation. Restructuring provisions principally comprise employee termination benefits, legal, property and other related costs. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

3 Financial Risk Management

3.1 Financial Risk Factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Board has put in place appropriate structures to ensure risk governance and monitoring across the Group.

The Group's overall financial risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group may use derivative financial instruments to hedge certain risk exposures.

Financial risk management is carried out by a central treasury department which identifies, evaluates and hedges financial risks where appropriate. The principles for overall financial risk management, as well as policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk, the use of both derivative and non-derivative financial instruments and the investment of excess liquidity exist and are formally documented.

Foreign Exchange Risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities, net investments in foreign operations, third party financing transactions, as well as intercompany transactions.

Whenever possible, foreign exchange risks are reduced by matching income and expenditure in the same currency and negotiating terms with suppliers that include invoicing Group companies in their functional currency.

The Group invests in foreign subsidiaries, whose net assets are exposed to currency translation risk. Generally, the intention is that currency exposure of the net assets of subsidiaries is primarily managed through borrowings denominated in the relevant foreign currencies. When appropriate, the Group enters into foreign exchange forward contracts. In 2023 and 2022, no such transactions were entered into.

The following sensitivity analysis illustrates the foreign currency risk of the material currency exposures on profit after tax and equity. If there had been a change of 5% in the underlying currency with all other variables held constant, the result from the shift in exchange rates related to financial instruments held in the balance sheet can be summarized as follows:

in CHF m	Impact on profit after tax				Impact on equity			
	2023		2022		2023		2022	
Movement against all currencies	5%	(5%)	5%	(5%)	5%	(5%)	5%	(5%)
Australian Dollar	(1.2)	1.2	(1.1)	1.1	2.0	(2.0)	2.2	(2.2)
Euro	26.2	(26.2)	8.3	(8.3)	(11.3)	11.3	(8.3)	8.3
US Dollar	(1.1)	1.1	5.3	(5.3)	(5.0)	5.0	(5.5)	5.5

Cash Flow and Fair Value Interest Rate Risk

The Group's interest rate risk is primarily driven by changes to market interest rates on financial assets and liabilities subject to variable interest and risk free rates. Together with the floating interest rates on cash balances, they form the cash flow risk which creates uncertainty over future net interest payments. The interest rate risk is limited through the issue of the fixed interest rate Bonds (nominal CHF 350.0m) and the fixed interest rate related party loan. The remaining exposure is addressed through the management of the fixed/floating ratio of net financial liabilities. To manage this, the Group may enter into interest rate swap agreements. At December 31, 2023 and 2022, no such interest rate derivatives were outstanding. Assets and liabilities at fixed rates only expose the Group to fair value interest rate risk in case they are classified as fair value through profit or loss (Note 19).

The primary objective of the Group's interest rate management is to protect the net interest result.

The Group analyzes its interest rate exposure on a regular basis. Various scenarios are simulated taking into consideration the sensitivity of financial assets and liabilities with variable interest rates and the refinancing of positions with a maturity of less than twelve months. Based on these scenarios, the Group calculates the impact on profit and loss of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies. The scenarios are run for interest-bearing positions.

Based on the simulations performed, at December 31, 2023, if there had been an interest rate increase of 100 basis points/decrease of 50 basis points with all other variables held constant, loss after tax for the year would have been CHF 3.1m higher/CHF 1.4m lower (2022: CHF 4.0m higher/CHF 1.9m lower). At December 31, 2023 and 2022, other components of equity would not have been impacted.

Credit Risk

Credit risk reflects the risk that a counterparty will default on its contractual obligations, resulting in financial loss to the Group.

It is the Group's policy that customers who trade on credit terms are subject to credit verification procedures. The assessment of the credit quality of the Group's customers is reflected in the Group's internal rating system which takes into account the financial position, past experience, ownership structure, specific market conditions and other factors. In addition, receivable balances per customer are monitored, at least monthly, on a consolidated basis. The credit exposure by customer is regularly reviewed and approved by management. In cases where management assesses the trend of the exposure to any customer as unsatisfactory or in cases where the credit quality of any customer deteriorates, the Group seeks to enforce measures to reduce the exposure and might revise the payment and credit terms. The total outstanding trade balances of the Group's five largest receivable positions at December 31, 2023, constitute 33.8% (2022: 32.7%) of the total gross trade receivable amount and individually they accounted for between 4.4% and 9.3% (2022: 3.9% and 9.0%) of the total gross trade receivables. Due to appropriate provisioning, management does not expect any additional losses from non-performance by customers.

The credit risk arising from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions is limited because the Group's risk policy stipulates that a major portion of cash and cash equivalents must be placed with broadly diversified counterparties that are assessed to have a low risk of default.

Liquidity Risk

Liquidity risk arises through an excess of financial obligations over available financial assets due at any point in time. The Group's approach to liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Group monitors its risk to a shortage of funds by reviewing short-term and mid-term cash forecasts during the year. At December 31, 2023, the Group has unused committed funds from its shareholders totalling CHF 30.2m (2022: CHF 53.2m).

The following table details the contractual maturity of the Group's financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities at the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

2023 in CHF m	**1–3 months**	**3 months–1 year**	**1–5 years**	**More than 5 years**	**Contractual value**	**Carrying value**
Debt	41.6	71.4	2,472.8	321.0	**2,906.8**	2,249.3
- thereof lease liabilities	*23.4*	*60.7*	*233.1*	*197.2*	**514.4**	*374.8*
Other non-current liabilities	–	–	8.4	7.3	**15.7**	15.7
Trade and other payables	338.1	39.2	–	–	**377.3**	377.4
Other current liabilities	254.5	352.5	–	–	**607.0**	607.0
Balance at December 31	**634.2**	**463.1**	**2,481.2**	**328.3**	**3,906.8**	**3,249.4**

2022 in CHF m						
Debt	35.0	51.9	2,464.9	287.6	**2,839.4**	2,185.6
- thereof lease liabilities	*17.0*	*42.3*	*244.5*	*142.1*	**445.9**	*408.1*
Other non-current liabilities	–	–	10.9	1.3	**12.2**	12.2
Trade and other payables	275.8	49.6	–	–	**325.4**	325.4
Other current liabilities	274.3	319.4	–	–	**593.7**	593.7
Balance at December 31	**585.1**	**420.9**	**2,475.8**	**288.9**	**3,770.7**	**3,116.9**

At the end of the reporting period, the Group had drawn CHF 436.5m (2022: CHF 426.0m) of the Revolving Credit Facility ("RCF"). The RCF may be drawn at any time to meet short-term financing needs. It is subject to a bi-annual Compliance Certificate (Note 22).

3.2 Capital Risk Management

The Group's objectives when managing capital are to safeguard its status as a going concern in order to provide returns for shareholders, benefits for other stakeholders and to maintain a capital structure focused on reducing the cost of capital. To maintain or adjust the capital structure, the Group may distribute dividends, issue new shares or adjust the level of debt. The Group's existing committed credit facilities are available to the Company and certain of its subsidiaries (Note 22). The RCF and the Term Loan contain a covenant with respect to liquidity. The Company has remained in compliance with its covenants. Additional related information on going concern can be found in Note 2.

3.3 Fair Value of Financial Assets and Financial Liabilities

Financial assets are recognized at amortized cost, which approximates fair value, or at fair value (Note 19). Financial liabilities are generally recognized at amortized cost, which approximates fair value. The fixed rate five-year senior Bonds accounted for at amortized cost of CHF 348.4m (2022: CHF 346.9m) (Note 22) are quoted in an active market (Level 1 measurement) with a fair value of CHF 242.7m (2022: CHF 234.5m).

4 Critical Accounting Estimates and Judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under foreseeable circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related final outcome. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are described in the following table.

Business combination and control assessment	Assessment of control and significant influence in connection with investments in subsidiaries, associates and joint ventures, require the exercise of judgment, including the level of Board and Management involvement. Business combinations in particular require the exercise of judgment in establishing the fair values of assets and liabilities at acquisition and recognizing the elements of the transaction with the seller.	Notes 11, 29
Provisions	Provisions may be recorded for matters over which there is uncertainty, therefore requiring a significant degree of assumption and estimation when determining the timing and the probable future outflow of resources.	Note 24
Taxes	Provisions for income taxes require significant judgment as these are based on transactions and calculations for which the ultimate tax determination is spread over numerous jurisdictions. Deferred tax assets are based on anticipated results for the relevant taxable entity over a period of several years into the future, including interpretations of existing tax laws and regulations.	Note 20
Impairment of assets	At least once a year goodwill and intangible assets with indefinite useful life are tested for impairment. The impairment testing is based on value in use calculations requiring estimation of future sales and appropriate discount rates.	Note 17
Defined benefit obligations	In various countries there are defined benefit plans. The calculation of the defined benefit plan liability is based on actuarial assumptions of discount rates, inflation and life expectation. Such assumptions can differ substantially from actual circumstances due to changes in market conditions and economic environment.	Note 21
Financial instruments at fair value through profit or loss	Financial instruments at fair value through profit or loss require significant judgment due to limited observable market data such as the book values and the profitability of the underlying business used in the valuation process.	Note 19
Leases	The Group has certain lease contracts that include extension and termination options. The Group applies judgment in evaluating whether it is reasonably certain an option to renew or terminate will be exercised. The Group cannot readily determine the interest rates implicit in the leases. Therefore, the IBR is applied to measure lease liabilities. The Group estimates the IBR using observable inputs (such as market interest rates) when available and uses a single discount rate curve per currency for the entire group taking into account a risk-free rate (respecting the duration of the lease agreement) and the credit spread applicable to the entire Group.	Note 18

5 Segment Information

The Group is organized and managed primarily on the basis of geographic regions. The reportable segments are NWE (Northern and Western Europe), SEA (Southern Europe and Africa), CEE (Central Europe, Eastern Europe and Middle East), NA (North America), Emerging Markets (comprising Latin America and Asia Pacific) and deSter (providing food packaging/serviceware concepts to the aviation and food service industry). During 2023, the composition of the reportable segments has been changed to present the deSter region separately due to its size. As a result, the prior year segment reporting presented below has been restated to be consistent with the revised structure.

5.1 Reportable Segment Information

January - December, 2023 in CHF m	**NWE**	**SEA**	**CEE**	**NA**	**Emerging Markets**	**deSter**	**Centre**	**Elimina-tions**	**Total**
External revenue	638.8	842.1	942.7	1,286.7	567.4	333.9	87.0	–	4,698.6
Intersegment revenue	8.9	2.9	18.1	9.5	–	17.6	191.4	(248.4)	–
Total revenue	**647.7**	**845.0**	**960.8**	**1,296.2**	**567.4**	**351.5**	**278.4**	**(248.4)**	**4,698.6**
EBITDA	**12.8**	**52.2**	**(23.7)**	**71.7**	**71.7**	**33.5**	**8.0**	**–**	**226.2**
Total segment assets	297.5	700.6	580.0	446.4	471.0	292.2	158.6	–	2,946.3
Total segment liabilities	(480.7)	(501.4)	(380.0)	(497.6)	(484.1)	(109.6)	(1,478.5)	–	(3,931.9)
Additions to non-current assets[i]	11.6	28.0	12.2	26.0	10.1	8.1	1.4	–	97.4

January - December, 2022 (restated) in CHF m	**NWE**	**SEA**	**CEE**	**NA**	**Emerging Markets**	**deSter**	**Centre**	**Elimina-tions**	**Total**
External revenue	565.6	732.7	740.9	1,037.6	390.3	327.0	80.5	–	3,874.6
Intersegment revenue	6.1	3.5	14.2	5.0	–	16.5	152.5	(197.8)	–
Total revenue	**571.7**	**736.2**	**755.1**	**1,042.6**	**390.3**	**343.5**	**233.0**	**(197.8)**	**3,874.6**
EBITDA	**4.5**	**45.2**	**18.1**	**0.1**	**18.4**	**12.3**	**1.5**	**–**	**100.1**
Total segment assets	310.1	760.6	627.4	490.7	446.6	329.5	100.1	–	3,065.0
Total segment liabilities	(471.8)	(545.0)	(346.4)	(517.2)	(478.1)	(148.6)	(1,355.3)	–	(3,862.4)
Additions to non-current assets[i]	9.8	20.9	14.8	16.1	6.6	13.4	1.7	–	83.3

[i] Relates to property, plant and equipment and intangible assets

EBITDA is defined as earnings before interest, tax, depreciation, amortization and management fees. EBITDA excludes long-term incentive plans, restructuring costs, transaction-related costs, operating taxes (non-income taxes) and other gains and losses, net. The EMB assesses the performance of operating segments based on EBITDA. The reconciliation to operating profit/(loss) as reported in the consolidated income statement is presented below.

5.2 Reconciliation

Reconciliation of EBITDA to operating profit/(loss)

in CHF m	**2023**	**2022**
EBITDA	226.2	100.1
Long-term incentive plans (Notes 7, 27)	(11.6)	(4.3)
Release of restructuring provisions, net of restructuring costs (Notes 7, 8)	0.3	(1.9)
Transaction-related costs	(1.1)	(1.8)
Operating taxes (non-income taxes)	(4.5)	(10.7)
Depreciation (Notes 16, 18)	(147.7)	(156.9)
Amortization (Note 17)	(24.7)	(30.7)
Impairment charges, net of reversals (Note 16)	(0.2)	(2.4)
Other gains and (losses), net (Note 9)	(1.2)	2.7
Management fees, net	0.6	1.0
Operating profit/(loss)	**36.1**	**(104.9)**

5.3 Entity-wide Disclosures

Geographic Information

Revenue by country

in CHF m	2023	2022
United States	1,271.0	1,064.0
Germany	726.6	589.0
France	647.1	569.2
Switzerland[I]	355.8	304.6
Other countries	1,698.1	1,347.8
Total[II]	**4,698.6**	**3,874.6**

[I] Country of domicile of the Company
[II] Relates to revenue from external customers

No other country represented more than 10% of revenue from external customers in 2023 or 2022.

Non-current assets by country

in CHF m	2023	2022
France	338.0	364.8
Germany	282.2	314.9
United States	248.7	288.5
Switzerland[I]	220.4	242.2
Other countries	598.4	671.0
Total non-current assets[II]	**1,687.7**	**1,881.4**

[I] Country of domicile of the Company
[II] Relates to property, plant and equipment and intangible assets

No other country represented more than 10% of non-current assets as of December 31, 2023 or 2022.

Major Customers

Two major customers accounted for 14% and 10% of 2023's total revenue respectively (2022: 13% and 12% respectively). Their revenues are attributable across all reportable segments.

6 Revenue

in CHF m	2023	2022
Catering and other	3,795.4	3,007.2
Retail on board	280.1	254.7
Equipment and Food services	623.1	612.7
Total	**4,698.6**	**3,874.6**

Catering revenue includes revenue from on board catering and related logistic services. Other revenue includes revenue from other catering and other services, the latter including laundry, aircraft cleaning, lounge and security services and asset management. Retail on board revenue comprises the sale of food and non-food products directly to passengers. Equipment revenue includes revenue from the sale of food contact items (such as cutlery, cups, glasses and plates), and comfort items (such as headsets, blankets and amenity kits). Food services include revenue not related to the aviation business.

Payment terms are individually agreed with the Group's customers and are tailored to the specific factors relating to each customer contract.

in CHF m	2023	2022
Deferred revenue (Note 25)	(1.7)	(3.6)
Total contract liabilities	**(1.7)**	**(3.6)**

Contract liabilities are recognized and settled continuously in the normal course of business.

From time to time the Group enters into service contracts, whereby an up-front contract payment is made to a customer. These are made as an integral part of a long-term agreement with such customers. These up-front payments are recognized in other prepayments and other non-current receivables (Note 14). They are amortized over the life of the related contract and the amortization charge is recorded as a reduction of revenue.

Movements on the up-front contract payments are as follows:

in CHF m	2023	2022
Balance at January 1	**58.9**	**67.4**
Additions	0.7	4.2
Write-offs / reclassifications	(0.8)	(0.1)
Amortization charge for the year	(7.4)	(10.3)
Exchange differences	(4.6)	(2.3)
Balance at December 31	**46.8**	**58.9**

7 Personnel Expenses

in CHF m	2023	2022
Wages and salaries	(1,615.4)	(1,388.9)
Social security costs	(171.9)	(151.4)
Pension defined benefit plan expense (Note 21)	(18.2)	(22.1)
Pension defined contribution plan expense	(25.5)	(23.8)
Share-based payments (Note 27)	(11.6)	(4.3)
Release of restructuring provisions, net of restructuring costs	3.1	(0.3)
Other personnel costs and benefits	(219.9)	(182.8)
Government grant income	5.5	23.2
Total	**(2,053.9)**	**(1,750.4)**

8 Other Operating Expenses, Net

in CHF m	2023	2022
Utility and other property costs	(226.4)	(211.4)
Operating fees and deductions	(91.3)	(80.4)
Lease related expense (Note 18)	(16.1)	(14.2)
Maintenance costs	(112.3)	(96.0)
Audit, consulting and legal fees	(50.2)	(58.3)
IT and communication costs	(81.1)	(85.5)
Administrative and operative costs	(56.3)	(52.6)
Transport and travel costs	(19.1)	(22.7)
Restructuring costs, net	(2.8)	(1.6)
Allowance for expected credit losses trade and other receivables	(16.2)	(21.4)
Insurance costs	(18.6)	(14.0)
Outsourced service costs	(12.6)	(14.0)
Other operating taxes	(9.4)	(14.6)
Onerous contract provision release (Note 24)	2.0	17.1
Other operating costs	(19.5)	(18.0)
Other operating income	48.5	103.2
Total	**(681.4)**	**(584.4)**

Other operating income in 2022 included government grants received in various jurisdictions amounting to CHF 74.4m.

9 Other Gains and Losses, Net

in CHF m	2023	2022
Gain on sale of assets	6.0	3.9
Loss on sale of assets	(1.9)	(0.8)
Loss on sale of investments in associates and joint ventures	–	(0.4)
Gain on disposal and liquidation of subsidiaries	0.1	0.1
Loss on disposal and liquidation of subsidiaries	(2.8)	(0.1)
Loss on impairment of associates	(2.6)	–
Total	**(1.2)**	**2.7**

In 2023, CHF 5.4m of the gain on sale of assets relate to the sale and leaseback of property located in Belgium (Note 22) and CHF 2.5m of the loss on disposal and liquidation of subsidiaries relate to the sale of Gate Gourmet Catering Bolivia S.A. (Note 30).

10 Finance Result

in CHF m	2023	2022
Interest income	3.9	1.4
Other finance income	3.7	0.1
Total financial income	**7.6**	**1.5**
Interest expense	(159.7)	(99.6)
Interest on lease liabilities (Note 18)	(28.7)	(22.5)
Net interest on defined benefit schemes (Note 21)	(11.9)	(7.2)
Foreign exchange gains/(losses), net	13.4	9.7
Other finance costs	(10.9)	(13.4)
Total financial expenses	**(197.8)**	**(133.0)**
Total	**(190.2)**	**(131.5)**

Interest income include interest income on pension plan reimbursement rights in Germany amounting to CHF 0.8m (2022: none) (Note 21).

Other finance income include fair value adjustments to financial assets at fair value through profit or loss in the amount of CHF 3.3m (2022: other finance costs CHF 5.2m) (Note 19).

Foreign exchange gains/(losses), net include primarily the gain from hyperinflation accounting in the Argentinian subsidiary and foreign exchange gains/(losses) on monetary financial assets and liabilities.

11 Investments in Associates and Joint Ventures

2023 in CHF m	Associates	Joint ventures	Total
Aggregated carrying amount	**29.3**	**0.8**	**30.1**
Share of result of associates and joint ventures	7.1	0.1	7.2
Share of other comprehensive income	(1.7)	–	(1.7)
Share of total comprehensive income	**5.4**	**0.1**	**5.5**

2022 in CHF m	Associates	Joint ventures	Total
Aggregated carrying amount	**28.1**	**0.7**	**28.8**
Share of result of associates and joint ventures	0.5	0.2	0.7
Share of other comprehensive income	(1.1)	–	(1.1)
Share of total comprehensive income	**(0.6)**	**0.2**	**(0.4)**

The unrecognized share of losses of associates and joint ventures is CHF 11.7m as of December 31, 2023 (2022: CHF 11.7m). The loss on impairment of associates of CHF 2.6m is reported under other gains and losses, net (Note 9).

12 Cash and Cash Equivalents

in CHF m	2023	2022
Cash and bank balances	215.2	171.2
Short-term bank deposits	69.4	36.9
Balance at December 31	**284.6**	**208.1**

For the purpose of the cash flow statement, cash and cash equivalents comprise the following:

in CHF m	2023	2022
Cash and bank balances	215.2	171.2
Short-term bank deposits	69.4	36.9
Bank overdrafts (Note 22)	(4.9)	(4.8)
Balance at December 31	**279.7**	**203.3**

13 Trade Receivables

in CHF m	2023	2022
Trade receivables	517.9	520.4
Trade receivables due from related parties	7.2	7.0
	525.1	**527.4**
Allowance for expected credit losses	(141.1)	(147.2)
Balance at December 31	**384.0**	**380.2**

The impaired receivables mainly relate to customers who were experiencing difficult financial circumstances, with the majority of these amounts being more than two months overdue, together with expected future credit losses. It was assessed that a portion of these receivables is expected to be recovered. The maximum credit risk to which the Group is exposed at December 31, 2023 and 2022, is represented by the carrying amounts in the balance sheet.

The aging-analysis of the trade receivables is as follows:

in CHF m	2023	2022
Not overdue	374.9	348.7
Less than 1 month overdue	43.9	51.9
1 to 2 months overdue	11.5	17.0
Over 2 months overdue	94.8	109.8
Balance at December 31	**525.1**	**527.4**

Movements on the allowance for expected credit losses are as follows:

in CHF m	2023	2022
Balance at January 1	**(147.2)**	**(153.0)**
Additions	(15.7)	(18.4)
Receivables written off during the year as uncollectible	6.4	12.6
Unused amounts reversed	7.0	7.2
Disposal of subsidiaries	0.3	–
Exchange differences	8.1	4.4
Balance at December 31	**(141.1)**	**(147.2)**

Provisions have been recognized against receivables to reflect the risk of non-collectability in the aviation industry in general, together with specific amounts for customers who represent an identified additional risk. Amounts provided are generally written off when there is no expectation of further recovery. The Group does not hold any significant collaterals as security.

14 Other Receivables and Prepayments

in CHF m	2023	2022
Current		
Other receivables	32.2	39.2
Other receivables due from related parties	0.7	0.7
Prepaid taxes other than income tax	62.8	53.3
Other prepayments	34.1	37.3
Accrued income	93.8	83.7
Balance at December 31	**223.6**	**214.2**
Non-current		
Other receivables	71.0	103.6
Long-term loans to related parties	4.5	5.0
Balance at December 31	**75.5**	**108.6**
Total other receivables and prepayments	**299.1**	**322.8**

15 Inventories

in CHF m	2023	2022
Raw materials	118.7	123.0
Catering supplies	51.1	46.4
Work in progress	4.0	7.0
Finished goods	26.9	39.2
Provision for obsolescence	(9.9)	(12.0)
Balance at December 31	**190.8**	**203.6**

16 Property, Plant and Equipment

Property, plant and equipment comprise owned and leased assets that do not meet the definition of investment property.

in CHF m	2023	2022
Owned assets	414.7	466.7
Right-of-use assets (Note 18)	309.4	362.7
Total property, plant and equipment	**724.1**	**829.4**

Owned Assets

2023 in CHF m	Land and buildings	Fixtures and fittings	Assets under construction	Catering and other equipment	Vehicles	Total
Net book value						
Balance at January 1, 2023	**181.2**	**76.8**	**16.7**	**97.2**	**94.8**	**466.7**
Additions(I)	1.3	7.1	23.6	21.1	8.8	61.9
Reclassifications	0.2	1.1	(6.6)	3.2	2.1	–
Disposals(II)	(4.7)	(0.2)	(0.4)	(0.9)	(0.1)	(6.3)
Depreciation charge for the year	(11.7)	(16.4)	–	(27.7)	(21.1)	(76.9)
Impairment	–	(0.1)	–	(0.1)	–	(0.2)
Exchange differences	(12.7)	(5.0)	(1.8)	(7.1)	(3.9)	(30.5)
Balance at December 31, 2023	**153.6**	**63.3**	**31.5**	**85.7**	**80.6**	**414.7**
Net book value						
Cost	250.3	268.6	31.5	333.5	307.4	1,191.3
Accumulated depreciation and impairment	(96.7)	(205.3)	–	(247.8)	(226.8)	(776.6)
Balance at December 31, 2023	**153.6**	**63.3**	**31.5**	**85.7**	**80.6**	**414.7**

2022 in CHF m	Land and buildings	Fixtures and fittings	Assets under construction	Catering and other equipment	Vehicles	Total
Net book value						
Balance at January 1, 2022	**202.3**	**85.6**	**18.3**	**111.1**	**116.2**	**533.5**
Additions(I)	1.7	6.3	13.8	17.4	1.6	40.8
Reclassifications	1.5	5.3	(13.8)	3.3	3.7	–
Disposals	(0.7)	(1.6)	(1.3)	(1.0)	–	(4.6)
Depreciation charge for the year	(13.3)	(18.1)	–	(30.4)	(26.2)	(88.0)
Impairment	(2.1)	–	–	(0.3)	–	(2.4)
Exchange differences	(8.2)	(0.7)	(0.3)	(2.9)	(0.5)	(12.6)
Balance at December 31, 2022	**181.2**	**76.8**	**16.7**	**97.2**	**94.8**	**466.7**
Net book value						
Cost	284.3	287.5	16.7	352.0	318.0	1,258.5
Accumulated depreciation and impairment	(103.1)	(210.7)	–	(254.8)	(223.2)	(791.8)
Balance at December 31, 2022	**181.2**	**76.8**	**16.7**	**97.2**	**94.8**	**466.7**

(I) Thereof CHF 72.9m (2022: CHF 39.8m) paid in the year
(II) Disposals of land and buildings include CHF 2.8m related to the sale and leaseback transaction in Hoogstraten, Belgium (Note 22)

The carrying amount of land recorded under land and buildings at December 31, 2023, is CHF 19.9m (2022: CHF 23.8m). Within property, plant and equipment, no assets are pledged for mortgages (2022: none).

17 Intangible Assets

2023 in CHF m	Goodwill	Intangible assets in develop-ment	Intellectual property	Customer relation-ships	Capitalized software	Other	Total
Net book value							
Balance at January 1, 2023	**703.6**	**0.8**	**156.1**	**174.0**	**15.8**	**1.7**	**1,052.0**
Additions	–	–	–	–	1.8	–	1.8
Reclassifications	–	(0.8)	–	–	0.8	–	–
Disposals	–	–	–	–	(7.8)	–	(7.8)
Amortization charge for the year	–	–	(2.7)	(14.9)	(6.9)	(0.2)	(24.7)
Exchange differences	(44.6)	–	(3.1)	(9.8)	(0.1)	(0.1)	(57.7)
Balance at December 31, 2023	**659.0**	**–**	**150.3**	**149.3**	**3.6**	**1.4**	**963.6**
Net book value							
Cost	936.9	–	207.6	290.4	97.9	7.6	1,540.4
Accumulated amortization and impairment	(277.9)	–	(57.3)	(141.1)	(94.3)	(6.2)	(576.8)
Balance at December 31, 2023	**659.0**	**–**	**150.3**	**149.3**	**3.6**	**1.4**	**963.6**

2022 in CHF m	Goodwill	Intangible assets in develop-ment	Intellectual property	Customer relation-ships	Capitalized software	Other	Total
Net book value							
Balance at January 1, 2022	**739.7**	**0.8**	**161.7**	**199.1**	**25.8**	**1.1**	**1,128.2**
Additions	–	–	–	–	2.7	0.2	2.9
Reclassifications	–	–	–	–	(0.6)	0.6	–
Amortization charge for the year	–	–	(2.8)	(15.8)	(12.0)	(0.1)	(30.7)
Exchange differences	(36.1)	–	(2.8)	(9.3)	(0.1)	(0.1)	(48.4)
Balance at December 31, 2022	**703.6**	**0.8**	**156.1**	**174.0**	**15.8**	**1.7**	**1,052.0**
Net book value							
Cost	998.8	0.8	211.8	309.2	126.6	7.8	1,655.0
Accumulated amortization and impairment	(295.2)	–	(55.7)	(135.2)	(110.8)	(6.1)	(603.0)
Balance at December 31, 2022	**703.6**	**0.8**	**156.1**	**174.0**	**15.8**	**1.7**	**1,052.0**

Within capitalized software is internally developed software of CHF 3.4m (2022: CHF 15.3m). The 2023 additions to internally developed software amount to CHF 1.8m (2022: CHF 2.7m).

Impairment Tests for Goodwill and Intellectual Property

For the purpose of impairment testing, goodwill and intellectual property with indefinite useful lives were allocated to the groups of CGUs NWE, SEA, CEE, NA, Latin America, Asia Pacific and deSter, these being expected to benefit from the synergies of the relevant business combinations. The groups of CGUs reflect the Group's operating segments, being the level at which management monitored goodwill and intellectual property.

The recoverable amounts of the groups of CGUs are based on value in use calculations. The value in use of the CGUs was calculated using the discounted cash flow method. These calculations use the expected cash flows based on the financial budget approved by the Board, included as the first year of a four-year business plan together with a discount rate, which represents the weighted average cost of capital ("WACC").

The carrying values of indefinite life intangibles are allocated to the following CGUs (including key assumptions):

2023 in CHF m	**Goodwill**	**Intellectual property**	**Revenue growth rate**	**Discount rate pre-tax**	**Terminal growth rate**
CEE	169.1	25.9	5.0% - 14.4%	9.6%	2.1%
NWE	100.1	17.5	6.6% - 21.6%	9.7%	2.6%
SEA	154.9	–	4.0% - 8.9%	11.9%	3.1%
NA	69.8	34.9	3.2% - 9.2%	10.5%	4.1%
Emerging Markets - Latin America	18.1	6.3	6.0% - 20.5%	38.0%	26.9%
Emerging Markets - Asia Pacific	44.4	9.0	5.4% - 16.4%	10.4%	2.9%
deSter	102.6	9.5	0.8% - 24.7%	9.9%	2.6%
Balance at December 31, 2023	**659.0**	**103.1**			

2022 in CHF m					
CEE	178.9	25.1	5.3% - 35.3%	9.7%	2.0%
NWE	107.5	19.0	6.7% - 24.1%	9.9%	2.3%
SEA	165.4	–	4.9% - 14.0%	12.3%	2.6%
NA	76.6	34.6	5.7% - 22.8%	11.0%	3.8%
Emerging Markets - Latin America	17.9	7.1	-2.5% - 25.8%	31.0%	17.3%
Emerging Markets - Asia Pacific	49.0	5.9	5.5% - 68.1%	11.1%	3.1%
deSter	108.3	11.4	5.3% - 23.2%	10.4%	2.4%
Balance at December 31, 2022	**703.6**	**103.1**			

The terminal value beyond the business plan period was calculated by extrapolating the year four cash flows at constant exchange rates using an eternal growth rate, which does not exceed the long-term average growth rate for the respective markets in which the CGUs operate. Revenue growth rates are based on industry research with respect to volume growth, adjusted for impacts from inflation and market-related price changes expected by management. Management determined projected margins based on past performance and its expectations of market developments. The discount rates reflect specific risk and market characteristics relating to the relevant CGUs.

For all CGUs in 2023 there was no impairment of goodwill or intellectual property. The recoverable amounts exceed the carrying values. The key sensitivities in the impairment test are the discount rate, revenue growth as well as the terminal growth rate. The Group has carried out a sensitivity analysis, which takes into account changes in one assumption at a time, with the other assumptions remaining unchanged from the original calculation. This indicates that a 1.0% increase in the WACC would lead to an impairment of CHF 1m (2022: CHF 44m) in CEE, with no impairment in any other CGU. In addition, a 1.0% decrease in terminal growth rate would not lead to an impairment in 2023 (2022: CHF 25m) in CEE, or in any other CGU.

18 Leases

Right-of-use Assets

The Group has lease contracts for land and buildings, vehicles and other equipment used in its operations. Carrying amounts of right-of-use assets recognized and the movements during the year are as follows:

2023 in CHF m	**Land and buildings**	**Fixtures and fittings in rented buildings**	**Catering and other equipment**	**Vehicles**	**Total**
Net book value					
Balance at January 1, 2023	**347.8**	**0.1**	**4.0**	**10.8**	**362.7**
Additions[1]	18.9	–	2.2	12.6	33.7
Depreciation charge for the year	(63.3)	(0.1)	(2.5)	(4.9)	(70.8)
Modifications	6.5	–	0.1	0.3	6.9
Exchange differences	(21.7)	–	(0.3)	(1.1)	(23.1)
Balance at December 31, 2023	**288.2**	**–**	**3.5**	**17.7**	**309.4**
Net book value					
Cost	498.0	0.1	14.0	30.5	542.6
Accumulated depreciation	(209.8)	(0.1)	(10.5)	(12.8)	(233.2)
Balance at December 31, 2023	**288.2**	**–**	**3.5**	**17.7**	**309.4**

[1] Additions to land and buildings include a right-of-use asset of CHF 2.1m related to the sale and leaseback transaction in Hoogstraten, Belgium (Note 22)

2022 in CHF m					
Net book value					
Balance at January 1, 2022	**367.8**	**0.1**	**4.7**	**8.0**	**380.6**
Additions	29.8	–	2.0	7.8	39.6
Depreciation charge for the year	(62.1)	–	(2.6)	(4.2)	(68.9)
Modifications	21.3	–	–	(0.2)	21.1
Exchange differences	(9.0)	–	(0.1)	(0.6)	(9.7)
Balance at December 31, 2022	**347.8**	**0.1**	**4.0**	**10.8**	**362.7**
Net book value					
Cost	523.9	0.1	14.0	22.9	560.9
Accumulated depreciation	(176.1)	–	(10.0)	(12.1)	(198.2)
Balance at December 31, 2022	**347.8**	**0.1**	**4.0**	**10.8**	**362.7**

Lease Expenses

The Group has total cash outflows for leases of CHF 108.4m in 2023 (2022: CHF 97.1m) of which CHF 63.3m is attributable to lease principal payments (2022: CHF 60.3m) (Note 22). The amounts recognized in the income statement are as follows:

in CHF m	**2023**	**2022**
Depreciation expense of right-of-use assets	(70.8)	(68.9)
Interest on lease liabilities (Note 10)	(28.7)	(22.5)
Variable lease payments not included in the measurement of lease liabilities	(2.5)	(3.2)
Expenses relating to short-term leases	(13.0)	(11.1)
Expenses relating to leases of low-value assets, excl. short-term leases of low-value assets	(0.9)	(0.8)
Other lease expense	(0.5)	(0.2)
Other lease income	0.8	1.1
Total amounts recognized in profit and loss	**(115.6)**	**(105.6)**

Information on lease liabilities is disclosed in Note 22 and the maturity analysis of the same in Note 3.1.

19 Financial Assets at Fair Value through Profit or Loss

2023 in CHF m	Bonds	Other	Total
Balance at January 1, 2023	**20.3**	**0.4**	**20.7**
Purchase	–	8.2	8.2
Fair value adjustments	3.3	–	3.3
Exchange differences	(2.6)	–	(2.6)
Balance at December 31, 2023	**21.0**	**8.6**	**29.6**

Analysis of financial assets			
Non-current	21.0	8.6	29.6

2022 in CHF m			
Balance at January 1, 2022	**26.6**	**0.4**	**27.0**
Fair value adjustments	(5.2)	–	(5.2)
Exchange differences	(1.1)	–	(1.1)
Balance at December 31, 2022	**20.3**	**0.4**	**20.7**

Analysis of financial assets			
Non-current	20.3	0.4	20.7

During 2017, the Group signed various agreements to expand its partnerships into the Korean and other Asian markets. As part of these agreements, the Group acquired zero-coupon bonds with attached warrants ('Bonds and Warrants'), issued by Kumho & Company Inc., in the amount of KRW 160 billion with maturities from 1 to 20 years. As at December 31, 2023, KRW 104 billion (2022: KRW 104 billion) remains outstanding. The attached warrants allow conversion of the Bonds to equity of Kumho & Company Inc. under certain conditions. The Bonds and Warrants have been designated as a financial asset at fair value through profit or loss.

The Bonds and Warrants were initially recognized at fair value of CHF 70.1m with the CHF 72.4m difference to the total cash outflow being recognized as an intangible asset in relation to the market access and customer relationship gained through these agreements. The customer relationship will be amortized over its estimated useful life of 30 years. The Bonds and Warrants will be measured at fair value through profit or loss.

The Bonds and Warrants are not traded in an active market and therefore have been categorized as Level 3 in the fair value hierarchy mainly due to their embedded warrants. The valuation is derived from valuation techniques that consider the characteristics of the components of the hybrid instrument, combining a discounted cash flow model for the debt component and a binomial option pricing model for the attached warrants. Main inputs into the valuation methodology include observable factors such as interest rates, credit risk spreads and country risk spreads, volatility as well as unobservable inputs such as book values of the underlying assets and profitability of the underlying business adjusted for future uncertainty.

As at December 31, 2023, inputs used for the valuation include Korean risk-free rates of 2.4% (2022: 2.4%), a country risk premium of 0.7% (2022: 1.3%), a credit risk premium of 6.5% (2022: 7.1%) based on a comparable company basket and a volatility of 20.0% (2022: 22.5%). Further, non-publicly available information was used in internal assessments to determine illiquidity discounts and input factors.

20 Taxes

Taxes Recognized in the Income Statement

in CHF m	2023	2022
Current income tax charge	(26.0)	(10.5)
Deferred tax credit	24.4	0.3
Total	**(1.6)**	**(10.2)**

Reconciliation of tax expense

in CHF m	2023	2022
Loss before tax	(146.9)	(235.7)
Tax at Swiss tax rate	**27.0**	**43.3**

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Deviations from Swiss tax rate	14.6	(0.8)
Unrecognized deferred tax assets	(27.9)	(43.3)
Deferred taxes related to other periods	3.6	(0.2)
Change in deferred tax due to tax rate change	(0.6)	(1.8)
Non-deductible expenses	(19.7)	(16.5)
Income not subject to tax	6.9	6.2
Current taxes related to other periods or other countries	(3.9)	4.5
Others[I]	(1.6)	(1.6)
Total tax expense	**(1.6)**	**(10.2)**

[I] Others include predominantly foreign exchange adjustments and tax risk provisions

The above table shows the expected tax expense at the Swiss tax rate of 18.4% (2022: 18.4%) applied to the Group loss before tax and the reconciliation to the actual income tax expense.

Deferred Taxes Recognized on the Balance Sheet

in CHF m	2023	2022
Deferred income tax assets	31.0	9.4
Deferred income tax liabilities	(33.5)	(36.9)
Balance at December 31	**(2.5)**	**(27.5)**

Movements in deferred taxes

in CHF m	Property, plant and equipment	Intangible assets	Other assets	Liabilities[1]	Tax losses carry forwards	Total
Balance at January 1, 2023	**(82.5)**	**(58.1)**	**(33.6)**	**103.4**	**43.3**	**(27.5)**
Deferred tax credit/(charge) in the income statement	7.8	4.4	8.7	(11.4)	14.9	24.4
Deferred tax credit in other comprehensive income	–	–	–	1.2	–	1.2
Exchange differences	5.3	1.8	1.2	(7.4)	(1.5)	(0.6)
Balance at December 31, 2023	**(69.4)**	**(51.9)**	**(23.7)**	**85.8**	**56.7**	**(2.5)**
Balance at January 1, 2022	**(83.2)**	**(85.9)**	**(18.1)**	**134.4**	**34.5**	**(18.3)**
Deferred tax credit/(charge) in the income statement	(0.1)	24.9	(16.3)	(16.5)	8.3	0.3
Deferred tax charge in other comprehensive income	–	–	–	(15.5)	–	(15.5)
Exchange differences	0.8	2.9	0.8	1.0	0.5	6.0
Balance at December 31, 2022	**(82.5)**	**(58.1)**	**(33.6)**	**103.4**	**43.3**	**(27.5)**

[1] Includes retirement benefit liabilities, provisions, accruals and other liabilities

CHF 1.2m of the deferred tax credit (2022: CHF 15.5m charge) in the statement of other comprehensive income relate to actuarial gains and losses on defined benefit schemes.

Composition of deferred tax assets and liabilities

in CHF m	Assets December 31		Liabilities December 31		Net December 31	
	2023	2022	2023	2022	2023	2022
Temporary differences						
Property, plant and equipment	5.1	3.5	(74.5)	(86.0)	(69.4)	(82.5)
Intangible assets	6.4	7.0	(58.3)	(65.1)	(51.9)	(58.1)
Other assets	9.0	9.4	(32.7)	(43.0)	(23.7)	(33.6)
Retirement benefit obligations, other liabilities, provisions and accruals	109.9	121.8	(24.1)	(18.4)	85.8	103.4
Tax losses	56.7	43.3	–	–	56.7	43.3
	187.1	**185.0**	**(189.6)**	**(212.5)**	**(2.5)**	**(27.5)**
Offset of deferred tax assets and liabilities	(156.1)	(175.6)	156.1	175.6	–	–
Deferred tax assets/(liabilities)	**31.0**	**9.4**	**(33.5)**	**(36.9)**	**(2.5)**	**(27.5)**

Deferred Taxes Not Recognized

Composition of deferred tax assets not recognized

in CHF m	2023	2022
Property, plant and equipment	4.6	4.9
Intangible assets	1.3	2.0
Other assets	8.1	7.2
Retirement benefit obligations, other liabilities, provisions and accruals	82.8	76.0
Tax losses	443.9	445.2
Deferred tax assets not recognized at 31 December	**540.7**	**535.3**

The Group does not regard any retained earnings of foreign subsidiaries as permanently invested and does not expect any material additional tax payables beyond the recognized deferred tax liabilities on unremitted earnings of the Group.

Tax loss carry forwards and tax credits which are not recognized are summarized by year of expiry as follows:

in CHF m	2023	2022
Less than one year	8.3	162.9
More than one year and less than five years	569.2	375.2
More than five years	316.1	397.4
No expiry	1,026.1	1,113.5
Total	**1,919.7**	**2,049.0**

Tax loss carry forwards which are not recognized are summarized by country of origin as follows:

in CHF m	2023	2022
Switzerland	787.8	816.1
Luxembourg	341.1	341.4
Germany	295.9	258.7
France	94.4	94.9
United Kingdom	60.8	51.9
Brazil	54.1	39.8
US	42.2	56.5
Denmark	42.0	41.5
Norway	35.4	33.6
Singapore	26.7	29.9
Belgium	22.4	56.2
Others	116.9	228.5
Total	**1,919.7**	**2,049.0**

There are no significant unrecognized tax credits.

International Tax Reform - Pillar Two Model Rules

In December 2021, the OECD released the Pillar Two model rules to reform international corporate taxation. The goals of these rules are to ensure that multinationals falling within its scope (those having global revenue exceeding EUR 750m) pay a minimum effective corporate tax rate of 15%. In May 2023, the IASB issued narrow-scope amendments to IAS 12 'Income Taxes' that provide temporary relief from accounting for deferred taxes arising from the implementation of the Pillar Two model rules together with targeted disclosure requirements. The Group has applied the exception that arose from the IASB's issuance of these narrow-scope amendments to IAS 12 'Income Taxes' and related to this neither recognizes nor discloses information about deferred tax assets and liabilities. Furthermore, there is no current tax expense related to the Pillar Two income taxes included in the consolidated financial statements.

Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions where the Group operates and will be effective for the Group's financial year beginning January 1, 2024. The Group is in scope of the legislation and has performed an assessment of its potential exposure to Pillar Two income taxes. The potential exposure to Pillar Two income taxes continues to be assessed and the Pillar Two effective tax rates in most of the jurisdictions in which the Group operates are above 15%. However, there are a limited number of jurisdictions where the transitional safe harbour relief may not apply. The Group does not expect a material exposure to Pillar Two income taxes in those jurisdictions.

21 Defined Benefit Plans

The Group provides defined benefit retirement schemes through a variety of arrangements comprised principally of stand-alone plans that cover a substantial portion of employees in accordance with local regulations and practices. The most significant plans in terms of the benefits accrued to date by participants are cash balance and final salary plans, and around 92.2% (2022: 92.3%) of the present value of obligations accrued to date come from defined benefit plans in Germany, Switzerland, the United Kingdom (UK) and the United States (US). A breakdown of the pension-related balance sheet amounts at December 31, 2023 and 2022, are shown below:

2023 in CHF m	**Germany**	**Switzerland**	**UK**	**US**	**Other**	**Total**
Present value of funded obligations	(509.8)	(249.8)	(95.2)	(150.9)	(85.6)	(1,091.3)
Fair value of plan assets	332.6	280.9	143.4	100.8	45.1	902.8
Funded status	**(177.2)**	**31.1**	**48.2**	**(50.1)**	**(40.5)**	**(188.5)**
Present value of unfunded obligations	–	–	–	(2.6)	(7.1)	(9.7)
Irrecoverable surplus (effect of asset ceiling)	–	(32.0)	(48.2)	–	–	(80.2)
Net defined benefit asset/(liability) at December 31	**(177.2)**	**(0.9)**	**–**	**(52.7)**	**(47.6)**	**(278.4)**
Fair value of reimbursement rights at December 31	**7.8**	**–**	**–**	**–**	**–**	**7.8**

2022 in CHF m	**Germany**	**Switzerland**	**UK**	**US**	**Other**	**Total**
Present value of funded obligations	(507.6)	(233.6)	(96.6)	(163.7)	(83.8)	(1,085.3)
Fair value of plan assets	325.6	266.4	147.9	102.5	47.1	889.5
Funded status	**(182.0)**	**32.8**	**51.3**	**(61.2)**	**(36.7)**	**(195.8)**
Present value of unfunded obligations	(1.6)	–	–	(2.9)	(7.4)	(11.9)
Irrecoverable surplus (effect of asset ceiling)	–	(33.1)	(51.3)	–	–	(84.4)
Net defined benefit asset/(liability) at December 31	**(183.6)**	**(0.3)**	**–**	**(64.1)**	**(44.1)**	**(292.1)**
Fair value of reimbursement rights at December 31	**21.6**	**–**	**–**	**–**	**–**	**21.6**

Germany

The primary German pension plan is similar to a defined contribution scheme in nature, providing old-age and risk benefits depending on contributions paid and a variable return based on the performance of the fund. Employee contributions of 1% of the contribution basis are mandatory, further contributions are voluntary. The employer is required to pay 5.2% of the contribution basis, of which 0.2% can be used to cover risk benefits. Due to a guaranteed minimum return of 0% on contributions, defined benefit accounting is required. When members retire from this plan, accrued balances are by default converted into annuities based on the applicable German GAAP (BilMoG) interest rate at the time and a fixed 1% pension indexation. Additionally, members can partially opt for lump sums or installments instead of annuities. Due to grandfathering, a large portion of the liability is still based in defined benefit plans, which are closed to new entrants and cover vested entitlements of members who joined the former career-average plan before January 1, 2016. Some employees hired before 2016 are also eligible for benefits based on a cash-balance plan which had a fixed 3.5% interest rate. The fixed 3.5% interest rate was partially reduced in 2021 to 0.25% (maximum allowed guaranteed interest rate for the German life insurance industry).

The majority of liabilities are funded through plan assets from contractual trust arrangements. There are no legal minimum funding requirements. The plans are exposed to interest rate and longevity risk as well as investment risks, in particular the risk that the assets do not achieve the guaranteed investment return. Because of the plan design and a fixed 1% indexation being applicable to most pensions in payment, the impact of inflation is limited.

Switzerland

The Group operates a significant company-sponsored pension plan, which provides contribution-based cash balance retirement and risk benefits to employees, so as to meet its obligations under Switzerland's mandatory company-provided pension requirements. The pension plan is established within a foundation that is a legal entity separate from the Group. The Board of Trustees of the foundation is composed equally of employee and employer representatives, who are empowered to decide on such fundamental aspects as the level and structure of the benefits and the fund's investment strategy.

There are a number of guarantees provided within the pension plan which create exposure to risks of underfunding and may require the Group to help provide refinancing. Since Swiss pension law stipulates a minimum rate for conversion of pension savings into an annuity at retirement and guarantees a minimum interest on retirement assets, the pension plan is exposed beside the interest risk, in particular to the risk of changes in the life expectancy for pensioners and to the risk that the assets do not achieve the investment returns assumed. In addition, the existing pension plan holds a significant proportion of equity shares, which are expected to outperform corporate bonds in the long term, but which give exposure to volatility and risk in the short term.

Generally, there is no opportunity for the Group to recover a surplus because under Swiss pension law any surplus that develops technically belongs to a pension plan and therefore the members. A reduction in future contributions is possible only at the discretion of the Board of Trustees of each pension plan and therefore there is a minimum funding requirement for the Group equal to the employer contributions set out in the pension plan rules. As the contributions are set out in the plan rules, the funding arrangements have limited impact on the future cash flow requirements of the Group (except in the case of underfunding).

The funds are invested in a diverse portfolio of asset classes including equities, bonds, property, and private equity but do not currently use any more explicit asset-liability matching strategy instruments such as annuity purchase products or longevity swaps.

UK

All of the UK plans are final salary, providing benefits to members in the form of a guaranteed level of pension payable for life and they are currently closed to future accrual of benefits. Future benefit accruals are provided through defined contribution plans. The pensions in the defined benefit plans receive inflation-related increases in deferment and once in payment. The benefit payments are from trustee-administered funds. Plan assets held in trusts are governed by local regulations and practice, as is the nature of the relationship between the Group and the Trustees, and the latter's composition. Responsibility for governance of the plans, including investment decisions and contribution schedules, lies jointly with the Group and the Board of Trustees. The Board of Trustees is composed of representatives of the Group and plan participants in accordance with the plan's regulations and UK pension law.

Through the UK defined benefit pension plans the Group is exposed to a number of risks, such as interest rate risk, changes in life expectancy and to changes in inflation rate as the majority of the plans' obligations are to provide inflation-linked benefits (although, in most cases, caps on the level of inflationary increases are in place to protect the plans against extreme inflation).

Given that the plans are closed, as they mature the Group has reduced the level of investment risk by investing more in fixed income assets that better match the changing profile of the liabilities.

The use of any surplus in the pension plans is governed by the plan rules and may not be in the control of the Group, leading in some cases to restrictions on the level of balance sheet asset that may be recognized.

US

The Group operates defined benefit pension plans in the US to provide benefits to members in the form of a guaranteed level of pension payable for life and all plans are currently closed to new entrants and future accrual of benefits. Future pension benefit accruals are provided in defined contribution plans. Pensions from the defined benefit plans generally do not receive inflationary increases once in payment. The majority of benefit payments are from a trustee administered fund; however, there is also a small unfunded non-qualified plan where the Group meets the benefit payment obligation as it becomes due. Plan assets held in trusts are governed by Internal Revenue Service ("IRS") regulations. Responsibility for governance of the plans, including investment decisions and contribution schedules, is also governed by IRS regulations and lies with the Group.

Significant risks that the Group is exposed to through its funded defined benefit pension are, besides the risk of changes in bond yields and life expectancy, asset volatility and investment risk since it holds a significant proportion of equity shares. As the plan matures and the funded status improves, through cash contributions and anticipated excess equity returns, the Group intends to reduce the level of investment risk by investing more in fixed income assets that better match the liabilities.

Up until June 30, 2023, the funding requirements for the funded defined benefit pension plan were governed by special minimum required funding rules as set forth in IRS regulations for certain airlines and caterers of airlines who sponsor a tax-qualified defined benefit pension plan ("Airline Relief"). Under Airline Relief, a fixed 8.85% rate was used to discount funding liabilities. This resulting unfunded liability was amortized over a closed 17-year period from July 1, 2006. This unfunded liability has been fully amortized on June 30, 2023. Beginning with the July 1, 2023 plan year, the funding shortfall has been re-determined by replacing the 8.85% funding discount rate with a rate linked to a 2-year average of high-grade corporate bond yields. This average is subject to a corridor of 95% to 105% of a 25-year average of high-grade corporate bond yields, where the 25-year average is subject to a 5% floor. The July 1, 2023 effective rate was 5.17%. The 95% to 105% corridor will begin to gradually widen in 2026 to an ultimate corridor of 70% to 130% in 2030. The revised shortfall on July 1, 2023, and subsequent changes in the shortfall are amortized over a fifteen-year rolling amortization schedule. Thus, required contribution levels are now more closely linked to market value liabilities and the 15-year rolling amortization schedule helps to somewhat mitigate contribution volatility.

Other Plans

The Group sponsors defined benefit plans in other countries where it operates. No individual countries, other than those described above, are considered material.

The following events were recognized in the periods covered by these consolidated financial statements, with other changes having a negligible impact on a group level:

- In 2023, the harmonization of employee rights in certain group companies in France and changes in early retirement conditions due to French pension reform has resulted in an overall past service cost due to plan amendments of CHF 2.2m. This has been partially offset by a curtailment credit of around CHF 1.4m as a result of involuntary terminations. Further a curtailment gain of CHF 0.4m has been recognized in Mexico.
- In 2022, the closure of a company and a site in France resulted in a curtailment gain of CHF 2.2m.

The Group recognized total defined benefit costs related to post-employment defined benefit plans as follows:

in CHF m	2023	2022
Service costs		
Current service cost	(17.8)	(24.2)
Curtailment and past service cost	(0.4)	2.1
Personnel expenses - defined benefit costs (Note 7)	**(18.2)**	**(22.1)**
Net interest on defined benefit schemes (Note 10)	(11.9)	(7.2)
Net interest on reimbursement rights (Note 10)	0.8	–
Net pension expense	**(29.3)**	**(29.3)**

The remeasurement components recognized in the statement of other comprehensive income for the Group's post-employment defined benefit plans and plan reimbursement rights comprise the following:

in CHF m	2023	2022
Remeasurement (losses)/gains		
Actuarial gain/(loss) arising from changes in demographic assumptions	13.7	(2.1)
Actuarial (loss)/gain arising from changes in financial assumptions	(63.4)	455.5
Actuarial gain/(loss) arising from changes in liability experience	9.0	(11.7)
Return on pension assets (excluding amounts in net interest on defined benefit schemes)	27.7	(202.3)
Return on plan reimbursement rights (excluding amounts in net interest on reimbursement rights)	(1.0)	–
Change in effect of the asset ceiling (excluding amounts in net interest on defined benefit schemes)	5.6	(18.0)
Total remeasurements recognized in the statement of other comprehensive income	**(8.4)**	**221.4**

In 2023, remeasurement losses based on financial assumptions were primarily driven by decreases in discount rates in the majority of countries, the principal effect being in Germany and Switzerland. These losses were to a large extent offset by asset gains due to investment returns being higher than expected in most of the funded plans, primarily in Germany, the US, Switzerland, and Netherlands, by experience gains, mainly in Germany, and by gains based on the change of demographic assumptions. The latter was mainly the result of the adoption of the Continuous Mortality Investigation ("CMI") model, as well as an update of the disability rates, withdrawal rates and early retirement rates used in Switzerland following an experience study in 2023, and the adoption of the latest improvement scale CMI2022 in the UK. The loss further reduced as a result of the change in the asset ceiling restriction applying to plans in Switzerland and UK. Further in 2023, the remeasurement of the plan reimbursement rights in Germany led to an additional loss. In 2022, remeasurement gains from financial assumptions were driven predominantly by increases in discount rates in all countries, with the largest effect coming from Germany. These gains were to some extent offset by unfavourable asset performance (mainly in the UK, Germany, the US, and Switzerland), the experience losses in Switzerland and Germany and the losses due to demographic assumption changes, mainly in the UK and US. The asset ceiling applying to plans in Switzerland and UK led to an increase in net liabilities.

The movements in the net defined benefit pension liability recognized within the consolidated balance sheet are as follows:

in CHF m	2023	2022
Balance at January 1	**(292.1)**	**(481.6)**
Pension costs recognized in the income statement	(30.1)	(29.3)
Remeasurement (loss)/gain recognized in the statement of other comprehensive income	(7.4)	221.4
Actual employer contributions (incl. reimbursements to employer, excl. reimbursement rights)	31.3	(15.0)
Other changes	–	(0.3)
Exchange differences	19.9	12.7
Balance at December 31	**(278.4)**	**(292.1)**

The net employer contribution amount under the defined benefit plans in 2022 included CHF 43.7m of refunds received for the benefit payments that the Group paid on behalf of the Contractual Trust Arrangements ("CTAs") in Germany. Thereof CHF 34.5m were refunded to the pensioners' entities ("Rentnergesellschaften"). There has been no refund from the CTA during 2023.

The Group has a reimbursement right of CHF 7.8m in Germany at December 31, 2023 (2022: CHF 21.6m). This relates to the refund made to the Rentnergesellschaften, which can be used to pay the future retirement benefits for the members within those entities. There are no other reimbursement rights for the Group. These reimbursement rights are recognized in other non-current receivables (Note 14).

The following table shows the change in the present value of defined benefit obligations:

in CHF m	2023	2022
Balance at January 1	**(1,097.2)**	**(1,591.4)**
Current service cost	(17.8)	(24.2)
Curtailment and past service cost	(0.4)	2.1
Interest cost on the defined benefit obligations	(40.5)	(20.6)
Actuarial gain/(loss) arising from changes in demographic assumptions	13.7	(2.1)
Actuarial (loss)/gain arising from changes in financial assumptions	(63.4)	455.5
Actuarial gain/(loss) arising from changes in liability experience	9.0	(11.7)
Actual benefit payments	46.2	56.6
Actual employee contributions	(7.4)	(6.7)
Other changes	–	(1.5)
Exchange differences	56.8	46.8
Balance at December 31	**(1,101.0)**	**(1,097.2)**

The following table shows the change in the fair value of plan assets:

in CHF m	2023	2022
Balance at January 1	**889.5**	**1,181.1**
Interest income on plan assets	31.9	14.7
Actual return on assets (excluding interest income on plan assets)	27.7	(202.3)
Actual benefit payments	(46.2)	(56.6)
Actual employer contributions (incl. reimbursements to employer, excl. reimbursement rights)	31.3	(15.0)
Actual employee contributions	7.4	6.7
Other changes	–	1.2
Exchange differences	(38.8)	(40.3)
Balance at December 31	**902.8**	**889.5**

Benefits paid under the pension plans include CHF 20.3m paid from employer assets in 2023 (2022: CHF 17.0m). The Group expects to contribute CHF 42.3m to its defined benefit pension plans in 2024.

The following table shows the change in the irrecoverable surplus:

in CHF m	2023	2022
Irrecoverable surplus at January 1	**(84.4)**	**(71.3)**
Interest cost on irrecoverable surplus	(3.3)	(1.3)
Change in irrecoverable surplus in excess of interest (asset ceiling)	5.6	(18.0)
Exchange differences	1.9	6.2
Irrecoverable surplus at December 31	**(80.2)**	**(84.4)**

Where applicable, the economic benefit available (used in the irrecoverable surplus calculation) as at December 31 is based on the present value of potential reductions in future contributions, which is partially offset by the liability in respect of a minimum funding requirement. For the UK plans, as the Group cannot gain economic benefit from future contributions, the present value of potential reduction in future contributions have been reduced to zero, with the consequence that the asset ceiling is fully applied for all three plans. As of 2022, continuing in 2023, asset ceiling restriction has been also applied for the Swiss Main pension plan, as there is no economic benefit available since the company's service cost is now less than the expected employer contributions as a result of the increase in the discount rate.

Pension plan assets do not contain shares of the Company. The major categories of plan assets are as follows:

in CHF m	2023	2022
Securities quoted in an active market		
Equities	195.2	211.1
Bonds:		
Government - nominal	183.2	129.9
Government - index-linked	103.7	34.7
Corporate	174.9	198.7
Real estate	5.8	5.6
Cash and cash equivalents	59.0	47.1
Other marketable securities	–	93.1
Total quoted securities	**721.8**	**720.2**
Unquoted securities		
Asset-backed securities	26.3	25.5
Insurance contracts	46.2	45.5
Real estate	81.7	76.4
Other	26.8	21.9
Total other securities	**181.0**	**169.3**
Total	**902.8**	**889.5**

The present value of defined benefit obligations by category of members at December 31, 2023 and 2022, is shown below.

in CHF m	2023	2022
Active	(424.1)	(428.6)
Vested	(194.3)	(189.9)
Retired	(482.6)	(478.7)
Balance at December 31	**(1,101.0)**	**(1,097.2)**
Present value of funded obligations at December 31	(1,091.3)	(1,085.3)
Present value of unfunded obligations at December 31	(9.7)	(11.9)

The principal actuarial assumptions used for the defined benefit obligations at December 31, 2023 and 2022, and the following year's pension expense are as follows:

2023	**Germany**	**Switzerland**	**UK**	**US**	**All plans**
Discount rate (weighted average)	3.2%	1.3%	4.7%	5.0%	3.2%
Rate of compensation increase (weighted average)	2.5%	2.5%	n/a	n/a	2.6%
Inflation rate (weighted average)	n/a	1.3%	2.9%	n/a	1.8%
Pension index rate (weighted average)	1.0%	0.0%	2.9%	n/a	0.9%
2022					
Discount rate (weighted average)	3.7%	2.2%	5.0%	5.3%	3.8%
Rate of compensation increase (weighted average)	2.5%	2.2%	n/a	n/a	2.5%
Inflation rate (weighted average)	n/a	1.3%	3.2%	n/a	1.9%
Pension index rate (weighted average)	1.0%	0.0%	3.1%	n/a	0.9%

Mortality rates have been set in accordance with current best practice in the respective countries. Future longevity improvements have been considered and included where appropriate. The average life expectancy in years of a pensioner retiring at age 65 on the balance sheet date and 15 years after the balance sheet date are as follows:

Years	**2023**	**2022**
Male - retiring at age 65 on the balance sheet date	21.1	21.3
Female - retiring at age 65 on the balance sheet date	23.7	23.9
Male - retiring at age 65, 15 years after the balance sheet date	22.7	22.9
Female - retiring at age 65, 15 years after the balance sheet date	25.1	25.4

A feature all plans have in common is that the discount rate has a significant impact on the present value of obligations. The other assumptions have varying impacts on the different plans in the respective countries. In the breakdown presented below, the varying impact on the balance sheet from changes in the key assumptions is shown for the various countries.

2023	**Germany**	**Switzerland**	**UK**	**US**	**Other**	**Total**
in CHF m						
Discount rate +0.5% pa	32.1	13.3	6.0	6.6	4.6	62.6
Discount rate -0.5% pa	(34.8)	(14.8)	(6.7)	(7.1)	(4.8)	(68.2)
Rate of compensation +0.5% pa	n/a	(2.1)	n/a	n/a	(2.9)	(5.0)
Rate of compensation -0.5% pa	n/a	2.0	n/a	n/a	2.7	4.7
Pension indexation +0.5% pa	(0.1)	(10.3)	(3.0)	n/a	(2.2)	(15.6)
Pension indexation -0.5% pa (minimum 0.0%)	0.1	n/a	3.6	n/a	n/a	3.7
Life expectancy at age 65 + 1 year	(11.1)	(5.7)	(3.5)	(4.4)	(0.8)	(25.5)
2022						
in CHF m						
Discount rate +0.5% pa	33.3	14.5	6.2	7.2	4.3	65.5
Discount rate -0.5% pa	(37.5)	(16.2)	(6.9)	(7.8)	(4.8)	(73.2)
Rate of compensation +0.5% pa	n/a	(2.7)	n/a	n/a	(2.7)	(5.4)
Rate of compensation -0.5% pa	n/a	2.6	n/a	n/a	2.6	5.2
Pension indexation +0.5% pa	(0.1)	(13.5)	(2.5)	n/a	(2.4)	(18.5)
Pension indexation -0.5% pa (minimum 0.0%)	0.1	n/a	3.3	n/a	n/a	3.4
Life expectancy at age 65 + 1 year	(11.9)	(5.0)	(3.5)	(4.6)	(0.7)	(25.7)

The sensitivity analyses above are based on a change in a significant assumption, keeping all other assumptions constant. Interdependencies were not taken into account. Therefore, the sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

The duration of the defined benefit obligations at December 31, 2023 and 2022, are:

2023	**Germany**	**Switzerland**	**UK**	**US**	**Other**	**Average**
Years						
Weighted duration of the defined benefit obligations	14.9	11.2	13.7	9.2	10.4	12.8
2022						
Years						
Weighted duration of the defined benefit obligations	14.1	13.1	14.0	9.3	10.7	12.9

22 Short-term and Long-term Debt

Short-term and long-term debt comprise various debt instruments:

in CHF m	**2023**	**2022**
Short-term debt		
Bank overdrafts	4.9	4.8
Other loans	13.6	11.3
Lease liabilities	56.8	55.9
Total short-term debt	**75.3**	**72.0**
Long-term debt		
Bonds	348.4	346.9
Term Loan	260.8	259.8
Revolving Credit Facility	436.5	426.0
Related party loan	443.0	419.3
Other loans	209.9	225.9
Lease liabilities	318.0	352.2
Total long-term debt	**2,016.6**	**2,030.1**

The terms and conditions of outstanding loans are as follows:

in CHF m	**Currency**	**Nominal interest rate**	**Year of maturity**	**Carrying amount 2023**	**Carrying amount 2022**
Bonds	CHF	3.0%	2027	348.4	346.9
Term Loan	EUR	5.7%-8.0%	2026	260.8	259.8
Revolving Credit Facility	EUR	5.2%-7.5%	2026	304.7	305.5
Revolving Credit Facility	SEK	5.8%-7.7%	2026	131.8	120.5
Related party loan	CHF	12.5%	2027	443.0	419.3
Other loans					
- France: Government guaranteed bank loans	EUR	2.6%-3.0%	2025–26	79.9	85.0
- US: Unsecured government loan	USD	4.0%-10.0%	2030–31	79.8	85.2
- Other	various	various	various	68.7	71.8
Lease liabilities	various	various	2024–48	374.8	408.1
Balance at December 31				**2,091.9**	**2,102.1**

Bonds

The Group has issued a CHF 350.0m fixed rate senior bond ("Bonds") which matures on February 28, 2027. The Bonds, with a coupon of 3.0% p.a., were issued by gategroup Finance (Luxembourg) S.A. and are guaranteed by its parent company, gategroup Holding AG. The Bonds are listed on the SIX Swiss Exchange. At December 31, 2023, accrued interest amounted to CHF 8.8m (2022: CHF 8.8m) (Note 25).

Term Loan

The EUR 250.0m Term Loan together with capitalized Profit In Kind ("PIK") interest matures on October 20, 2026.

Revolving Credit Facility
The RCF, being a facility of EUR 415.0m together with capitalized PIK interest, matures on October 20, 2026.

The borrowings under the Bonds, the Term Loan and the RCF all rank pari passu. The Term Loan and RCF are guaranteed by the Company and certain of its subsidiaries. The facilities, except for the Bonds which are fixed at 3.0%, bear interest at floating rates (EURIBOR or LIBOR equivalents) plus a spread. The spreads of the Term Loan and RCF are determined from a margin grid depending on the leverage ratio. In 2023, the interest rate for the Term Loan was between 5.7% and 8.0% (2022: 3.9%-5.7%) and for the RCF between 5.2% and 7.7% (2022: 3.5%-5.8%). The financial covenants for the Term Loan and the RCF are a minimum liquidity requirement. The Company has remained in compliance with its covenants.

Related Party Loan
In 2021, a subordinated convertible facility of CHF 475.0m was made available to the Company by the shareholders, through their affiliates, with maturity on March 31, 2027. PIK interest accrues on the amounts drawn at a rate of 12.5% per annum and at December 31, 2023, amounted to CHF 142.4m (2022: CHF 74.8m) (Note 25). At December 31, 2023, a total of CHF 444.8m (2022: CHF 421.8m) had been drawn (Note 31.3). The facility is guaranteed by each borrower and guarantor under the Senior Facilities Agreement ("SFA") but is fully subordinated to the claims of both the lenders under the SFA and holders of the Bonds.

Other Loans
Other consists principally of the following:
- There are EUR 86.0m (2022: EUR 86.0m) of facilities in France arranged under a COVID-19 support program. The loans were provided equally by two banks and are guaranteed, for an additional fee, by the French state. The facilities are due for repayment in installments during 2025 and 2026, and a market interest rate has been negotiated with the financing parties.
- There are USD 95.0m (2022: USD 92.3m) provided in the US under the Payroll Support Program of the Coronavirus Aid, Relief, and Economic Security Act. This loan was received in 2020 and 2021. The loan is unsecured, had an initial duration of ten years and a subsidiary is a guarantor. This loan bears interest at increasing rates from 4.0% in the first five years up to 10.0% in the final year.

As at December 31, 2023, other debt includes bank overdrafts of CHF 4.9m (2022: CHF 4.8m).

Lease Liabilities
In 2023, the Group completed a significant transaction in which deSter BVBA (seller-lessee) entered into a sale and leaseback for its property in Hoogstraten, Belgium. The property was sold to Ster Vastgoed NV (buyer-lessor) for a total price of CHF 24.7m (including transaction costs), which is reported as cash inflow under "Proceeds from sale of non-current assets". Subsequent to the sale, the company entered into a leaseback agreement for a period of 20 years with an option for a further five years. The sale resulted in a net decrease in property, plant and equipment of CHF 0.7m (Notes 16 and 18) and an increase in finance lease liabilities of CHF 18.6m.

Guarantees
As at December 31, 2023, the Group has guarantees outstanding in favor of associates amounting to CHF 6.8m (2022: CHF 7.1m).

Reconciliation of movements of liabilities and equity to cash flows arising from financing activities:

2023 in CHF m	Bonds	Term Loan	Revolving Credit Facility	Related party loan	Other loans	Lease liabilities	Equity	Total
Balance at January 1, 2023	**346.9**	**259.8**	**426.0**	**419.3**	**242.0**	**408.1**	**(797.4)**	**1,304.7**
Proceeds from debt	–	–	10.5	23.0	14.9	–	–	48.4
Repayments of debt and principal amount of lease liabilities	–	–	–	–	(18.2)	(63.3)	–	(81.5)
Capital increase	–	–	–	–	–	–	0.3	0.3
Dividends paid to non-controlling interests	–	–	–	–	–	–	(7.6)	(7.6)
Changes from financing cash flows	**–**	**–**	**10.5**	**23.0**	**(3.3)**	**(63.3)**	**(7.3)**	**(40.4)**
Exchange differences	**1.0**	**(16.3)**	**(27.0)**	**–**	**(17.7)**	**(26.5)**	**(13.3)**	**(99.8)**
Change in bank overdrafts	–	–	–	–	0.3	–	–	0.3
Amortization of transaction costs	0.5	0.4	0.7	0.7	–	–	–	2.3
Capitalized interest expense and other changes	–	16.9	26.3	–	7.1	–	–	50.3
New leases	–	–	–	–	–	50.3	–	50.3
Lease modifications	–	–	–	–	–	6.2	–	6.2
Total liability-related other changes	**0.5**	**17.3**	**27.0**	**0.7**	**7.4**	**56.5**	**–**	**109.4**
Total equity-related other changes	**–**	**–**	**–**	**–**	**–**	**–**	**(167.6)**	**(167.6)**
Balance at December 31, 2023	**348.4**	**260.8**	**436.5**	**443.0**	**228.4**	**374.8**	**(985.6)**	**1,106.3**

2022 in CHF m	Bonds	Term Loan	Revolving Credit Facility	Related party loan	Other loans	Lease liabilities	Equity	Total
Balance at January 1, 2022	**346.4**	**262.5**	**433.4**	**298.7**	**197.8**	**411.2**	**(751.9)**	**1,198.1**
Proceeds from debt	–	–	8.6	120.0	52.4	–	–	181.0
Repayments of debt and principal amount of lease liabilities	–	–	–	–	(14.7)	(60.3)	–	(75.0)
Dividends paid to non-controlling interests	–	–	–	–	–	–	(5.5)	(5.5)
Changes from financing cash flows	**–**	**–**	**8.6**	**120.0**	**37.7**	**(60.3)**	**(5.5)**	**100.5**
Exchange differences	**–**	**(12.7)**	**(30.5)**	**–**	**(3.9)**	**(8.9)**	**6.7**	**(49.3)**
Change in bank overdrafts	–	–	–	–	2.9	–	–	2.9
Amortization of transaction costs	0.5	0.4	0.7	0.6	–	–	–	2.2
Capitalized interest expense and other changes	–	9.6	13.8	–	7.5	–	–	30.9
New leases	–	–	–	–	–	46.9	–	46.9
Lease modifications	–	–	–	–	–	19.2	–	19.2
Total liability-related other changes	**0.5**	**10.0**	**14.5**	**0.6**	**10.4**	**66.1**	**–**	**102.1**
Total equity-related other changes	**–**	**–**	**–**	**–**	**–**	**–**	**(46.7)**	**(46.7)**
Balance at December 31, 2022	**346.9**	**259.8**	**426.0**	**419.3**	**242.0**	**408.1**	**(797.4)**	**1,304.7**

23 Trade and Other Payables

in CHF m	2023	2022
Trade payables	312.2	256.8
Other amounts due to third parties	73.8	76.9
Other current payables due to related parties (Note 31)	0.2	0.3
Sales taxes due	51.0	59.5
Balance at December 31	**437.2**	**393.5**

24 Short-term and Long-term Provisions

in CHF m	Employee benefits	Long-term incentive plans	Restruc-turing	Legal and tax	Onerous contracts	Property and other	Total
Balance at January 1, 2023	**25.6**	**5.2**	**15.5**	**76.4**	**1.9**	**46.1**	**170.7**
Additions	16.0	11.6	5.9	8.2	–	2.2	43.9
Utilized	(13.7)	(1.9)	(5.6)	(4.5)	(2.0)	(2.4)	(30.1)
Unused reversed	(2.8)	–	(7.2)	(11.1)	–	(6.0)	(27.1)
Unwind of discount/change in discount rate	–	–	–	0.1	0.1	1.3	1.5
Exchange differences	(1.9)	–	(0.8)	(2.5)	–	(3.2)	(8.4)
Balance at December 31, 2023	**23.2**	**14.9**	**7.8**	**66.6**	**–**	**38.0**	**150.5**
Analysis of total provisions							
Long-term	22.7	11.2	0.5	31.3	–	35.7	101.4
Short-term	0.5	3.7	7.3	35.3	–	2.3	49.1

Employee Benefits

In addition to the defined benefit plans as described in Note 21, the Group provides other benefits to employees in certain countries. These include long-term service leave or payments in lieu and post-employment benefits. The expected costs of the long-term benefits are accrued over the period of employment, using a methodology similar to that for defined benefit plans.

Long-term Incentive Plans

The provision is for cash settled long-term incentive plans for senior management (Note 27).

Restructuring

The restructuring charges during the year mainly relate to businesses in Canada and Scandinavia and the provisions remaining at the end of the year relate principally to businesses in Canada, Germany and Scandinavia.

Legal and Tax

The Group has recorded provisions for a number of legal and tax issues, principally in Europe, Latin America and North America. The timing of settlement and/or the amount of cash outflows is uncertain.

Onerous Contracts

The Group has recorded provisions for ongoing activities where the unavoidable costs of meeting obligations under customer supply or lease contracts exceed the economic benefits expected to be received.

Property and Other

Provisions have been recorded principally for property-related issues and a range of other, individually immaterial, items.

25 Other Current and Non-current Liabilities

in CHF m	2023	2022
Current		
Accrued payroll and related costs	223.5	225.1
Deferred revenue (Note 6)	1.7	3.6
Accrued rent and other property costs	18.0	8.8
Accrued insurance costs	25.5	24.9
Uninvoiced deliveries of inventory	88.0	100.6
Accrued volume rebates	92.9	74.1
Other accrued expenses	101.7	128.0
Accrued interest on Bonds (Note 22)	8.8	8.8
Other accrued interest	22.4	17.1
Financial liability at fair value through profit or loss	157.6	156.4
Balance at December 31	**740.1**	**747.4**
Non-current		
PIK interest on related party loan (Note 22)	142.4	74.8
Other non-current liabilities	16.2	12.1
Balance at December 31	**158.6**	**86.9**
Total other current and non-current liabilities	**898.7**	**834.3**

Financial Liability at Fair Value Through Profit or Loss – Servair

As of January 1, 2017, the Group obtained control over Servair by acquiring 50.0% minus 1 share. In 2019, the Group acquired 2 shares to give an ownership of 50.0% plus 1 share. The acquisition arrangements included various put and call options. On May 31, 2021, Air France Finance S.A.S and the Group reached agreement of a further revision to the put option structure. As a result, on May 31, 2021, additional shares were acquired by the Group which led to a total shareholding of 65% in Servair SA.

As at December 31, 2023, a financial liability at fair value through profit or loss of CHF 157.6m (2022: CHF 156.4m) has been recognized for the net present value of the expected payments relating to the option arrangements.

There was no discounting effect at the end of 2023 since the liability was due at that time. However, a new agreement with Air France was reached after the balance sheet date, which includes revised payment terms. Please see the Post Balance Sheet Events (Note 33) for more information.

Other Non-current Liabilities – Evertaste Limited, UK

In May 2022, the Group entered into a put/call option agreement with a non-controlling shareholder to purchase shares in Evertaste Limited, UK (a consolidated company of the Group). The agreement gives the Group a call option on the remaining 15% of the shares of Evertaste Limited, UK, while the non-controlling shareholder has at the same time a put option to sell the shares to the Group. The put option can be exercised until 2027 at the latest and the call option until 2028.

The liability is discounted and periodically reassessed and amounts to CHF 2.1m at the end of December 2023 (2022: CHF 2.0m).

26 Equity

26.1 Issued Share Capital

As at December 31, 2023, the share capital of the Company is CHF 180,557,383.75 (2022: CHF 180,557,383.75) and is divided into 144,445,907 (2022: 144,445,907) fully paid-in registered shares with a nominal value of CHF 1.25 each. Each share has the right to one vote.

26.2 Conditional Share Capital

As at December 31, 2023, the Company has conditional share capital which allows an increase in the aggregate maximum amount of CHF 30,324,153.75 or 24,259,323 shares (2022: CHF 30,324,153.75 or 24,259,323 shares). The conditional share capital includes an amount of up to CHF 7,581,038.75 or 6,064,831 shares (2022: CHF 7,581,038.75 or 6,064,831 shares) which are reserved for employee equity participation plans and an amount of up to CHF 22,743,115.00 or 18,194,492 shares (2022: CHF 22,743,115.00 or 18,194,492 shares) which are reserved for conversion and/or option rights granted in connection with other financing instruments.

26.3 Authorized Share Capital

The Company had no authorized share capital at December 31, 2023, or December 31, 2022.

26.4 Treasury Shares

As at December 31, 2023, there are 2,028,197 (2022: 2,028,197) treasury shares determined as being held by the Group.

26.5 Dividend

No dividends were distributed in 2023 and 2022.

26.6 Purchase of Non-controlling Interests

In 2023, the Group entered into several minor transactions with non-controlling shareholders where a portion or all of the outstanding non-controlling interests were acquired. These transactions reduced consolidated equity by CHF 3.5m and resulted in a cash outflow of CHF 1.4m. The difference is mainly due to a single transaction where non-controlling interests were acquired, but payment is being made in installments.

27 Long-term Incentive Plans

The following table shows the employee benefit long-term incentive plans expense recognized in the consolidated income statement:

in CHF m	2023	2022
Long-term incentive plans (Note 7)	**(11.6)**	**(4.3)**

During 2022 and 2023, the Group operated three long-term incentive plans:

- A plan (the "EMB Plan") which allows members of the EMB and other members of the leadership to partake in up to 5% of the equity value or exit payout, the latter being in the case of a realization event.
- A cash-based plan implemented together with the EMB Plan.
- A plan (the "Broader Plan") intended for a wider group of management.

The key factors for these plans are summarized as:

- For each, three grants commenced in 2022 and there was a further grant in 2023.
- For each one grant vests each year, unless accelerated by a realization event.
- They all contain both a service condition of on-going employment and performance conditions of an EBITDA margin and operating cash flow.
- For the EMB Plan and Broader Plan a third of each grant's value is linked to meeting the service condition. For all the plans any additional payments will depend on also meeting the performance conditions.
- They are all settled for cash.
- Payment is due in the year of scheduled vesting or on a realization event if earlier, except for the EMB Plan. For the latter, payment will be split between 2027 and 2028 in the absence of a realization event and be based upon the Group's enterprise value at the preceding year-end.

As at December 31, 2023, the provision for long-term incentive plans amounted to CHF 14.9m (2022: CHF 5.2m) (Note 24).

28 Commitments and Contingent Liabilities

28.1 Capital Commitments

As at December 31, 2023, capital expenditure for property, plant and equipment contracted for at the balance sheet date but not recognized in the consolidated financial statements amounted to CHF 2.4m (2022: CHF 2.7m).

28.2 Contingent Liabilities

The Group has contingent liabilities arising in the ordinary course of business, principally in respect of legal claims, tax risks, guarantees, customer relationships, pledges, letters of credit and treasury relationships and transactions. It is not anticipated that any material liabilities will arise from such contingent liabilities other than those provided for in Note 24.

29 Business Combinations

The Group did not make any acquisitions in 2023 and 2022.

30 Disposals of Subsidiaries

30.1 Disposals 2023

In March 2023, the Group disposed of its 51% shareholding in Gate Gourmet Catering Bolivia S.A. The consideration amounted to USD 0.6m, receivable in installments until June 2026, whereas the net assets disposed of were CHF 0.8m, including cash and cash equivalents of CHF 0.2m. The net loss of CHF 2.5m has been recognized in the income statement under other gains and losses, net (Note 9).

in CHF m	Disposal of catering activities in Bolivia
Cash and cash equivalents net of overdrafts	(0.2)
Trade receivables	(1.0)
Other current receivables and prepayments	(2.8)
Inventories	(0.3)
Other non-current receivables	(1.1)
Trade and other payables	4.5
Current income tax liabilities	0.2
Other current liabilities	0.4
Non-current liabilities	1.1
Net (assets)/liabilities disposed of	**0.8**
Consideration received less expected credit losses	0.3
Non-controlling interests	(0.4)
Allowance for pre-existing intragroup financing	(2.8)
Loss on disposal before reclassification of translation differences	**(2.1)**
Reclassification of translation differences	(0.4)
Loss on disposal	**(2.5)**
Consideration received in cash	–
Less: Cash and cash equivalents disposed of	0.2
Net cash outflow	**(0.2)**

In addition to the exit in Bolivia, the Group reduced in June 2023 its 50.01% shareholding in Sheltair SA to 49.99% and at the same time changed the management structure, resulting in a loss of control over Sheltair SA. The consideration amounted to EUR 2, whereas the net assets disposed of were CHF 0.0m, including cash and cash equivalents of CHF 0.1m. The net gain of CHF 0.1m has been recognized in the income statement under other gains and losses, net (Note 9).

30.2 Disposals 2022

The Group did not make any disposals in 2022.

31 Related Party Transactions

31.1 Key Management Personnel

The key management personnel are defined as the Board and the EMB. Key management compensation consists of:

in CHF m	2023	2022
Short-term benefits	9.6	7.2
Post-employment benefits	0.6	0.6
Long-term incentive plan	7.2	2.9
Total key management compensation	**17.4**	**10.7**

31.2 Associated Companies and Joint Ventures

2023 in CHF m	Associates	Joint ventures	Total
Income statement			
Revenue	1.6	–	**1.6**
Management services	1.4	–	**1.4**
Purchase of goods	(0.4)	–	**(0.4)**
Other costs	(0.1)	–	**(0.1)**
Write-offs and guarantee provision releases	(0.5)	0.6	**0.1**
Dividends received	0.2	–	**0.2**
Balance sheet			
Trade and other receivables (Notes 13, 14)	7.6	1.4	**9.0**
Allowance for expected credit losses	(1.4)	(0.8)	**(2.2)**
Trade and other current payables (Note 23)	(0.2)	–	**(0.2)**

2022 in CHF m			
Income statement			
Revenue	0.8	–	**0.8**
Management services	1.3	0.1	**1.4**
Purchase of goods	(3.0)	–	**(3.0)**
Other costs	–	(0.3)	**(0.3)**
Dividends received	0.1	–	**0.1**
Balance sheet			
Trade and other receivables (Notes 13, 14)	7.8	1.4	**9.2**
Allowance for expected credit losses	(1.4)	(0.9)	**(2.3)**
Trade and other current payables (Note 23)	(0.2)	(0.1)	**(0.3)**

Management services include certain administrative activities that the Group performed for associated companies and joint ventures. The respective charges reflect an appropriate allocation of cost incurred.

31.3 Parent

As at December 31, 2023, 98.6% of the shares outstanding in the Company were held by Saffron Asset Holding Ltd, Hong Kong, Zeppelin Asset Holding Ltd, Hong Kong, and Esta Investments Pte Ltd, Singapore. The shareholdings are overall split equally between RRJ Capital Master Fund III, Cayman Islands, and Temasek Holdings (Private) Ltd, Singapore. The remaining shares are held by the Company.

In 2021, a subordinated convertible facility of CHF 475.0m was made available to the Company by the shareholders, through their affiliates, with maturity on March 31, 2027. PIK interest accrues on the amounts drawn at a rate of 12.5% per annum. In 2023, a total of CHF 444.8m (2022: CHF 421.8m) (Note 22) of the related party loan had been drawn with accrued interest of CHF 142.4m (2022: CHF 74.8m) (Note 25).

No trade and other receivables from the parent companies and no material sale or purchase of goods between the Company and its parent companies have been identified.

31.4 Other Related Parties

in CHF m	2023	2022
Revenue	33.4	30.5
Trade and other receivables (Notes 13, 14)	3.4	3.5

The Group provides catering services to RRJ Capital and Temasek subsidiaries in the airline sector. In general, the Group does not receive any services or goods from RRJ Capital and Temasek subsidiaries. No guarantees have been received.

32 Group Companies

The principal subsidiaries of the Company as of December 31, 2023, were the following:

Country	Company	Equity interest (in %)[1]	Currency	Share capital
Argentina	Gate Gourmet Argentina S.r.l., Buenos Aires	100	ARS	5,750,000
Australia	Gate Gourmet Cairns Pty Ltd, Mascot, NSW	100	AUD	3,104,002
	Gate Gourmet (Holdings) Pty Ltd, Mascot, NSW	100	AUD	39,299,111
	Gate Gourmet Rail Pty Ltd, Mascot, NSW	100	AUD	2
	Gate Gourmet Services Pty Ltd, Mascot, NSW	100	AUD	44,330,100
	Pourshins Australia Pty Ltd, Alexandria, NSW	100	AUD	2
Belgium	deSter BVBA, Hoogstraten	100	EUR	22,600,000
	Gate Gourmet Belgium NV, Zaventem	100	EUR	62,400
Brazil	Gate Gourmet Ltda, São Paulo	100	BRL	107,331,839
Burkina Faso	Servair Burkina Faso SA, Ouagadougou	87	XOF	10,000,000
Cambodia	Cambodia Air Catering Services Ltd, Phnom Penh	75	USD	500,000
Canada	Gate Gourmet Canada Inc., Toronto	100	CAD	17,500,000
	Pourshins Canada Inc., Toronto	100	CAD	300,000
Chile	Gate Gourmet Catering Chile Ltda, Santiago	100	CLP	1,968,062,000
China	Gate Gourmet Hong Kong Ltd, Hong Kong	100	HKD	281,657,350
	gategroup Trading Hong Kong Ltd, Hong Kong	100	USD	162
Colombia	Gate Gourmet Colombia S.A.S, Bogotá	75	COP	831,229,870
D.R. Congo	Fondeg SA (Catering Congo), Kinshasa	33	CDF	93,000,000
Denmark	Gate Gourmet Denmark ApS, Tårnby	100	DKK	401,200
	Gate Gourmet Northern Europe ApS, Tårnby	100	DKK	52,401,000
Ecuador	Gate Gourmet del Ecuador Cia Ltda, Quito	60	USD	2,278,400
Finland	Evertaste Oy, Vantaa	100	EUR	603,450
France	ACNA SA, Le Mesnil-Amelot	100	EUR	37,500
	Alphair SAS, Tremblay-en-France	100	EUR	5,000
	Eat & Fly Services SAS, Tremblay-en-France	100	EUR	20,000
	Gate Gourmet Helvetia SAS, Paris	100	EUR	10,000
	Lyon Air Traiteur S.à.r.l., Colombier-Saugnieu	100	EUR	455,000
	Martinique Catering S.à.r.l., Le Lamentin	98	EUR	50,000
	Orly Air Traiteur SA, Wissous	100	EUR	8,934,190
	Panima SAS, Mamoudzou	100	EUR	500,000
	Paris Air Catering (PAC) SA, Tremblay-en-France	100	EUR	100,005
	Reunion Catering S.à.r.l., Sainte Marie	100	EUR	197,570
	Servair Investissements Aeroportuaires (SIA) SA, Tremblay-en-France	100	EUR	25,000,000
	Servair SA, Tremblay-en-France	100	EUR	52,386,208
	Sheltair CDG, Tremblay-en-France	51	EUR	1
	Société de Restauration Industrielle (SORI) SA, Les Abymes	50	EUR	50,000
	Société Guyanaise de Restauration Industrielle (SOGRI) SA, Matoury	97	EUR	225,000
	Svrls@La Reunion SAS, Sainte Marie	50	EUR	150,000
Gabon	Servair Gabon SA, Libreville	55	XAF	250,000,000
Germany	deSter GmbH, Neu-Isenburg	100	EUR	1,023,000
	Evertaste GmbH, Alzey	100	EUR	26,000
	Gate Gourmet GmbH Deutschland, Neu-Isenburg	100	EUR	7,670,000

	Gate Gourmet GmbH Holding Deutschland, Neu-Isenburg	100	EUR	51,129
	Gate Gourmet Lounge GmbH, Neu-Isenburg	100	EUR	25,000
	Gate Gourmet Objekt und Verwaltungs GmbH, Neu-Isenburg	100	EUR	25,000
	Ringeltaube Airport Markt GmbH, Neu-Isenburg	100	EUR	512,000
	SkylogistiX GmbH, Neu-Isenburg	100	EUR	25,000
Ghana	Servair Ghana Ltd, Accra	57	GHS	2,109,000
Ireland	Gate Gourmet Ireland Ltd, Dublin	100	EUR	4,500,000
Italy	Gate Gourmet Italia S.p.A., Fiumicino	100	EUR	2,317,636
	Gate Gourmet Italia S.r.l., Milan	51	EUR	4,795,937
Ivory Coast	Servair Abidjan SA, Abidjan	80	XOF	1,364,000,000
	SIA Restauration Rapide Côte d'Ivoire SAS, Abidjan	100	XOF	6,119,430,000
Japan	Gate Gourmet Japan YK, Chiba-ken	100	JPY	80,000,000
Kenya	NAS Airport Services Ltd, Nairobi	59	KES	16,000,000
	SIA Kenya Holding Ltd, Nairobi	59	KES	1,215,000,000
Luxembourg	Gate Gourmet Luxembourg IV S.à.r.l., Luxembourg	100	EUR	2,707,500
	gategroup Finance (Luxembourg) S.A., Luxembourg	100	EUR	31,000
	gategroup Financial Services S.à.r.l., Luxembourg	100	EUR	42,783,100
	Supply Chain S.à.r.l., Contern	100	EUR	12,500
Macau	Macau Catering Services Co Ltd, Taipa	17	MOP	16,000,000
Mexico	Gate Gourmet & MAASA Mexico S.A.P.I. de C.V., Mexico City	51	MXN	23,054,158
	Gate Retail Onboard Mexico S.A.P.I. de C.V., Mexico City	100	MXN	6,100,000
Netherlands	deSter Holding B.V., Amsterdam	100	EUR	3,359,990
	Gate Gourmet Amsterdam B.V., Schiphol	100	EUR	2,291,590
	Gate Gourmet Holding Netherlands B.V., Schiphol	100	EUR	9,792,135
New Zealand	Gate Gourmet New Zealand Ltd, Auckland	100	NZD	4,000,100
Norway	Gate Gourmet Norway AS, Oslo	100	NOK	9,083,640
Peru	Gate Gourmet Peru S.r.l., Lima	100	PEN	20,373,617
Senegal	Dakar Catering SA, Dakar	65	XOF	750,000,000
Seychelles	Skychef Ltd, Mahé	55	SCR	313,000
Singapore	Gate Gourmet Singapore Pte Ltd, Singapore	100	SGD	19,602,977
	gategroup Investments Singapore Pte Ltd, Singapore	100	USD	144,778,348
South Korea	Gate Gourmet Korea Co. Ltd, Incheon	60	KRW	133,330,000,000
Spain	Gate Gourmet Spain S.L., Madrid	100	EUR	3,005,061
Sweden	Gate Gourmet Sweden AB, Stockholm	100	SEK	100,000
	Inflight Service Europe AB, Stockholm	100	SEK	1,000,000
	Inflight Service Global AB, Stockholm	100	SEK	100,000
Switzerland	First Catering AG, Bassersdorf	70	CHF	100,000
	Gate Gourmet Switzerland GmbH, Kloten	100	CHF	2,000,000
	Kulinary Holding AG, Zurich	100	CHF	100,000
Thailand	deSter Co. Ltd, Prachinburi	100	THB	135,000,000
Togo	Lome Catering SA, Lomé	26	XOF	100,000,000
United Arab Emirates	deSter General Trading FZE, Dubai	100	AED	1,000,000
United Kingdom	Fernley (Heathrow) Ltd, Middlesex	100	GBP	85,100
	Gate Gourmet Holdings UK Ltd, Middlesex	100	GBP	96,230,003
	Gate Gourmet London Ltd, Middlesex	100	GBP	20,000,002
	gategroup Guarantee Ltd, London	100	CHF	992,622
	Pourshins Ltd, Middlesex	100	GBP	854,350
	Supplair UK Ltd, Middlesex	100	GBP	49,000
United States of America	deSter Corporation, Atlanta, GA	100	USD	2,000
	deSter North America Inc., Wilmington, DE	100	USD	10
	Gate Gourmet Inc., Wilmington, DE	100	USD	1,000
	Gate Serve llc, Wilmington, DE	100	USD	1
	gategroup U.S. Finance Inc., Wilmington, DE	100	USD	1,000
	gategroup U.S. Holding Inc., Wilmington, DE	100	USD	1
	gateretail North America Inc., Reston, VA	100	USD	1
	North America Food Services Inc., Reston, VA	100	USD	10
	Pourshins Inc., Reston, VA	100	USD	1,000

(1) Rounded to the nearest whole number

33 Post Balance Sheet Events

On February 27, 2024, the Group agreed with Air France to modify the put and call option arrangements over the shares the latter still holds in Servair SA. As part of the revised agreement the Group will now purchase an additional 5% of Servair SA's shares in each of 2024, 2025 and 2026. The Group's resulting shareholding in Servair SA will then be 80% at the end of 2026. The total cash out during 2024 is expected to be CHF 29.7m (EUR 31.9m). The financial liability at fair value through profit and loss of CHF 157.6m as at December 31, 2023, will be re-evaluated in 2024 (Note 25).

As at March 18, 2024, the date of approval of these consolidated financial statements by the Board, the Group has no other significant subsequent events that warrant disclosure.

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To the General Meeting of
gategroup Holding AG, Opfikon

Zurich, March 18, 2024

Report of the statutory auditor

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of gategroup Holding AG and its subsidiaries (the Group), which comprise the consolidated balance sheet as at December 31, 2023, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements (pages 58 to 105) give a true and fair view of the consolidated financial position of the Group as at December 31, 2023 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and comply with Swiss law.

Basis for opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISA) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the “Auditor's responsibilities for the audit of the consolidated financial statements” section of our report. We are independent of the Group in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession, as well as those of the International Ethics Standards Board for Accountants’ *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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We have fulfilled the responsibilities described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the consolidated financial statements.

Recoverability of trade receivables

Area of focus	Trade receivables represent 13% of the Group's total assets as at December 31, 2023. When assessing the recoverability of trade receivables, judgment is applied to the ability to collect. Due to the significance of the carrying values for trade receivables and the judgment involved, this matter is considered significant to our audit. Refer to Notes 2.9 and 13 to the consolidated financial statements for the Group's disclosure on trade receivables.
Our audit response	We assessed the design of the Group's internal controls over its trade receivables processes. Our audit procedures included an analysis of trade receivables based on their aging, also considering post COVID-19 and industry related implications including those related to expected credit losses. Furthermore, we reviewed subsequent cash receipts and performed data analytics, such as correlation and relationship analysis between revenue, trade receivables and cash receipts as well as a review of credit notes and potential reversals. In addition, we performed inquiries of key personnel regarding trade receivable valuation. Our audit procedures did not lead to any reservations concerning recoverability of trade receivables.

Valuation of goodwill and indefinite life intellectual property

Area of focus	Goodwill and intellectual property represent 27% of the Group's total assets as at December 31, 2023. As stated in Note 2.15 to the consolidated financial statements, the carrying value of goodwill and indefinite life intellectual property is tested at least annually for impairment. The Group's annual impairment test determined that there was no impairment. Key assumptions concerning the impairment test are disclosed in Note 17 to the consolidated financial statements. In determining the fair value of Cash Generating Units as defined by Management, the Group must apply judgment in estimating – amongst other factors – cash flow projections based on the financial plan as well as the discount rate. Due to the significance of the carrying values for goodwill and indefinite life intellectual property and the judgment involved in performing the impairment tests, this matter was considered significant to our audit.
Our audit response	We assessed the design of the Group's internal controls over its annual impairment tests and key assumptions applied and evaluated Group Management's definition of Cash Generating Units. We involved valuation specialists to assist in examining the Group's valuation model and analyzing the underlying key assumptions, including long-term

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growth and discount rates. We assessed future revenues and margins, the historical accuracy of the Group's financial plans and considered its ability to produce accurate long-term forecasts. We evaluated the sensitivity in the valuation resulting from changes to the key assumptions applied and compared these assumptions to corroborating information, including expected inflation rates and market growth. Our audit procedures did not lead to any reservations concerning the valuation of goodwill and indefinite life intellectual property.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the consolidated financial statements

The Board of Directors is responsible for the preparation of the consolidated financial statements, which give a true and fair view in accordance with IFRS Accounting Standards and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, 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.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements 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 Swiss law, ISA and SA-CH 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 financial statements.

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A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTsuisse's website at: https://www.expertsuisse.ch/en/audit-report. This description forms an integral part of our report.

Report on other legal and regulatory requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Ernst & Young Ltd

Simon Zogg Licensed audit expert (Auditor in charge)	Marco Kessler Licensed audit expert

Financial report 2023

gategroup holding AG

Financial Statements of gategroup Holding AG

Income Statement of gategroup Holding AG

in 1,000 CHF	2023	2022
Personnel expenses	(1,096)	(1,509)
Operating expenses	(5,876)	(13,054)
Amortization	–	(70)
Total operating expenses	**(6,972)**	**(14,633)**
Operating loss	**(6,972)**	**(14,633)**
Financial income	46,533	23,981
Financial expenses	(67,528)	(53,805)
Loss before tax	**(27,967)**	**(44,457)**
Direct taxes	–	–
Loss for the year	**(27,967)**	**(44,457)**

Balance Sheet of gategroup Holding AG

in 1,000 CHF	Notes	**December 31, 2023**	**December 31, 2022**
Other current receivables		34	25
Other current receivables from subsidiaries		42,971	45,425
Total current assets		**43,005**	**45,450**
Non-current loans to subsidiaries		379,000	319,000
Investments in subsidiaries		634,792	634,792
Total non-current assets		**1,013,792**	**953,792**
Total assets		**1,056,797**	**999,242**
Other current payables		977	1,062
Other current payables to subsidiaries		28,700	29,361
Accruals		784	5,041
Total current liabilities		**30,461**	**35,464**
Non-current interest-bearing liabilities to related parties		444,912	421,912
Non-current accrued interest to related parties		142,348	74,823
Total non-current liabilities		**587,260**	**496,735**
Total liabilities		**617,721**	**532,199**
Share capital		180,557	180,557
Legal capital reserves:			
Reserve from capital contributions		550,696	550,696
Legal retained earnings:			
General reserve		11,766	11,766
Treasury shares	2.3	(31,230)	(31,230)
Earnings brought forward		(244,746)	(200,289)
Loss for the year		(27,967)	(44,457)
Total shareholders' equity		**439,076**	**467,043**
Total liabilities and shareholders' equity		**1,056,797**	**999,242**

Notes to the Financial Statements of gategroup Holding AG

1 General Information

The financial statements of gategroup Holding AG, Opfikon (the "Company"), are prepared in accordance with the provisions on accounting and financial reporting (Art. 957 to Art. 963b) of the Swiss Code of Obligations.

2 Disclosures Required by Swiss Company Law

2.1 Accounting Policies

Valuation Principles
Financial assets, including investments and non-current loans to subsidiaries, are recognized at cost less appropriate write-downs. Investments are in general subject to individual valuation.

Treasury Shares
Own shares (treasury shares) are recognized at cost. Any gains or losses upon disposal are recognized through profit and loss. Own shares directly held by the Company are deducted from equity.

Going Concern
Considering the undrawn commitments of the shareholders, the current financial projections demonstrate that there are anticipated to be adequate resources available to allow the Company to continue in operational existence for at least twelve months from the date of the authorization of these financial statements. As such, these financial statements have been prepared on a going concern basis.

2.2 Significant Investments

Company name	Domicile	Currency	Share capital (local currency)	Ownership in % Dec 31, 2023	Ownership in % Dec 31, 2022
Direct investments					
gategroup Finance (Luxembourg) S.A., Luxembourg	Luxembourg	EUR	31,000	100.00%	100.00%
gategroup Financial Services S.à.r.l., Luxembourg	Luxembourg	EUR	42,783,100	100.00%	100.00%
gategroup Guarantee Ltd, London	UK	CHF	992,622	100.00%	100.00%
gategroup Investments Singapore Pte Ltd, Singapore	Singapore	USD	144,778,348	100.00%	100.00%
Substantial indirect investments					
Gate Gourmet Argentina S.r.L., Buenos Aires	Argentina	ARS	5,750,000	100.00%	100.00%
Gate Gourmet Cairns Pty Ltd, Mascot, NSW	Australia	AUD	3,104,002	100.00%	100.00%
Gate Gourmet (Holdings) Pty Ltd, Mascot, NSW	Australia	AUD	39,299,111	100.00%	100.00%
Gate Gourmet Rail Pty Ltd, Mascot, NSW	Australia	AUD	2	100.00%	100.00%
Gate Gourmet Services Pty Ltd, Mascot, NSW	Australia	AUD	44,330,100	100.00%	100.00%
Pourshins Australia Pty Ltd, Alexandria, NSW	Australia	AUD	2	100.00%	100.00%
deSter BVBA, Hoogstraten	Belgium	EUR	22,600,000	100.00%	100.00%
Gate Gourmet Belgium NV, Zaventem	Belgium	EUR	62,400	100.00%	100.00%
Gate Gourmet Ltda, São Paulo	Brazil	BRL	107,331,839	100.00%	100.00%
Servair Burkina Faso SA, Ouagadougou	Burkina Faso	XOF	10,000,000	56.62%	56.62%
Cambodia Air Catering Services Ltd, Phnom Penh	Cambodia	USD	500,000	75.00%	75.00%
Gate Gourmet Canada Inc., Toronto	Canada	CAD	17,500,000	100.00%	100.00%
Pourshins Canada Inc., Toronto	Canada	CAD	300,000	100.00%	100.00%
Gate Gourmet Catering Chile Ltda, Santiago	Chile	CLP	1,968,062,000	100.00%	100.00%
Gate Gourmet Hong Kong Ltd, Hong Kong	China	HKD	281,657,350	100.00%	100.00%
gategroup Trading Hong Kong Ltd, Hong Kong	China	USD	162	100.00%	100.00%
Gate Gourmet Colombia S.A.S, Bogotá	Colombia	COP	831,229,870	75.00%	75.00%
Fondeg SA (Catering Congo), Kinshasa	D.R. Congo	CDF	93,000,000	21.55%	21.55%
Gate Gourmet Denmark ApS, Tårnby	Denmark	DKK	401,200	100.00%	100.00%
Gate Gourmet Northern Europe ApS, Tårnby	Denmark	DKK	52,401,000	100.00%	100.00%
Gate Gourmet del Ecuador Cia Ltda, Quito	Ecuador	USD	2,278,400	60.00%	60.00%
Evertaste Oy, Vantaa	Finland	EUR	603,450	100.00%	100.00%
ACNA SA, Le Mesnil-Amelot	France	EUR	37,500	65.00%	65.00%
Alphair SAS, Tremblay-en-France	France	EUR	5,000	64.99%	64.99%
Eat & Fly Services SAS, Tremblay-en-France	France	EUR	20,000	65.00%	65.00%
Gate Gourmet Helvetia SAS, Paris	France	EUR	10,000	100.00%	100.00%
Lyon Air Traiteur S.à.r.l., Colombier-Saugnieu	France	EUR	455,000	65.00%	65.00%
Martinique Catering S.à.r.l., Le Lamentin	France	EUR	50,000	63.70%	63.70%
Orly Air Traiteur SA, Wissous	France	EUR	8,934,190	65.00%	65.00%
Panima SAS, Mamoudzou	France	EUR	500,000	65.00%	65.00%
Paris Air Catering (PAC) SA, Tremblay-en-France	France	EUR	100,005	65.00%	65.00%
Reunion Catering S.à.r.l., Sainte Marie	France	EUR	197,570	65.00%	65.00%
Servair Investissements Aeroportuaires (SIA) SA, Tremblay-en-France	France	EUR	25,000,000	65.00%	65.00%
Servair SA, Tremblay-en-France	France	EUR	52,386,208	65.00%	65.00%
Sheltair CDG, Tremblay-en-France	France	EUR	1	33.15%	33.15%
Société de Restauration Industrielle (SORI) SA, Les Abymes	France	EUR	50,000	32.53%	32.53%
Société Guyanaise de Restauration Industrielle (SOGRI) SA, Matoury	France	EUR	225,000	63.05%	63.05%
Svrls@La Reunion SAS, Sainte Marie	France	EUR	150,000	32.63%	32.63%
Servair Gabon SA, Libreville	Gabon	XAF	250,000,000	35.75%	35.75%
deSter GmbH, Neu-Isenburg	Germany	EUR	1,023,000	100.00%	100.00%
Evertaste GmbH, Alzey	Germany	EUR	26,000	100.00%	100.00%
Gate Gourmet GmbH Deutschland, Neu-Isenburg	Germany	EUR	7,670,000	100.00%	100.00%
Gate Gourmet GmbH Holding Deutschland, Neu-Isenburg	Germany	EUR	51,129	64.00%	64.00%
Gate Gourmet Lounge GmbH, Neu-Isenburg	Germany	EUR	25,000	100.00%	100.00%

Gate Gourmet Objekt und Verwaltungs GmbH, Neu-Isenburg	Germany	EUR	25,000	100.00%	100.00%
Ringeltaube Airport Markt GmbH, Neu-Isenburg	Germany	EUR	512,000	100.00%	100.00%
SkylogistiX GmbH, Neu-Isenburg	Germany	EUR	25,000	100.00%	51.00%
Servair Ghana Ltd, Accra	Ghana	GHS	2,109,000	37.05%	37.05%
Gate Gourmet Ireland Ltd, Dublin	Ireland	EUR	4,500,000	100.00%	100.00%
Gate Gourmet Italia S.p.A., Fiumicino	Italy	EUR	2,317,636	100.00%	100.00%
Gate Gourmet Italia S.r.L., Milan	Italy	EUR	4,795,937	51.00%	51.00%
Servair Abidjan SA, Abidjan	Ivory Coast	XOF	1,364,000,000	52.00%	52.00%
SIA Restauration Rapide Côte d'Ivoire SAS, Abidjan	Ivory Coast	XOF	6,119,430,000	65.00%	65.00%
Gate Gourmet Japan YK, Chiba-ken	Japan	JPY	80,000,000	100.00%	100.00%
NAS Airport Services Ltd, Nairobi	Kenya	KES	16,000,000	38.35%	38.35%
SIA Kenya Holding Ltd, Nairobi	Kenya	KES	1,215,000,000	38.35%	38.35%
Gate Gourmet Luxembourg IV S.à.r.l., Luxembourg	Luxembourg	EUR	2,707,500	100.00%	100.00%
Supply Chain S.à.r.l., Contern	Luxembourg	EUR	12,500	100.00%	100.00%
Macau Catering Services Co Ltd, Taipa	Macau	MOP	16,000,000	11.27%	11.27%
Gate Gourmet & MAASA Mexico S.A.P.I. de C.V., Mexico City	Mexico	MXN	23,054,158	51.00%	51.00%
Gate Retail Onboard Mexico S.A.P.I. de C.V., Mexico City	Mexico	MXN	6,100,000	75.95%	75.95%
deSter Holding B.V., Amsterdam	Netherlands	EUR	3,359,990	100.00%	100.00%
Gate Gourmet Amsterdam B.V., Schiphol	Netherlands	EUR	2,291,590	100.00%	100.00%
Gate Gourmet Holding Netherlands B.V., Schiphol	Netherlands	EUR	9,792,135	100.00%	100.00%
Gate Gourmet New Zealand Ltd, Auckland	New Zealand	NZD	4,000,100	100.00%	100.00%
Gate Gourmet Norway AS, Oslo	Norway	NOK	9,083,640	100.00%	100.00%
Gate Gourmet Peru S.r.L., Lima	Peru	PEN	20,373,617	100.00%	100.00%
Dakar Catering SA, Dakar	Senegal	XOF	750,000,000	42.33%	42.33%
Skychef Ltd, Mahé	Seychelles	SCR	313,000	35.75%	35.75%
Gate Gourmet Singapore Pte Ltd, Singapore	Singapore	SGD	19,602,977	100.00%	100.00%
Gate Gourmet Korea Co. Ltd, Incheon	South Korea	KRW	133,330,000,000	60.00%	60.00%
Gate Gourmet Spain S.L., Madrid	Spain	EUR	3,005,061	100.00%	100.00%
Gate Gourmet Sweden AB, Stockholm	Sweden	SEK	100,000	100.00%	100.00%
Inflight Service Europe AB, Stockholm	Sweden	SEK	1,000,000	100.00%	100.00%
Inflight Service Global AB, Stockholm	Sweden	SEK	100,000	100.00%	100.00%
First Catering AG, Bassersdorf	Switzerland	CHF	100,000	70.00%	60.00%
Gate Gourmet Switzerland GmbH, Kloten	Switzerland	CHF	2,000,000	100.00%	100.00%
Kulinary Holding AG, Zurich	Switzerland	CHF	100,000	60.00%	60.00%
deSter Co. Ltd, Prachinburi	Thailand	THB	135,000,000	100.00%	100.00%
Lome Catering SA, Lomé	Togo	XOF	100,000,000	17.07%	17.07%
deSter General Trading FZE, Dubai	UAE	AED	1,000,000	100.00%	100.00%
Fernley (Heathrow) Ltd, Middlesex	UK	GBP	85,100	100.00%	100.00%
Gate Gourmet Holdings UK Ltd, Middlesex	UK	GBP	96,230,003	100.00%	100.00%
Gate Gourmet London Ltd, Middlesex	UK	GBP	20,000,002	100.00%	100.00%
Pourshins Ltd, Middlesex	UK	GBP	854,350	100.00%	100.00%
Supplair UK Ltd, Middlesex	UK	GBP	49,000	85.00%	85.00%
deSter Corporation, Atlanta, GA	USA	USD	2,000	100.00%	100.00%
deSter North America Inc., Wilmington, DE	USA	USD	10	100.00%	100.00%
Gate Gourmet Inc., Wilmington, DE	USA	USD	1,000	100.00%	100.00%
Gate Serve llc, Wilmington, DE	USA	USD	1	100.00%	100.00%
gategroup U.S. Finance Inc., Wilmington, DE	USA	USD	1,000	100.00%	100.00%
gategroup U.S. Holding Inc., Wilmington, DE	USA	USD	1	100.00%	100.00%
gateretail North America Inc., Reston, VA	USA	USD	1	100.00%	100.00%
North America Food Services Inc., Reston, VA	USA	USD	10	100.00%	100.00%
Pourshins Inc., Reston, VA	USA	USD	1,000	100.00%	100.00%

2.3 Treasury Shares

Treasury shares held by gategroup Holding AG:

2023	Number of shares
Balance at January 1, 2023	**2,028,197**
Balance at December 31, 2023	**2,028,197**
Number of treasury shares held by gategroup Holding AG	2,028,197

2022	
Balance at January 1, 2022	**839,112**
Purchases	1,189,085
Balance at December 31, 2022	**2,028,197**
Number of treasury shares held by gategroup Holding AG	2,028,197

2.4 Guarantees and Financing

In relation to the existing financing:

- The Group has issued a CHF 350.0m fixed rate senior bond ("Bonds") which matures on February 28, 2027. The Bonds, with a coupon of 3.0% p.a., were issued by gategroup Finance (Luxembourg) S.A. and are guaranteed by its parent company, gategroup Holding AG. The Bonds are listed on the SIX Swiss Exchange.
- The EUR 250.0m Term Loan together with capitalized Profit In Kind ("PIK") interest matures on October 20, 2026.
- The Revolving Credit Facility ("RCF"), being a facility of EUR 415.0m together with capitalized PIK interest, matures on October 20, 2026.
- The borrowings under the Bonds, the Term Loan and the RCF all rank pari passu. The Term Loan and RCF are guaranteed by the Company and certain other Group companies.
- In 2021, a subordinated convertible facility of CHF 475.0m was made available to the Company by the shareholders, through their affiliates, with maturity on March 31, 2027. PIK interest accrues on the amounts drawn at a rate of 12.5% per annum. At December 31, 2023, a total of CHF 444.8m (2022: CHF 421.8m) had been drawn. The facility is guaranteed by each borrower and guarantor under the Senior Facilities Agreement ("SFA") but is fully subordinated to the claims of both the lenders under the SFA and holders of the Bonds.

Further, guarantees issued in favour of third parties amount to CHF 314.3m (2022: CHF 245.9m) thereof none (2022: none) are for associates.

2.5 Employees

In 2023, the Company employed on average eight employees (2022: eight).

2.6 Post Balance Sheet Events

As at March 18, 2024, the date of approval of these financial statements by the Board, the Company has no significant subsequent events that warrant disclosure.

Appropriation of Available Earnings

Proposal of the Board of Directors to the Annual General Meeting of Shareholders for the appropriation of available earnings

in 1,000 CHF	December 31, 2023	December 31,[1] 2022
Carried forward from previous year	(244,746)	(200,289)
Loss for the year	(27,967)	(44,457)
Balance to be carried forward	**(272,713)**	**(244,746)**

[1] Approved by the Annual General Meeting of Shareholders on May 31, 2023

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To the General Meeting of
gategroup Holding AG, Opfikon

Zurich, March 18, 2024

Report of the statutory auditor

Report on the audit of the financial statements

Opinion
We have audited the financial statements of gategroup Holding AG (the Company), which comprise the balance sheet as at December 31, 2023 and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 112 to 117) comply with Swiss law and the Company's articles of incorporation.

Basis for opinion
We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information
The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 Swiss law and SA-CH 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 financial statements.

A further description of our responsibilities for the audit of the financial statements is located on EXPERTsuisse's website at: https://www.expertsuisse.ch/en/audit-report. This description forms an integral part of our report.

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Report on other legal and regulatory requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

Furthermore, we confirm that the proposed carry forward of the accumulated losses complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Ernst & Young Ltd

Simon Zogg Licensed audit expert (Auditor in charge)	Marco Kessler Licensed audit expert

Credits imprint

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The Group assumes no responsibility to publicly update or revise any of these forward-looking statements or to adapt them whether to reflect new information, future events, developments or circumstances or otherwise. It should be noted that past performance is not a guide to future performance. Forward-looking statements are not profit forecasts.

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