

**HILTON
FOODS**

INVESTOR DAY

7TH NOV. 2023



SHAPE OF THE DAY

Welcome, overview & trading update

Lifting the Lid on Hilton Foods

Competitive advantage in tech

Sustainability panel discussion

Outstanding Food Products

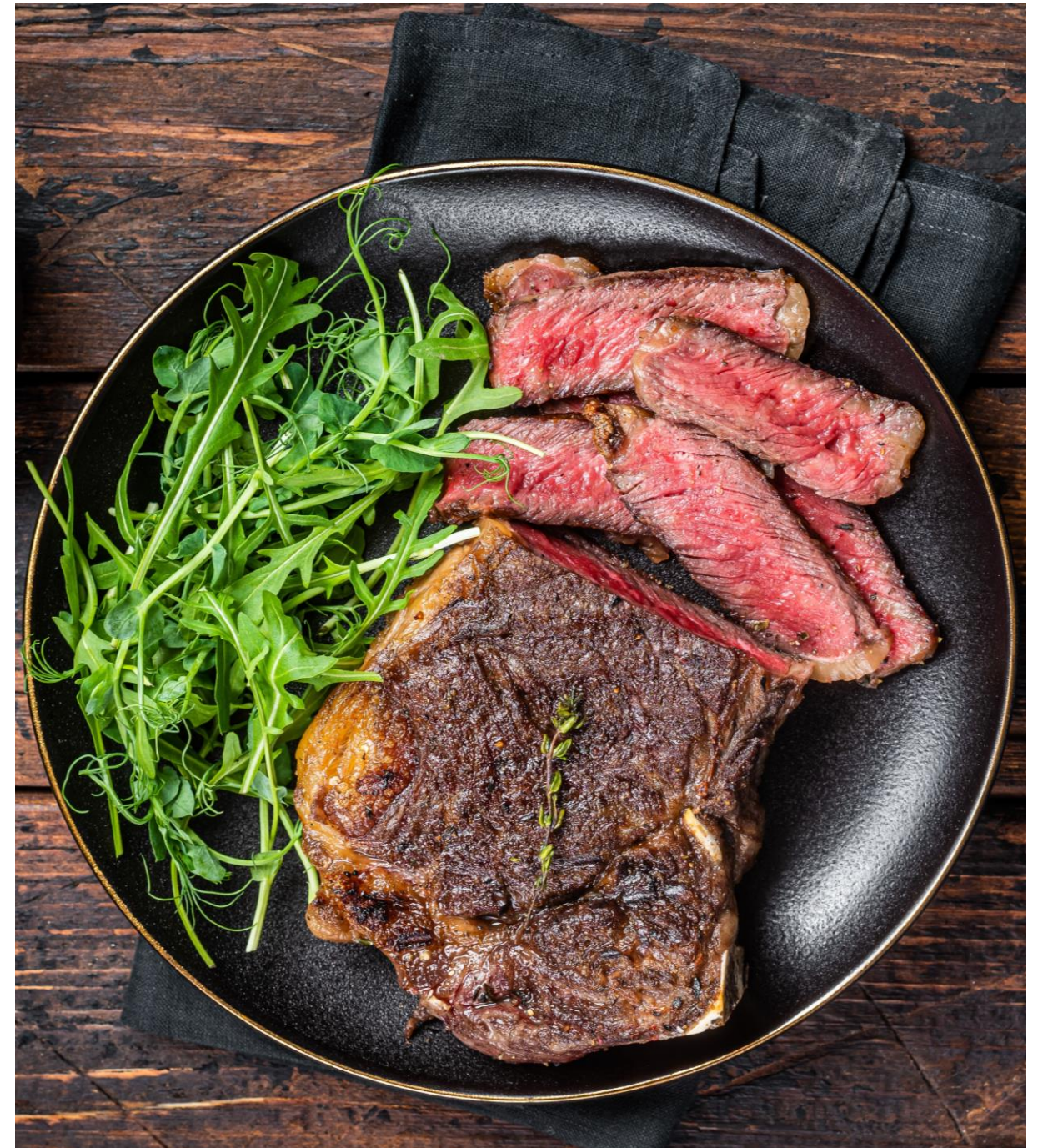
Factory Tour

Depart



Q3 Trading in line with expectation

- ▶ Award winning products and partnerships
- ▶ Revenue ahead of prior year
- ▶ Recovery on track returning to full year operating profitability in Seafood UK
- ▶ On track with the rationalisation and review of our vegan and vegetarian business Dalco
- ▶ Our technology continues to support the core business
- ▶ Growing internationally with Walmart in Canada



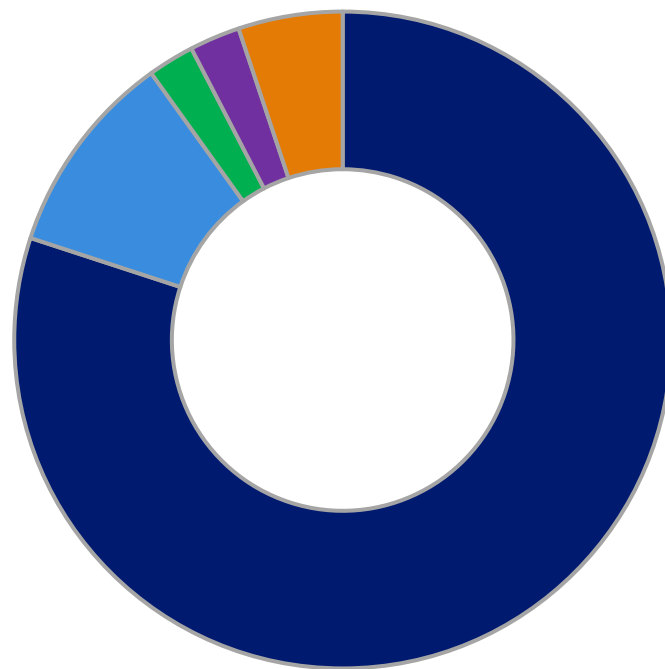
Driving long-term sustainable value

Ambition to be the international food and supply chain services partner of choice

Outstanding food products

We create and produce award winning multi-category food products for retail, foodservice and wholesale best placed to meet consumer needs

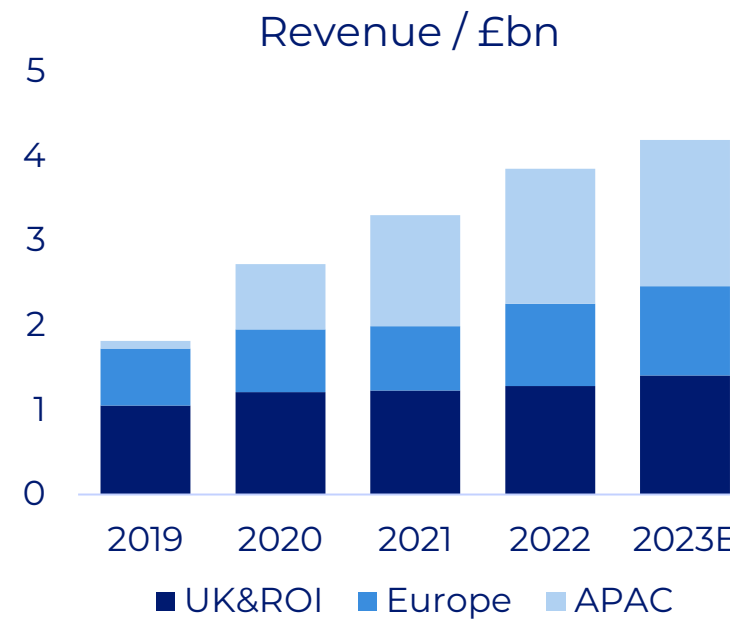
2022 Revenue



- Meat
- Fish
- Vegan & Vegetarian
- Easier Meals
- Food Service/Trading

Growing across international markets

Long term partnerships spanning almost 30 years with leading international retailers



Industry leading technology

Efficient highly automated food processing, production, sortation and logistics services



Integration into our tech stack delivers us competitive edge and commercialisation for revenue and profit growth

The Sustainable Protein Plan (People, Planet, Product)

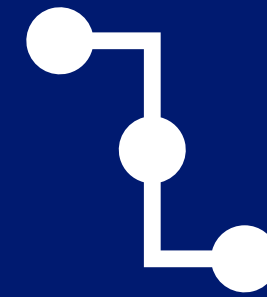
Today we hope you will learn more about our business and hear more about our ambitions



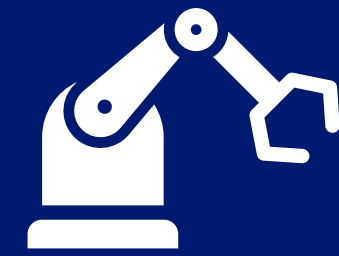
To continue to grow our global footprint



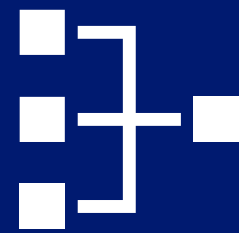
To expand our multi-category offer



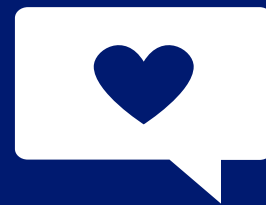
Build further expertise as a supply chain partner



To continue to leverage technology as a driver of value



Philosophy of simplicity



Develop food skills and product innovation



To continue to recruit and develop expert, motivated people



To be rigorous in our approach to the ESG agenda

Lifting the lid on Hilton Foods



1 category

1 channel

1 country

1 facility

1 strategic customer

c.160 people



5 categories

Multi-channel

10 countries

24 facilities

>20 strategic customers

>7000 people

Our long-term retailer partnerships have driven growth and opportunity within our business



The specialisation model



Primary Supplier

HILTON

Retailer



Agriculture



Abattoir & Primary Processing



Product Design and Development



Secondary Processing and Packaging



Distribution & Logistics



Retail

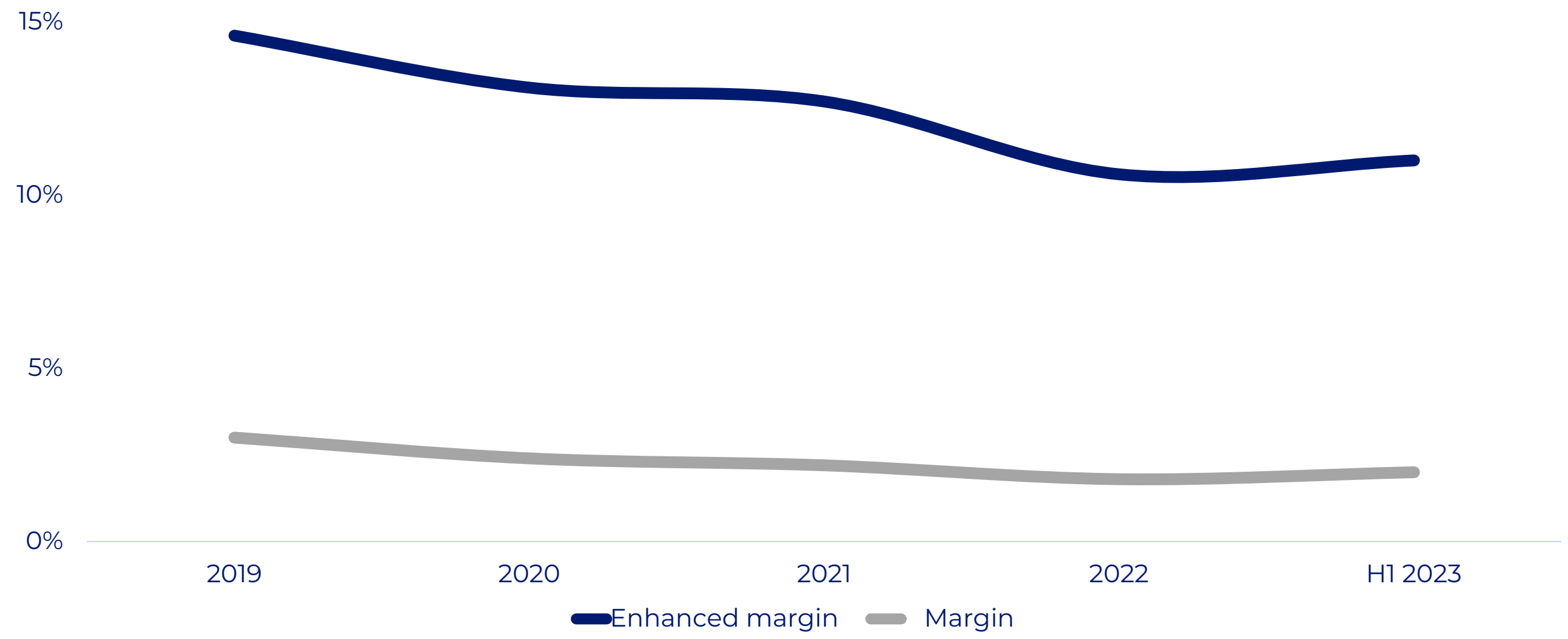


End consumer

Retailer gaining transparency, cost and differentiation benefits across all stages

CONTROL

Hilton's enhanced margin performance through a different lens



- ▶ Viewing Hilton Foods as a services business
 - ▶ We achieve double digit margins on our conversion costs
- ▶ Resilient cash margin
 - ▶ % margin impacted by wider inflationary cost increases
- ▶ Our de-risked, cost pass-through model generates low single digit margins

Margin conversion from primary to store

Enhanced conversion margin on our controllable costs



9 Agriculture Abattoir & Primary Processing Product Design and Development Secondary Processing and Packaging Distribution & Logistics Retail End consumer

Benefits to our customers ~ the win-win

- ▶ Industry leading quality, lowest cost and service
- ▶ Market leading differentiators through our innovation approach in process, product and packaging
- ▶ Best fit value add services such as store order picking
- ▶ Improved retailer performance in market share and customer satisfaction
- ▶ End to end supply chain leadership and influence enabled by our leading tech



Agriculture

Abattoir & Primary Processing

Product Design and Development

Secondary Processing and Packaging

Distribution & Logistics

Retail

End consumer

Benefits to Hilton ~ the win-win

- ▶ We become an extension to our retail and foodservice partners
- ▶ Our customers win, we win
- ▶ We have stability of business footprint through our long-term partnerships
- ▶ We are insulated from individual category trends through being able to leverage our multi category offer
- ▶ Our value adding integrated supply chain services enhance our relationships and bring efficiencies to all
- ▶ Our model cannot be replicated easily by others



Making progress on unlocking growth opportunities

Innovation within
existing partnerships



Cross sales of our
product portfolio



New partnerships



UK Ready to Cook product range launched

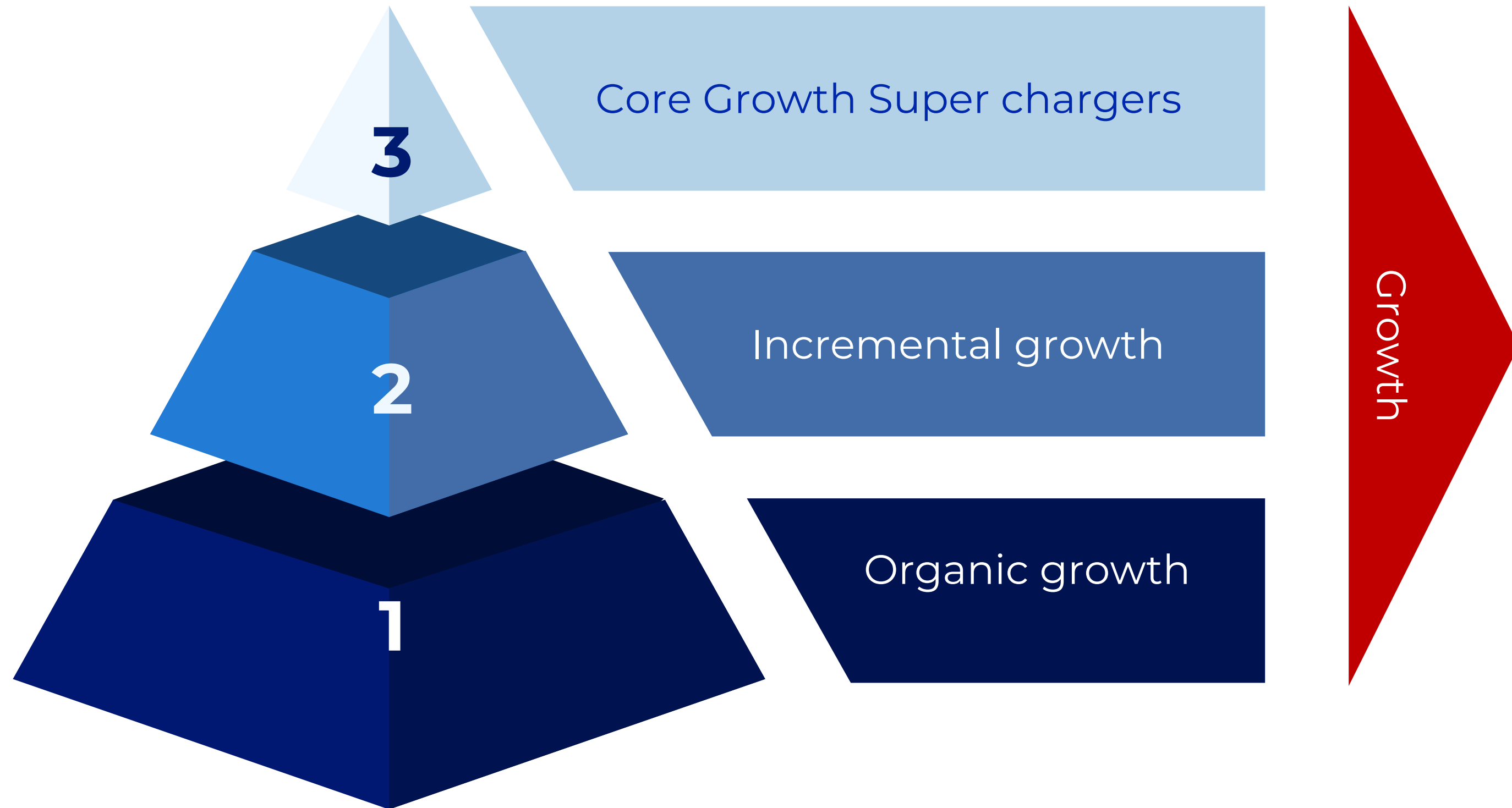
Successful launch of highly localised Swedish products

Growing in poultry for ICA through cross-sales from Denmark

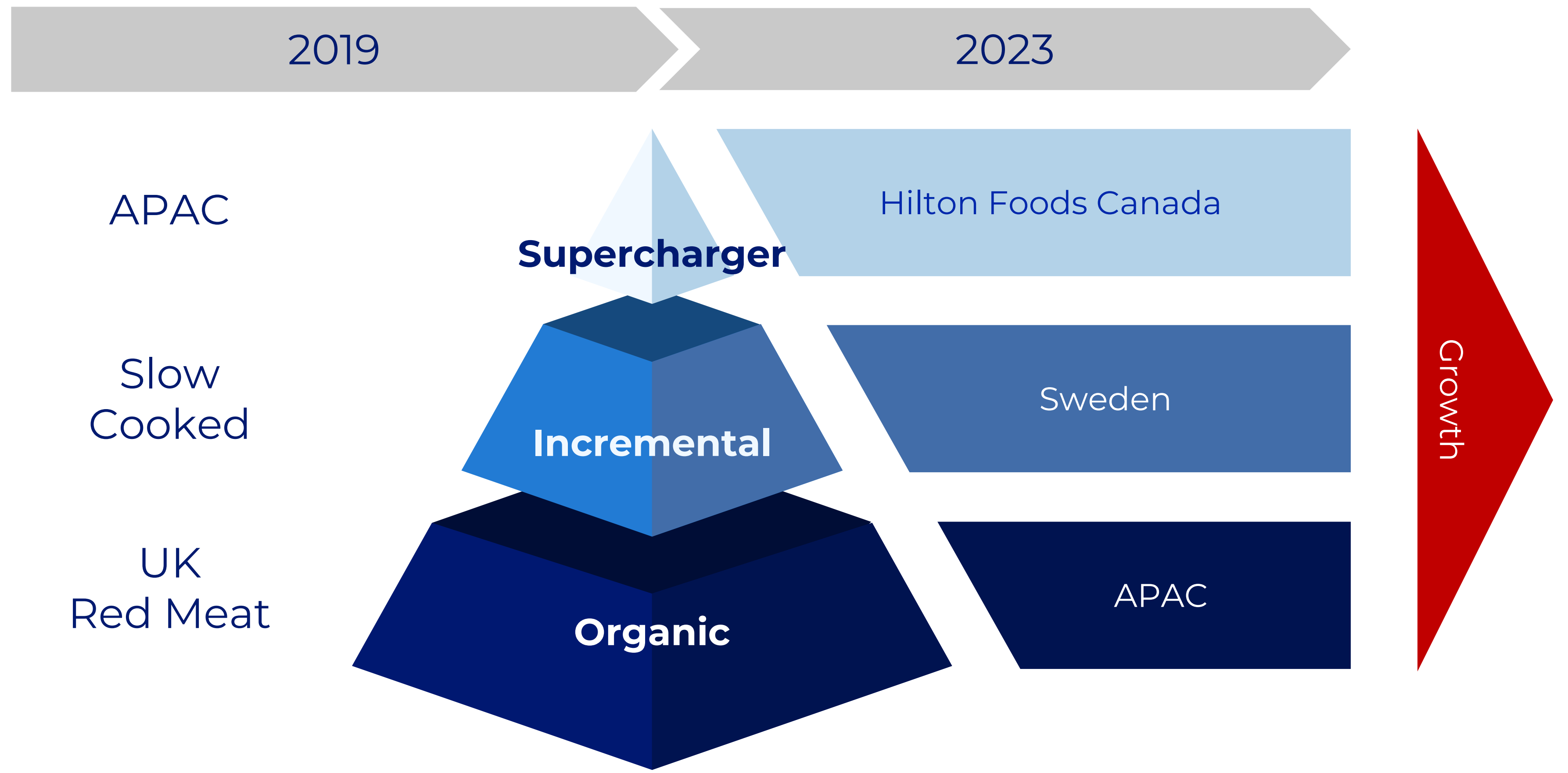
New customer launched in Ireland this week

New partnership announced with Walmart in Canada

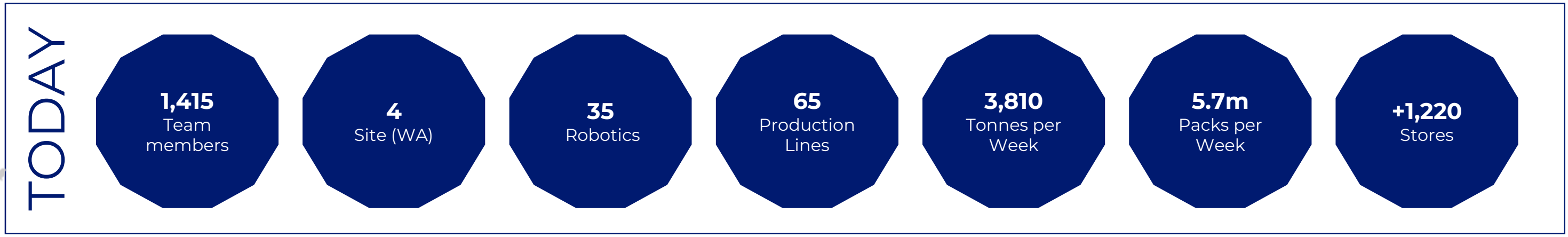
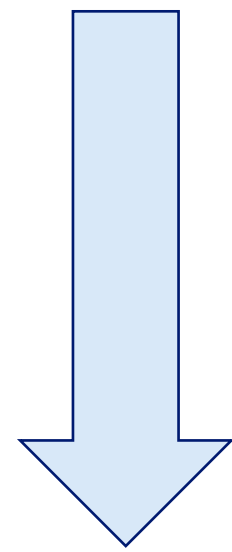
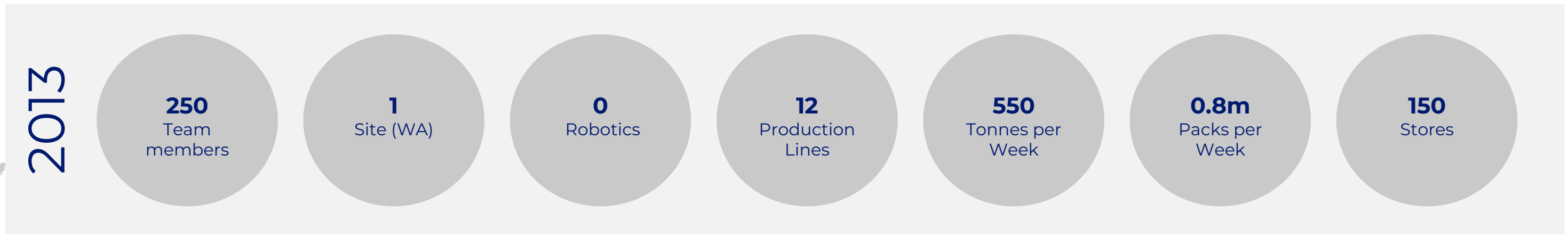
3 Drivers of growth



How this works in real time...



Case Study ~ Growing the core in APAC



Case Study ~ Growth through partnership



ICA Partnership in Sweden

In partnership since 2004

Cross sales in ICA poultry delivered through working in partnership with Hilton Foods Denmark

Food park launched successfully in September

Range of products in private label including porridge and soup

Unlocks new meal occasions and growth

Fairfax Meadow ~ Growth in new channels



National distribution logistics
 Artisan butchery & Dry ageing
 Low-cost operator
 Full meat product portfolio
 Celebrating 50 years in 2024

Fairfax Meadow

Alternative route to market

Positive fit with our core meat expertise

New channel growth and margin accretive

Enhancing their differentiated offer in food service

Customer base strategically well-placed

Synergy in our approach through partnership

Opportunity to grow our multi-category offer in the food service channel

c. £160m revenue

ROCE 21%

Case study ~ Supercharging growth entering a new operating continent



Hilton Foods Canada

Long-term partnership agreement with the no.1 retailer in the world

In Canada Walmart operate a chain of >400 stores nationwide

Initial development of a multi-protein food park

Additional services include crate wash and store order pick sortation services for Hilton Foods and Third-Party products

Transparent cost-plus model

Target to go live in 2026



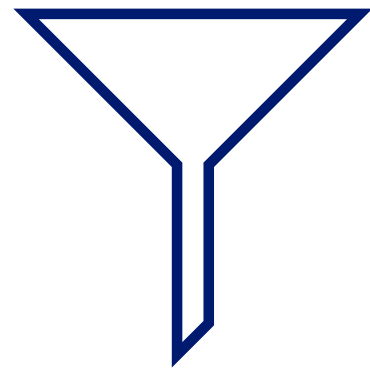
- Quality
- Range
- Service
- Innovation
- Packaging
- Store Pick



**HILTON
FOODS**

**Onboarding new
customers**

We develop new partnerships through 5 key phases



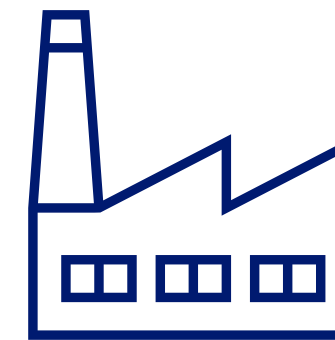
**1. Opportunity
identification**



**2. Business
development**



**3. Design &
Execution**



**4. Go live: Start-up
& Ramp-up**

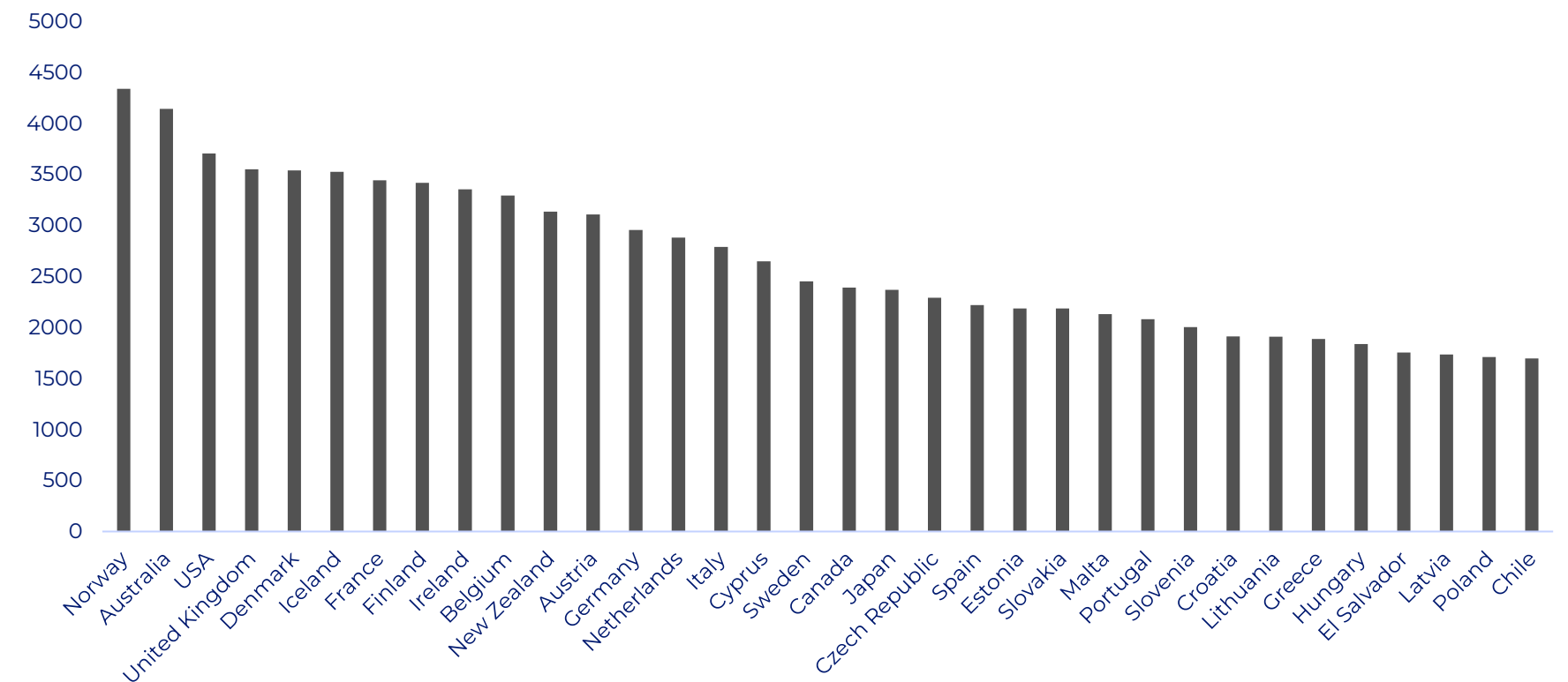


**5. Driving the
ongoing operation**

A targeted, strategic approach to opportunities

- ▶ Primary route through our industry reputation
- ▶ Secondary route through proactive new country and partnership scoping
- ▶ Both routes are strategically assessed through several metrics
 - ▶ Population
 - ▶ GDP and economic growth metrics
 - ▶ Corporate tax rate
 - ▶ Grocery retail - market size and trajectory
 - ▶ Grocery spend per capita
 - ▶ Political & cultural position
 - ▶ Do we have an existing partner with a presence or strategic alliance there

Grocery Retail Market Per Capita



Unlocking opportunities through a win-win approach

Creative solutions for key customer problems
 Identification of best fit contracting mechanic
 Initially targeting 10+ years, we partner for the long-term

Relationship building and local market understanding

Identification of key areas of opportunity

Create a 'best fit' product offer and scope

Detailed knowledge of industry landscape

Industry benchmark pricing

Identify key risks and mitigation plans

Sustainable Returns Targets

>20%

ROCE over contract term

% margin

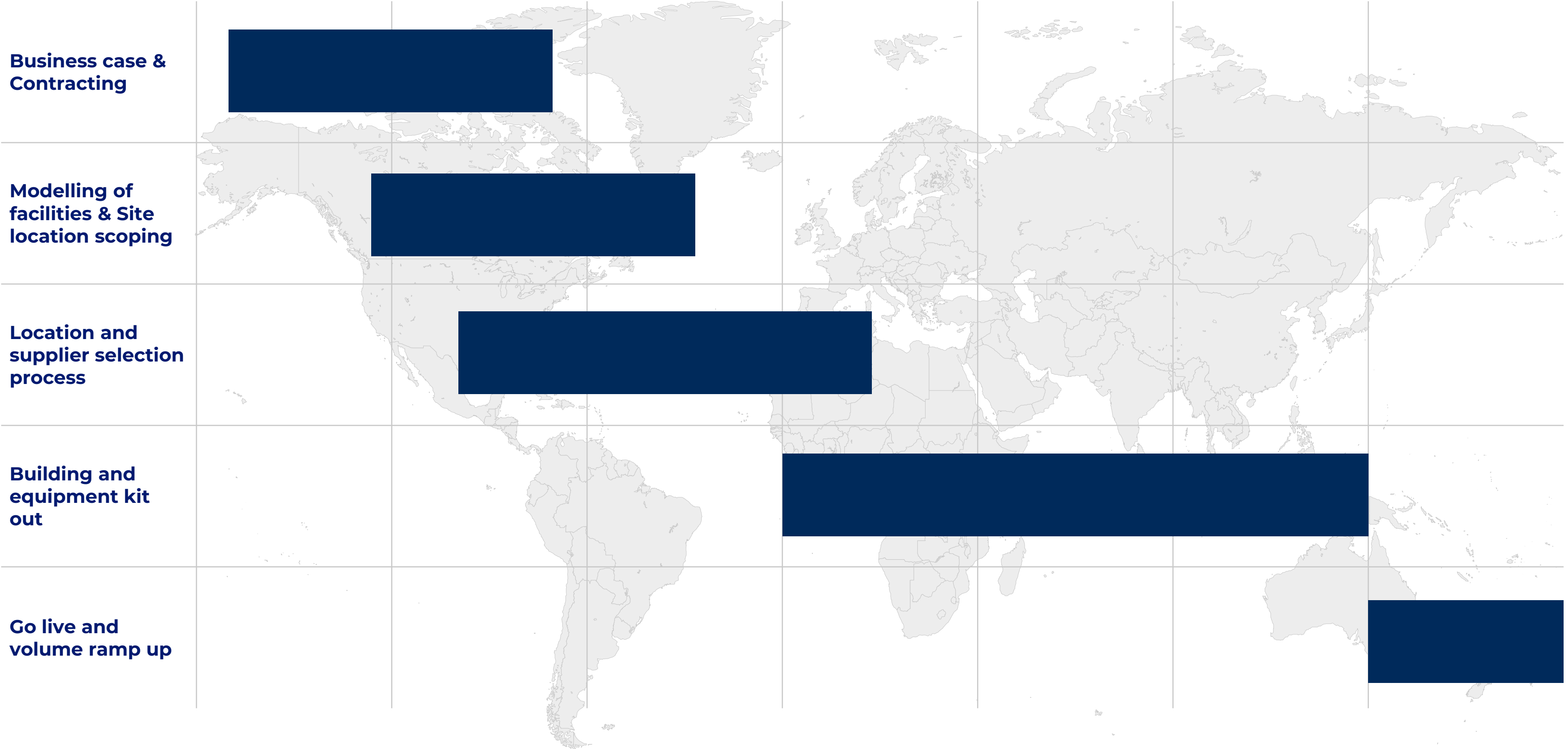
or

£/kg fee

NPV @ 11%

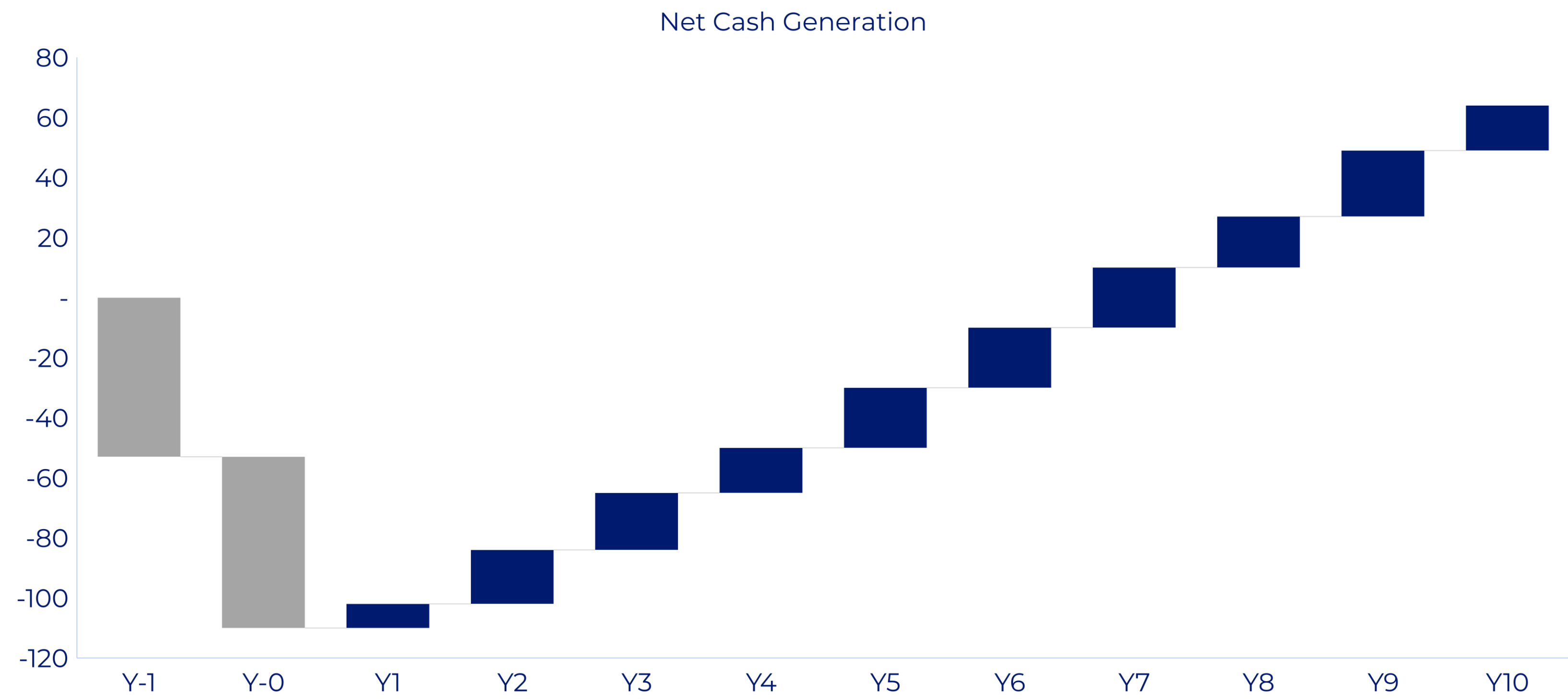
post-tax WACC

Design & execution phase

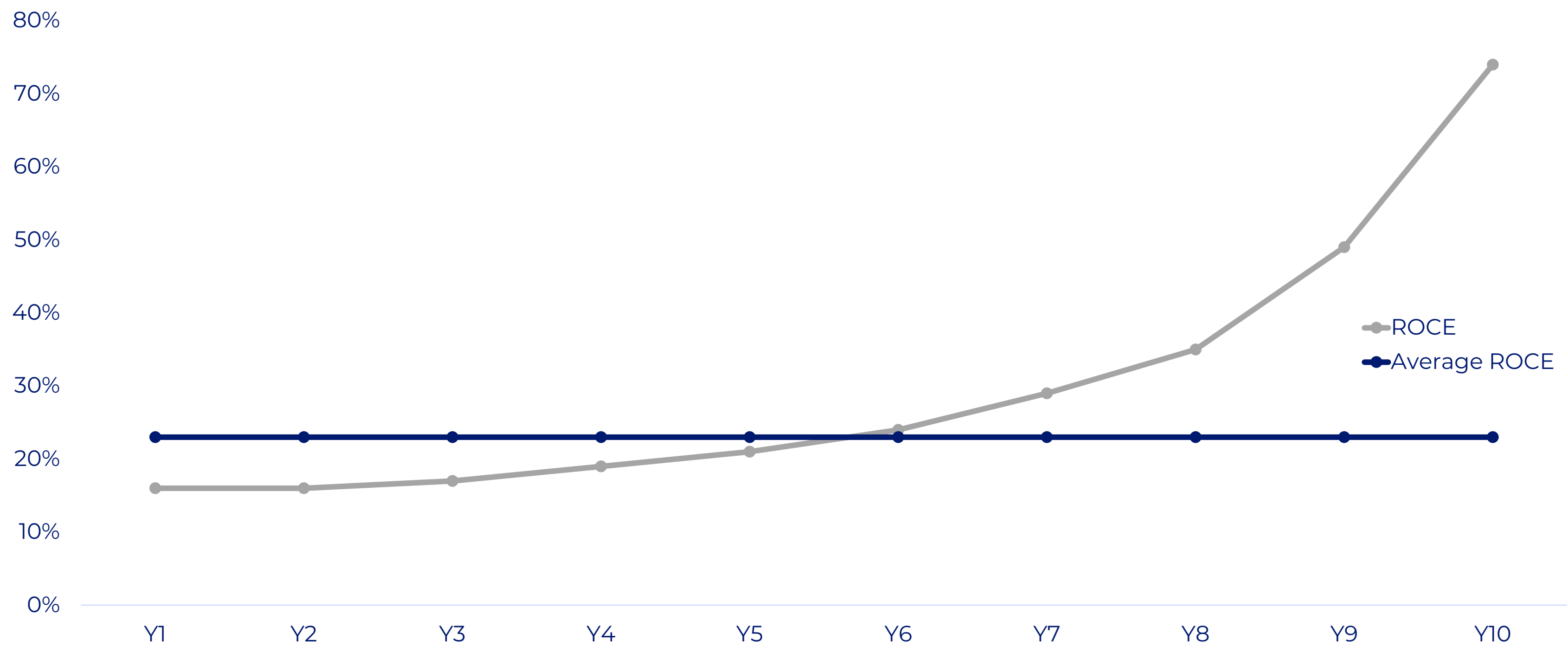


Business Development Phase Contract signed 24 months

Strong cash generated over the initial contract period



Strong ROCE over the period of the contract

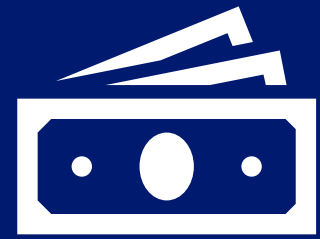


**HILTON
FOODS**



**Medium-term
ambitions**

Our medium-term financial ambitions



Focused investment
delivering sustainable
returns

> 20%

ROCE target

< £50_m

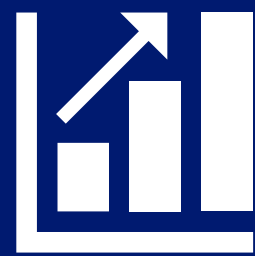
Target capital spend
per annum

< 2.0x

Leverage

> 1.5x

Cash conversion



Grow margin through
additional services



Sustained mid-single
digit profit growth



Organic mid-single
digit EPS growth

Cost conscious culture

Sustainable approach to capital allocation

Maintenance Capex

protecting the core

Supporting Growth

within our existing business

Supercharging Growth

through new facilities in new geographies ~ >20% ROCE over length of contract

M&A

complementary M&A with strong returns and synergies

Attractive shareholder returns

progressive dividend policy

Conservative <2x leverage

**HILTON
FOODS**



Summary

Summary

- ▶ We remain the chosen and trusted partner to leading retail and foodservice businesses
- ▶ Our specialisation model drives benefit to our customers and Hilton and is difficult to replicate
- ▶ Our value-added supply chain services and technology enhance our competitive advantage
- ▶ Our unique multi-category offer provides us with a strong foundation for growth through our passion for food
- ▶ We will unlock growth organically, incrementally and through new super-charger opportunities within our financial framework



**HILTON
FOODS**

Q&A



**HILTON
FOODS**

**Industry leading
technology and
services**

An innovative offer which differentiates us from pureplay food businesses

Hilton has a growing international blue chip customer base

They rely on us to design, develop and operate the most technologically advanced supply chains and sites

This is Hilton's USP – and the bedrock of the Group's strong partnerships



Introductions



Pat Tracey
CEO Greenchain Solutions

Joined Hilton Foods in 2003

Software Engineering Honours Graduate, with diplomas also in Mechanical, Electrical and Microelectronic engineering

Strategic development in IT, Logistics Automation and Robotics



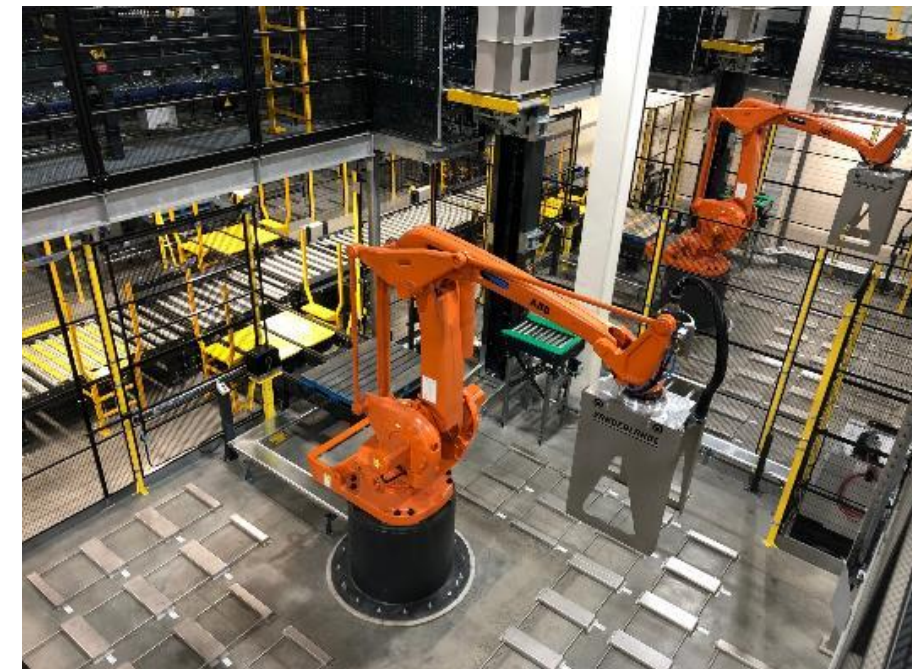
Peter Graham
CEO Hilton Services

Joined Hilton Foods in 2010

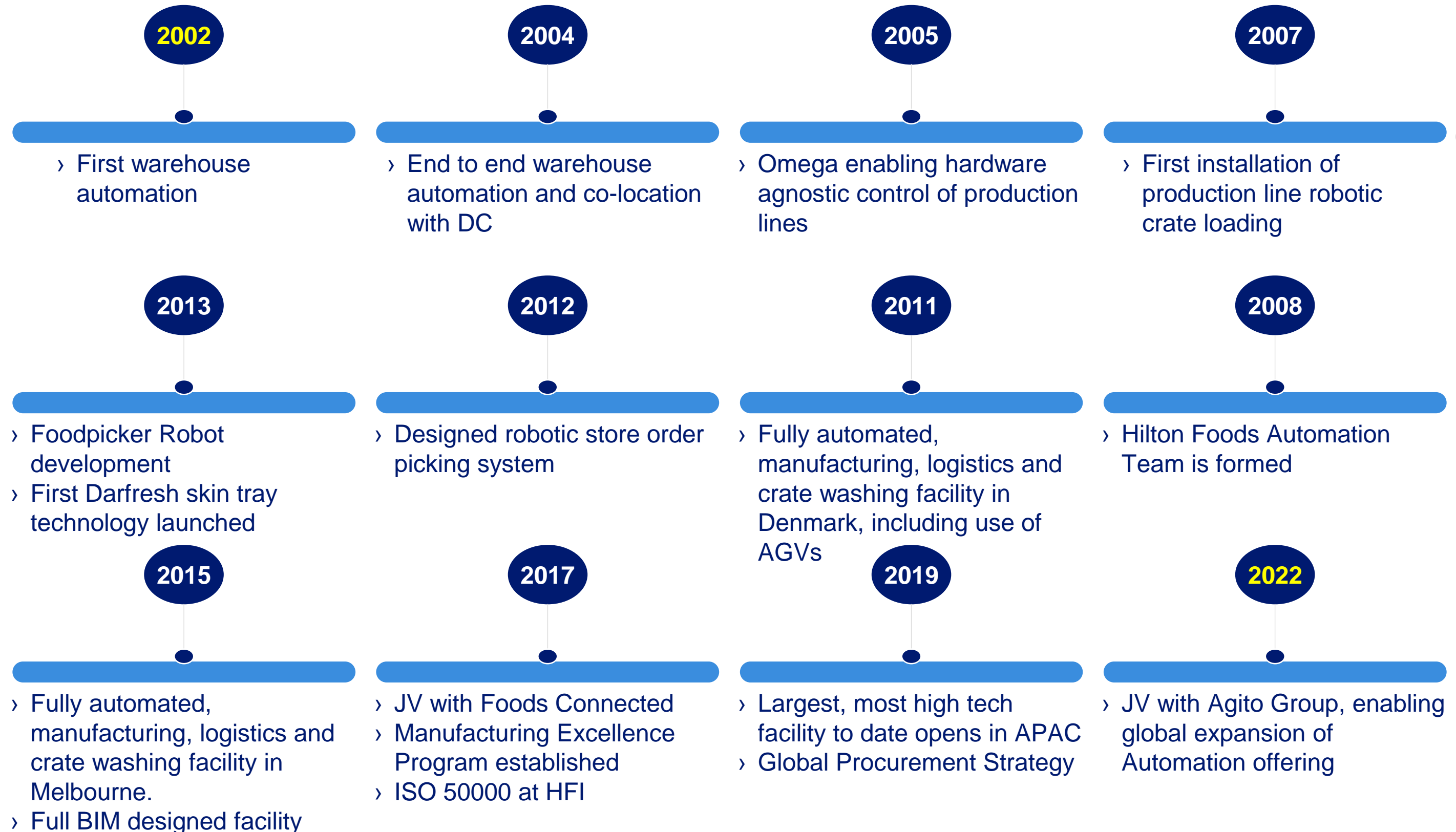
Agricultural and Food Engineering Honours Graduate
A member of the Institute of Engineers of Ireland (MIEI)
Strategic development in Engineering, Manufacturing Excellence and Procurement

What we have delivered to date

- ▶ All major HF projects since 2010
- ▶ 11 green and brown field sites delivered
- ▶ Global Manufacturing Excellence Programme
- ▶ Automated logistics store order picking solution
- ▶ Next Gen manufacturing and logistics automation
- ▶ Global Non-Protein Procurement
- ▶ Software technology solutions
- ▶ Global Energy Strategy
- ▶ Hilton's first Food Park
- ▶ **And plenty more to go for ...**



A competitive edge for over 20 years



How we view tech and services today

Core services

The technical experts of Hilton Foods

Providing the lowest cost, most efficient non-protein procurement service

Expert engineering project design and delivery

Enterprise Project Management Office

Industry leading innovation, concept design and implementation

Greenchain solutions

An industry leading technology platform, providing end to end supply chain solutions

Integrated automation and technology solutions that future proof Hilton Foods and our customer's businesses

Creating global strategic partnerships aimed to bring the highest value in both innovation and cost optimisation.

Supporting Hilton Foods' growth AND creating value by commercialising our offer

CORE SERVICES

PETER GRAHAM

Supporting customers in tackling the prevailing big issues

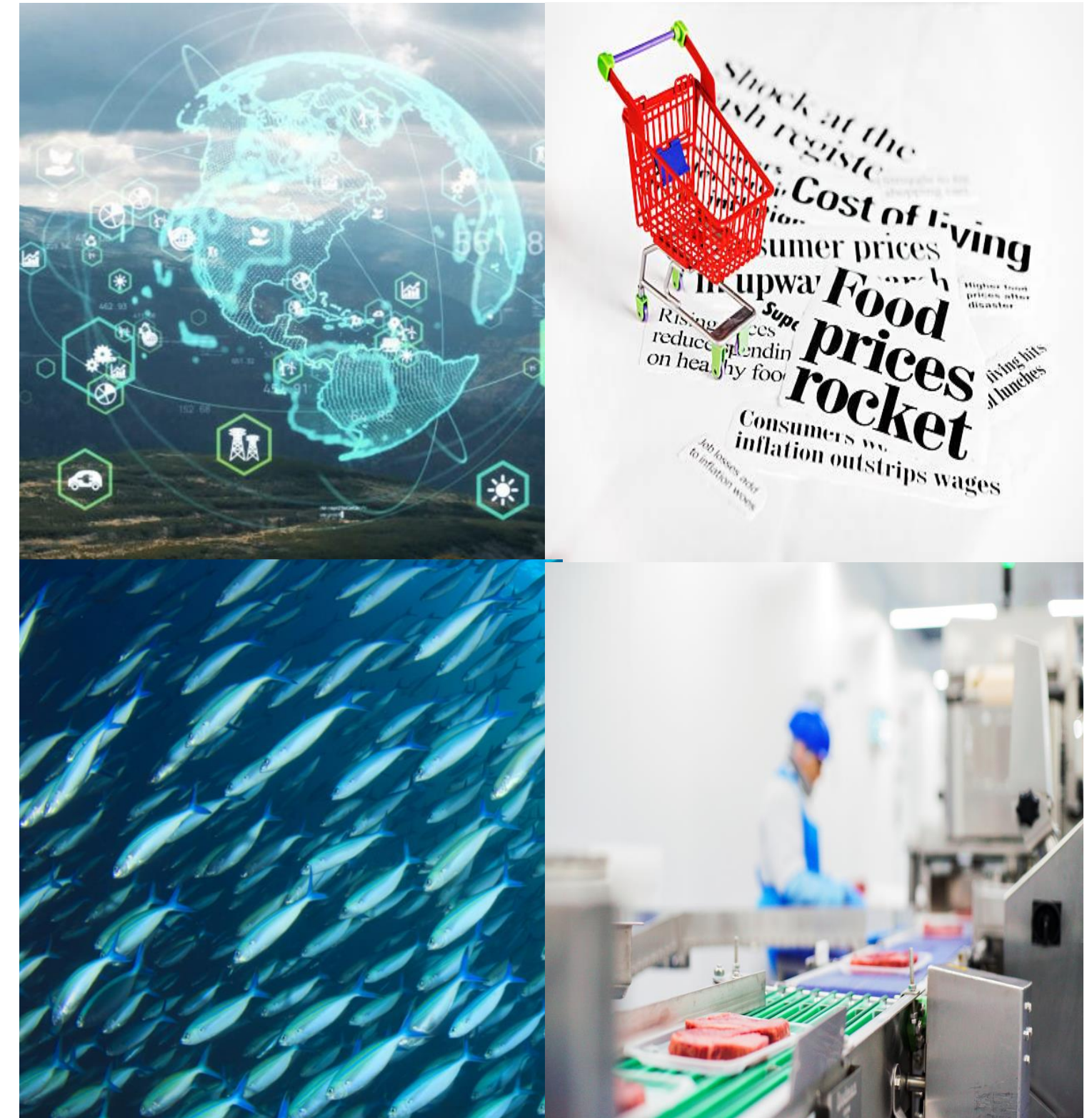
Supply chain management and traceability

Sustainable production and supply chains

Production in the face of rising costs

Labour availability

Changing consumer demands



Supporting customers with unrivalled services expertise

Supply chain management and traceability

Sustainable production and supply chains

Production in the face of rising costs

Labour availability

Changing consumer demands



HILTON
FOODS

Process and packaging
innovation

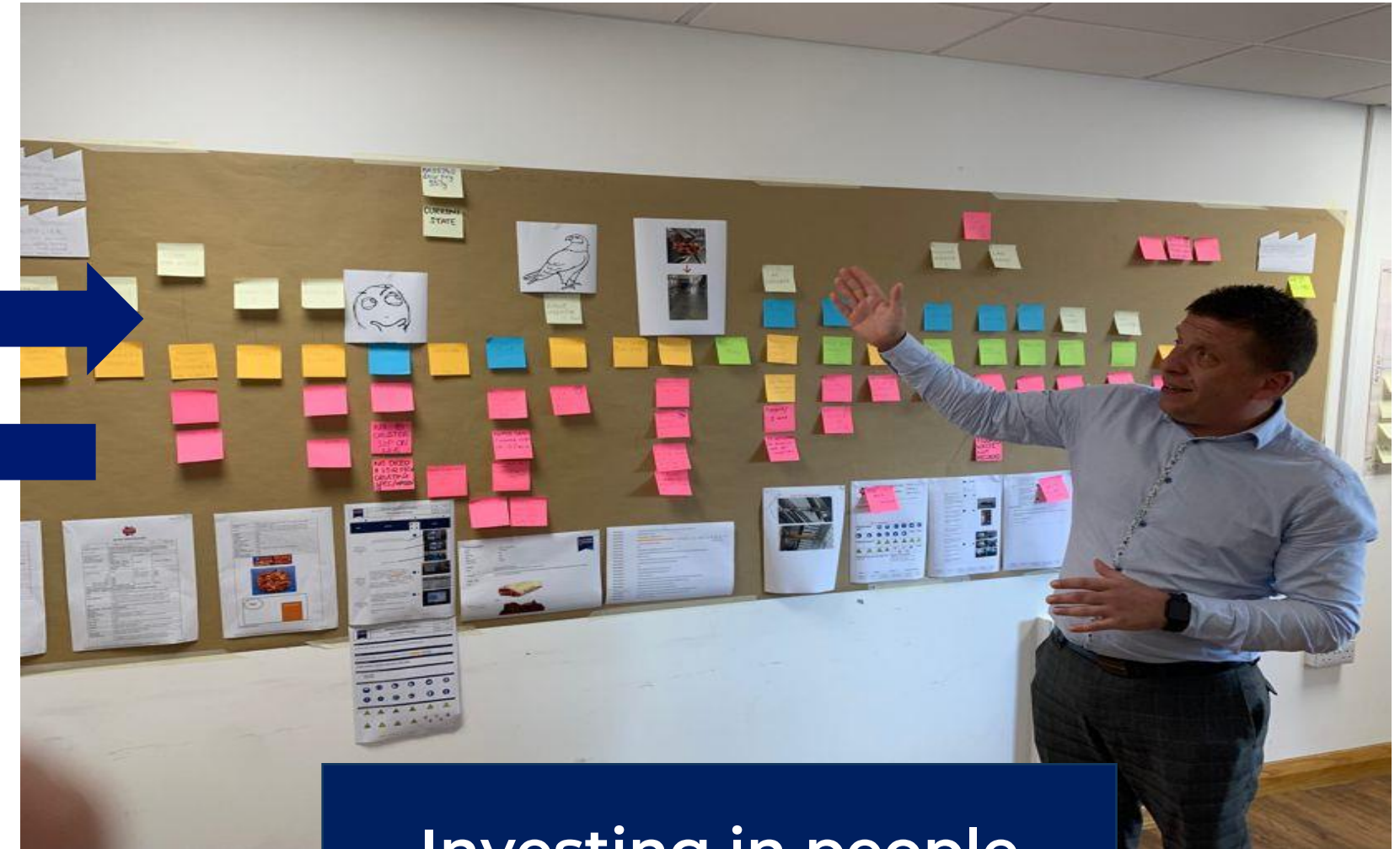
Manufacturing excellence

State of the art automation

Manufacturing excellence



Operational excellence

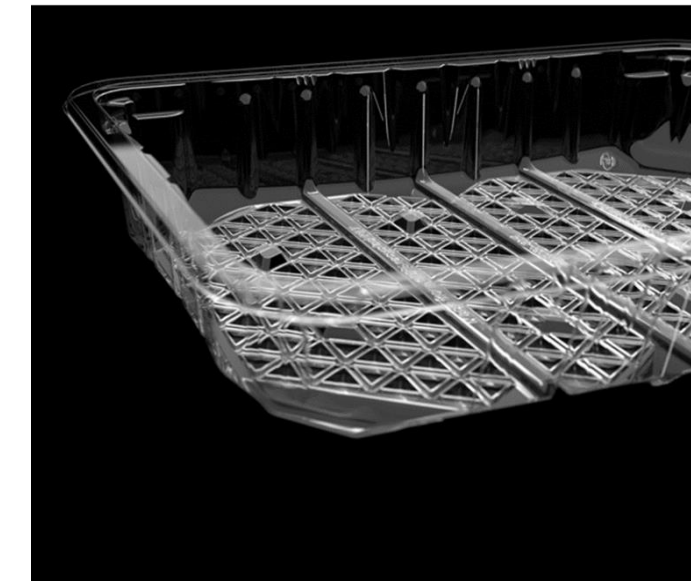


Investing in people

Data-led continuous improvement
A systematic framework and routine
Energy optimisation

Manufacturing excellence training
Performance and quality improvement
People engagement

Hilton Services Innovation Process



Strategic UK automation programme



UK Seafood

Automated cold store
Pick and place robotics
End of line robotics



Huntingdon, UK

Automated de-palletisation
Autonomous mobile robots
End of line robotics

Summary

- ▶ Faced inflationary challenges and this offer has helped us mitigate this
- ▶ Delivered significant gains for the business
- ▶ Beneficial to customers and our proposition
- ▶ Having in place a strong platform from which we can further commercialise our tech offer



GREENCHAIN SOLUTIONS

PAT TRACEY

Primary focus is supporting Hilton's core



- ▶ 'Greenchain Solutions' as Holding Company of technology ventures
- ▶ Low capital-intensive ventures
- ▶ Unique combined offering
- ▶ Flexible solutions, adaptable to changing customer demands
- ▶ Secures IP
- ▶ Underpins Hilton Foods IT strategy

A combined solution is now part of Hilton's core offer – driving international growth with new customers

A 'new normal' as part of our offer

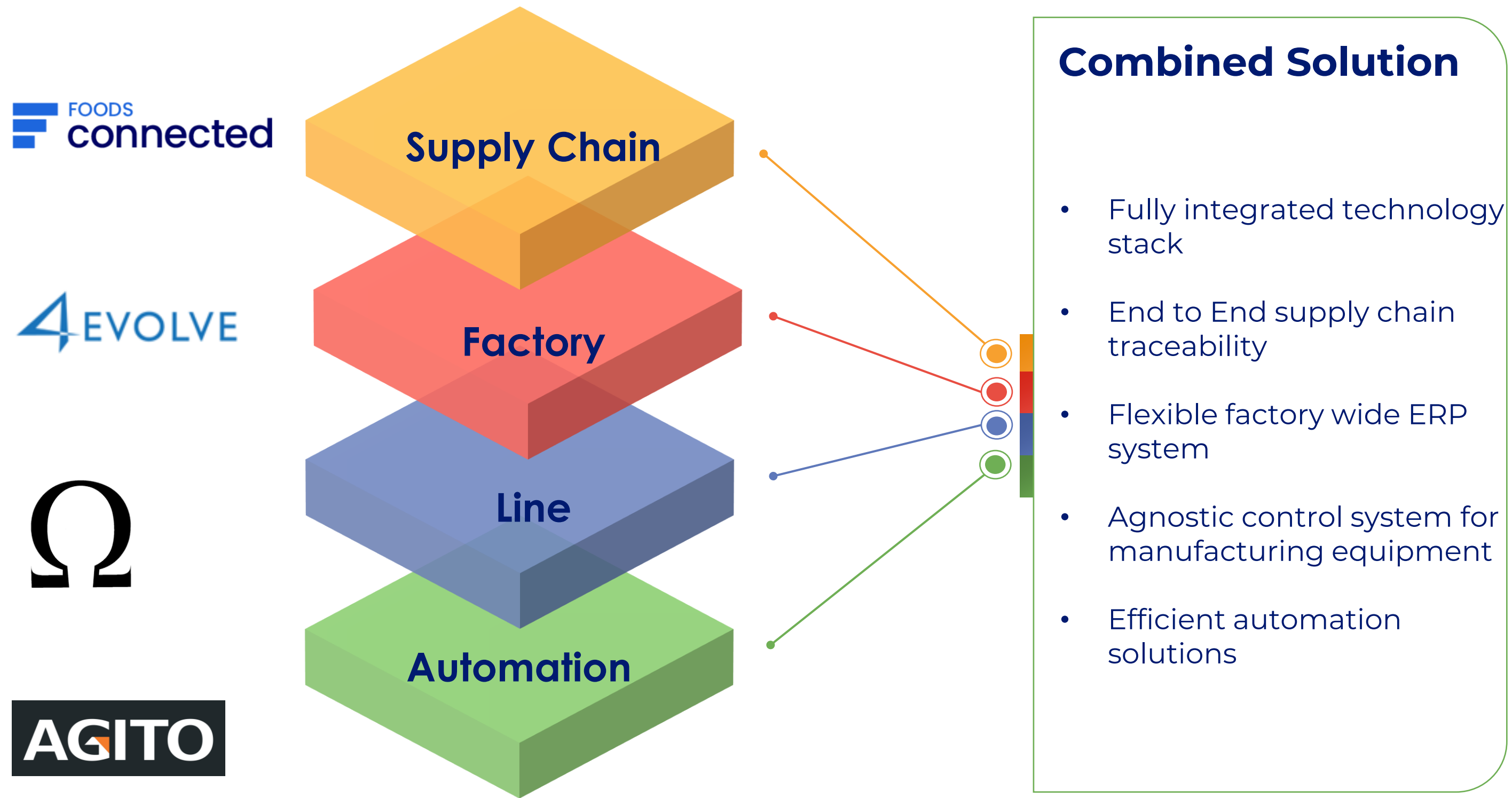
- ▶ Reduced Labour cost at retailer Distribution Centres
- ▶ Increased Product shelf life to stores
- ▶ Reduced waste in stores
- ▶ Reduced trucks on roads
- ▶ Increased support for retailer online strategy



Greenchain: Our market leading, complementary tech stack for our partners which enhances our competitive edge

<p>Transparency</p>		<p>Foods Connected Full end to end supply chain management solution for data-led decision making</p>	
<p>Efficiency</p>		<p>Evolve4 Factory wide Manufacturing Execution System (MES) / ERP</p>	
<p>Traceability</p>		<p>Omega Line Control Production line equipment control system</p>	
<p>Reduced Labour</p>		<p>Agito Automation Physical material handling solutions and automation control software</p>	

Our Complementary Technology Stack Solution



WALKING YOU THROUGH OUR BUSINESS AREAS

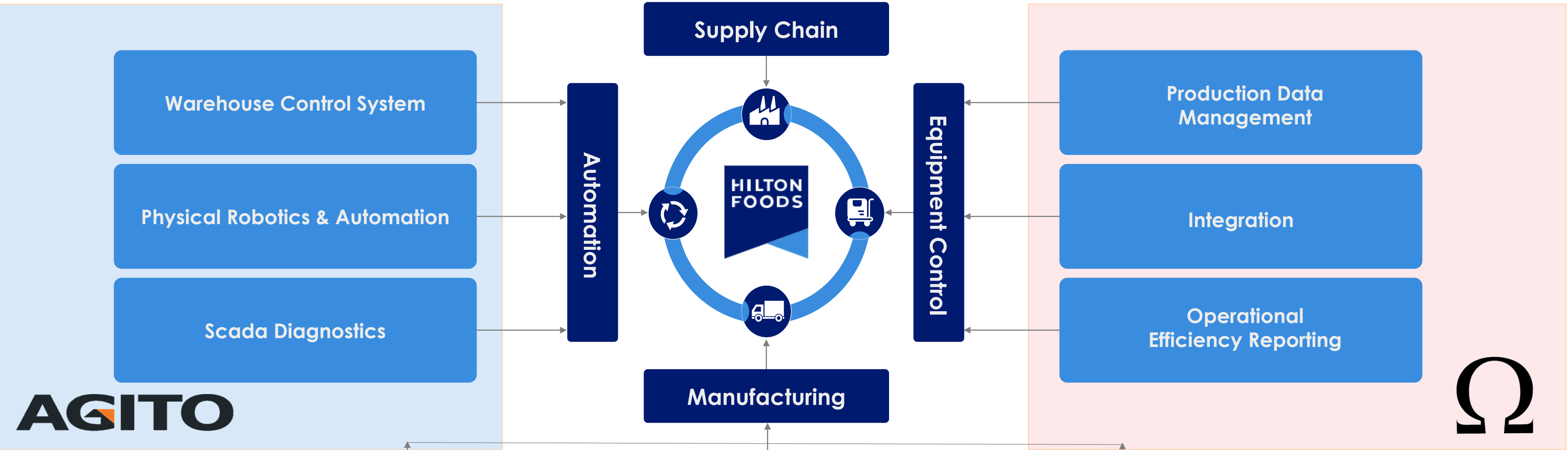
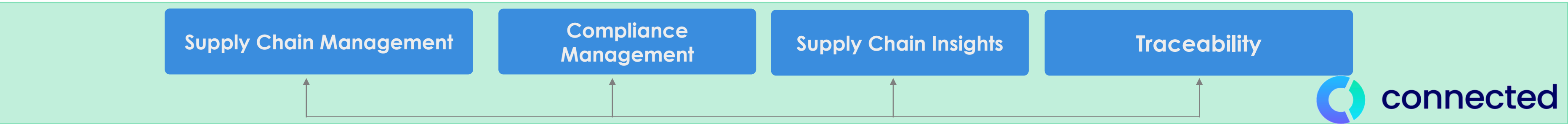
CONNECTED

EVOLVE4

OMEGA

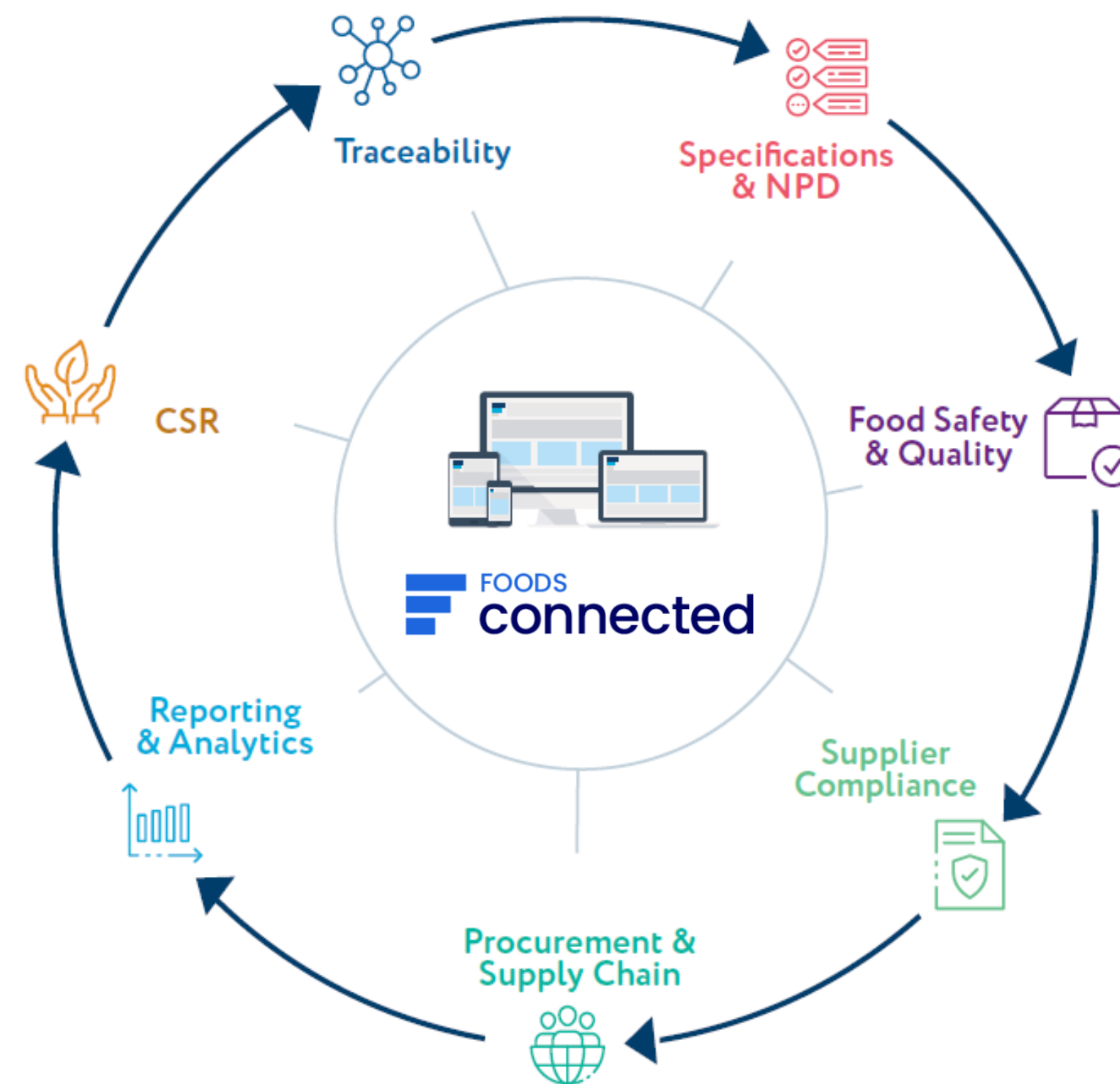
AGITO

End to End Technology Proposition





Help our customers to
**Manage Quality, Risk, Value
and Cost**
Through transparency in their
supply chain

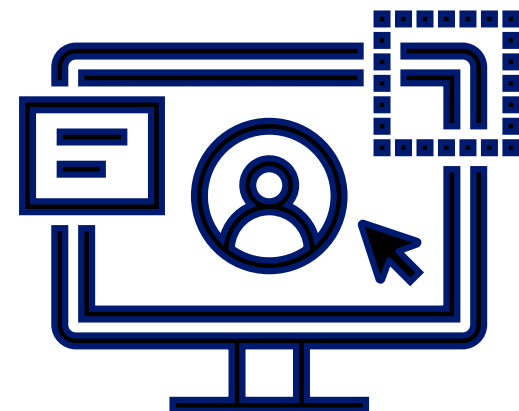


Foods Connected is the chosen platform for our customers and their customers



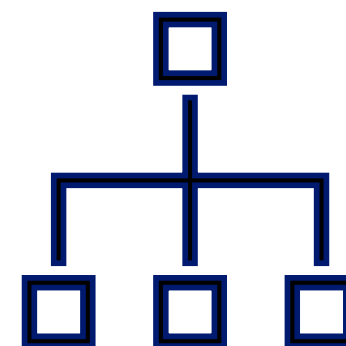
8

8 of the largest leading retailers in the world



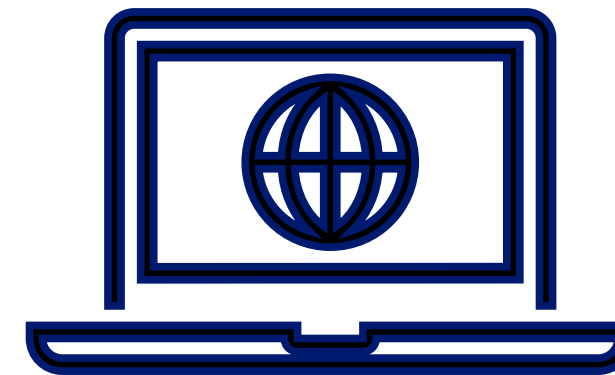
40,000+

40,000+ registered users



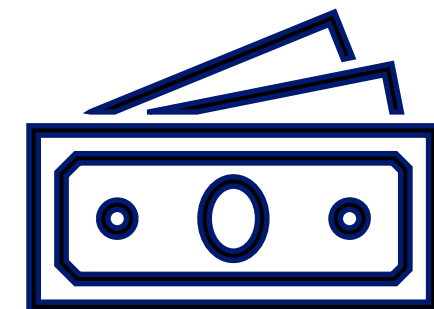
12,000+

With 12,000+ suppliers on the platform



1,000,000+

1,000,000+ quality check audits and specifications managed in the system



£13bn+

£13bn of product information being managed in the system every year

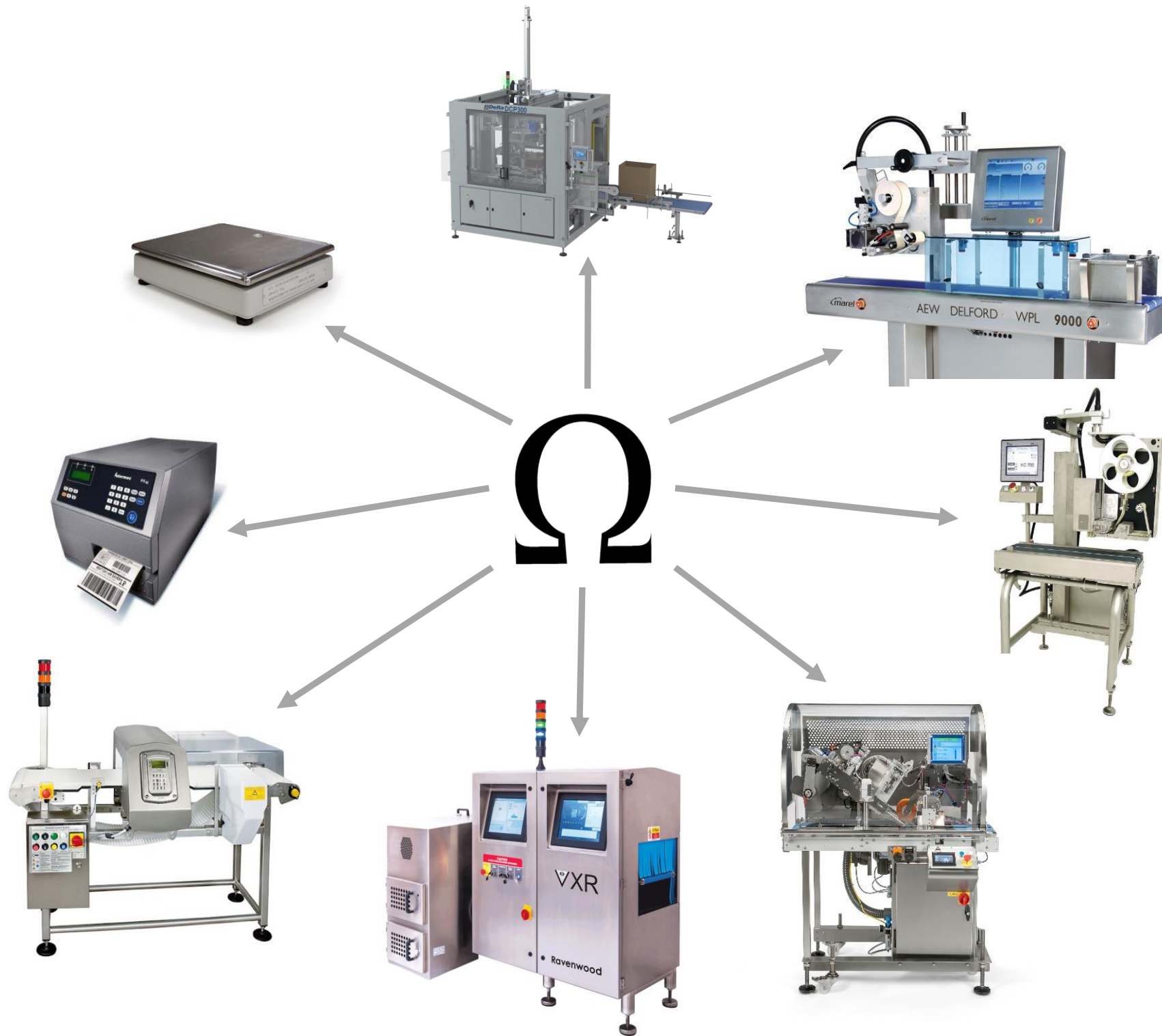


Evolve4 ERP Solution



- ▶ Full Enterprise Resource Planning (ERP) solution
- ▶ Encompasses all factory wide processes
- ▶ Enhanced flexibility for adoption to Hilton operational processes
- ▶ Efficient inventory management
- ▶ Realtime track and trace
- ▶ Easy integration with factory and logistics automation systems
- ▶ Robust management reporting and dashboards

Omega Line Control



- ▶ Agnostic software solution for control of production line equipment
- ▶ Ensures flexibility to enable the optimal equipment for the process
- ▶ Intuitive user interface for operators
- ▶ Scalable to cater for new equipment
- ▶ Centralised control and management
- ▶ Efficiency and productivity reporting
- ▶ Simplified maintenance and support

Delivering tailor made automation solutions which encompass 5 pillars



Material Handling

Convey & Integrate

Intralogistics

Warehouse & Supply Chain

Process Automation

Optimise & Grow

Robotics

Innovation & Intelligence

Data Control

SCADA & AEMs

Chosen partner of choice by leading international brands delivering efficiency and labour reduction



Agito Group offer a unique customer proposition



Initial Investigation
Data Analysis
3D Concept Layout Simulation
Budget Estimations
Schedule
ROI
Feasibility Study
Business Case Development
URS Development

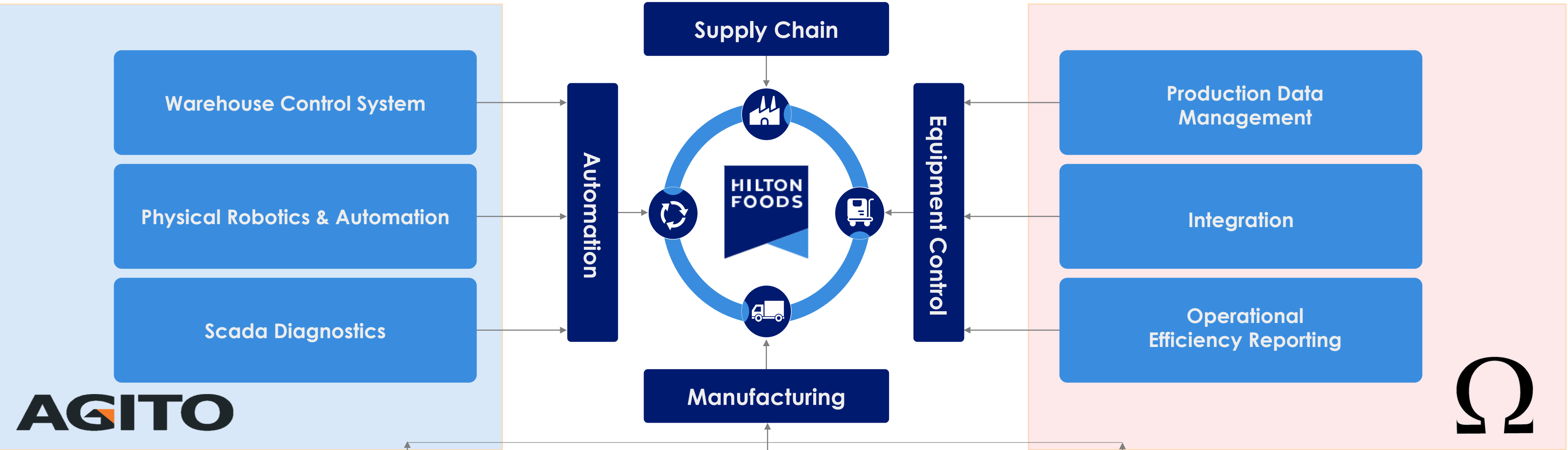
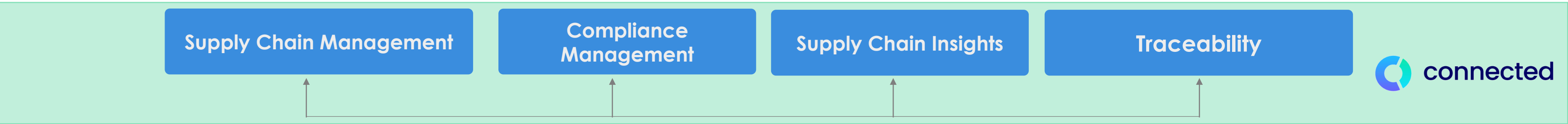
Solution Technical Design
IT Design
Software Development
Third Party Assessment

Project Management
Integration
Project Engineering
Procurement
Stainless Steel
Manufacturing
Documentation
Installation
Automation
Commissioning
Training
Assessment

Service Agreements
24/7 Remote Support
Predictive Maintenance
Spare Parts
Training

Site Audits
Process Improvement
Continuous Improvement
New Technology

End to End Technology Proposition

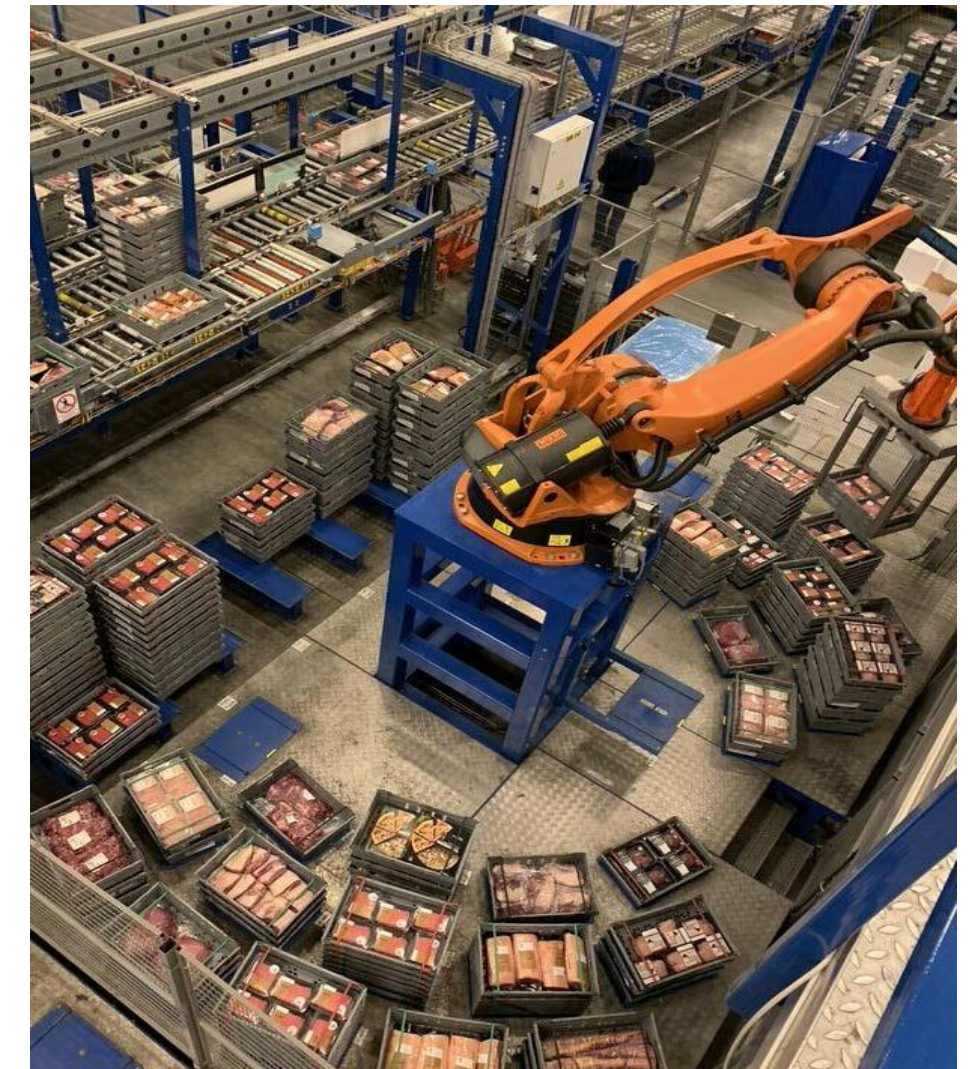


In summary

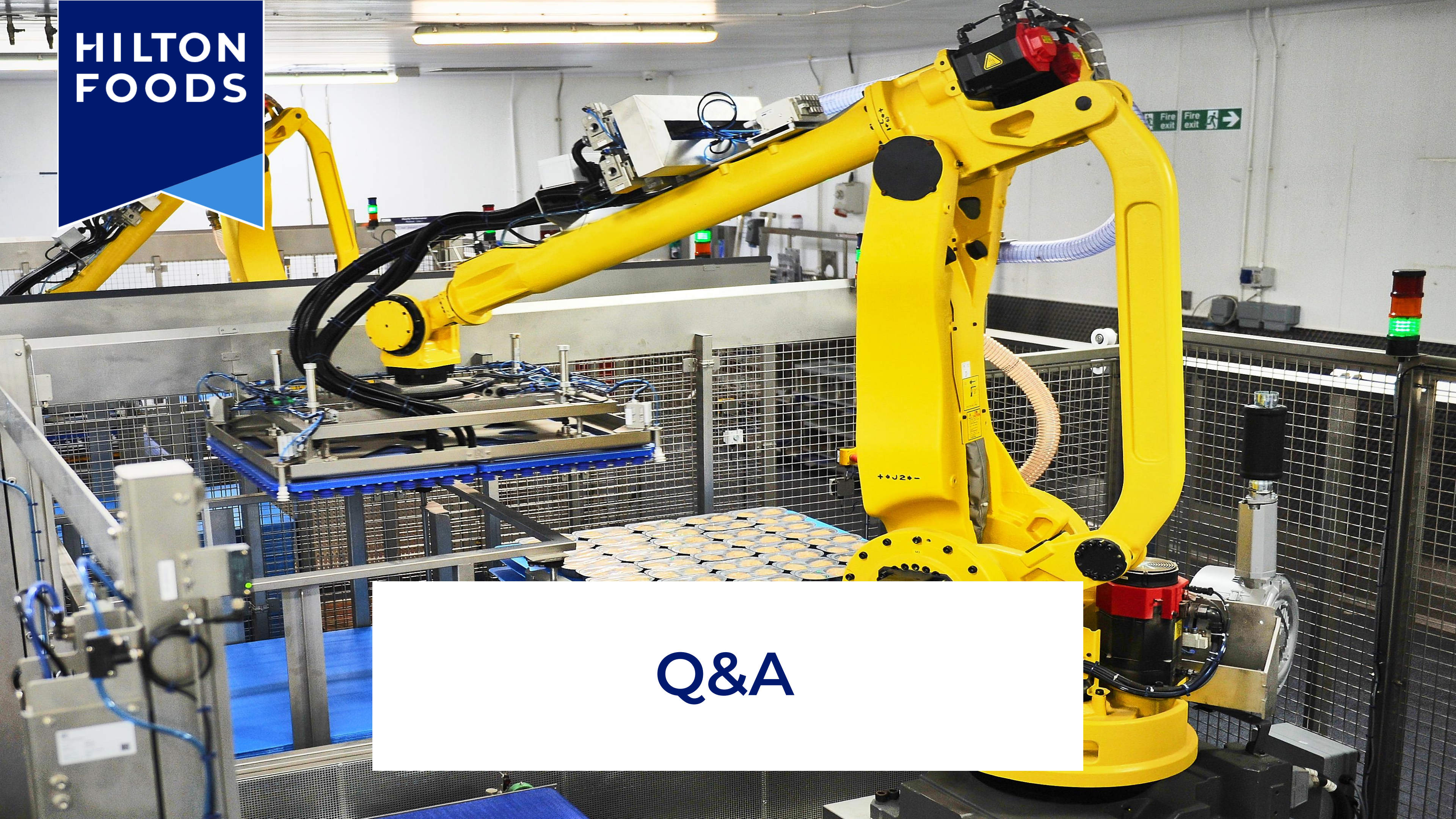
An innovative and scalable offer which is Hilton's USP

It differentiates Hilton from traditional food manufacturers

International blue chip retail customers continue to turn to us to design, develop and operate the most technologically advanced supply chains and sites



**HILTON
FOODS**



Q&A

**HILTON
FOODS**



Break

**HILTON
FOODS**

NET
ZERO



Sustainability

Andrea Jex
Procurement Director

Emer Fardy
Head of Sustainability
& Human Rights

Steve Murrells
Group Chief Executive
Officer

Lorna Schneider
Chief Quality &
Sustainability Officer

Q&A



The Sustainable Protein Plan 2025

People

Valuing People

Being a fair, safe and inclusive employer by engaging and empowering our people while supporting our local communities

Protecting Human Rights

Safeguarding the welfare and just treatment of all people and communities engaged with our business and supply chains

Developing Potential

Growing and developing our people to be the best they can be, ensuring our business is ready for the future

Planet

Reducing Emissions

Going further than addressing our footprint by achieving Net Negative emissions across our sites and value chains

Enhancing Animal Wellbeing

Driving standards and innovation in the care of animals that enhances their lives and reduces antibiotic use

Nature Positive

Collaborating to improve our stewardship of land and sea; promoting biodiversity, addressing deforestation, and protecting water and soils

Product

Balanced Healthy Diets

Efficient regenerative food systems producing more accessible and nutritious proteins

Circular Packaging

Developing a circular economy for packaging and actively bringing waste materials back into use across our full value chain

Resource Efficiency

Reducing food waste and optimising use of energy and water across sites, supply chains, and in consumers' homes

Driving transparency with our partners to enable consumers to make informed choices

Sustainable Protein Plan: Stretching leadership targets to drive delivery



30% of all leadership roles filled by women by 2025
 100% of labour and service providers audited to Hilton Foods Supplier Social Code of Conduct
 150 colleagues to go through leadership development programmes by 2025



Reduce absolute Scope 1 & 2 GHG emissions 95% by 2030*
 Reduce absolute Scope 3 GHG emissions 45% by 2030*
 No deforestation across its primary deforestation-linked commodities, with a target date of 31.12.25
 Reach net-zero GHG emissions across the value chain by 2048*



All Hilton Foods retail packaging fully reusable, recyclable or compostable by 2025
 Halve Hilton Foods factory generated food waste by 2030 compared to 2019
 Improve energy efficiency in our facilities by at least 10% compared to a 2020 baseline

Underpinned by ambitious sustainability-linked LTIPs

Andrea Jex
Procurement Director

Emer Fardy
Head of Sustainability
& Human Rights

Steve Murrells
Group Chief Executive
Officer

Lorna Schneider
Chief Quality &
Sustainability Officer

Q&A



**HILTON
FOODS**

A close-up photograph of a gourmet meal served on a dark slate platter. The main focus is a large, thick cut of steak, possibly a tri-tip, which has been expertly grilled to a dark, charred exterior while maintaining a juicy, pinkish-brown interior. To the left of the steak, there are several skewers of large shrimp, each skewer featuring three pieces of shrimp that are perfectly cooked and garnished with finely chopped green herbs. Behind the steak, several stalks of asparagus are visible, their tips slightly charred. To the right of the steak, there are golden-brown, cubed potatoes that appear to be roasted or fried. In the bottom right corner, there are a few whole, bright red cherry tomatoes and a sprig of fresh rosemary. The entire platter is set against a dark, rustic wooden background, which adds to the overall aesthetic of the dish.

Summary

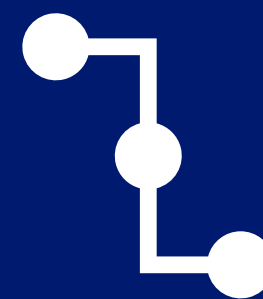
Our ambitions



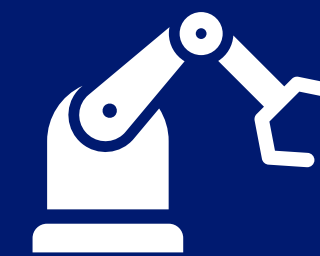
**To continue to grow
our global footprint**



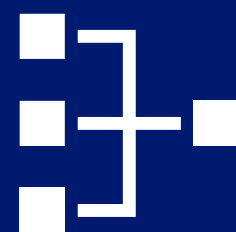
**To expand our multi-
category offer**



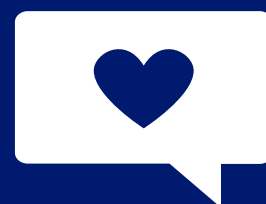
**Build further expertise
as a supply chain
partner**



**To continue to
leverage technology as
a driver of value**



**Philosophy of
simplicity**



**Develop food skills and
product innovation**



**To continue to recruit
and develop expert,
motivated people**



**To be rigorous in our
approach to the ESG
agenda**

Our passion for food

We invite you
to Steak School
with Fairfax
Meadow



Christmas in
November



Winning in
every day, easy
mid-week
meals



Unlocking
growth
through our
consumer led
and customer
focussed
approach



Our passion for food

We invite you
to Steak School
with Fairfax
Meadow



Christmas in
November



Winning in
every day, easy
mid-week
meals



Unlocking
growth
through our
consumer led
and customer
focussed
approach



Our passion for food

We invite you
to Steak School
with Fairfax
Meadow



Christmas in
November



Winning in
every day, easy
mid-week
meals



Unlocking
growth
through our
consumer led
and customer
focussed
approach



Our passion for food

We invite you
to Steak School
with Fairfax
Meadow



Christmas in
November



Winning in
every day, easy
mid-week
meals



Unlocking
growth
through our
consumer led
and customer
focussed
approach



