



The International Protein Partner of Choice

Full Year 2021 Results



Agenda

FULL YEAR 2021 HIGHLIGHTS

Philip Heffer, CEO

FULL YEAR 2021 FINANCIAL REVIEW

Nigel Majewski, CFO

FULL YEAR 2021 STRATEGIC & OPERATIONAL REVIEW

Philip Heffer, CEO

ENVIRONMENT, SOCIAL & GOVERNANCE UPDATE

Philip Heffer, CEO

SUMMARY

Philip Heffer, CEO

Q & A

Philip Heffer, CEO & Nigel Majewski, CFO, Matt Osborne, GpFC



FY21 Highlights
Philip Heffer
Chief Executive Officer



The International Protein Partner of Choice

The International Protein Partner of Choice: 2021 Highlights

STRONG FY GROWTH

Total volume +7%
with revenue +21.6%

Profit before tax £67.2m,
+13.0%

EPS +13.8% at 61.3 p per share

Final dividend of 21.5p per
share, total dividend of 29.7p,
an increase of 14.2% from 2020

DRIVERS OF LONG TERM VALUE

1. Outstanding Protein Products

- Meat and seafood 14.3% volume growth 2019-2021*
- Vegan & Vegetarian +26.4% growth 2019-2021*
- Added Value Easier Meals +36.0% growth 2019-2021*

2. Growing across International Markets

- Entering new categories and markets across Europe, including acquisitions of Dalco and Fairfax Meadow
- Significant growth in volumes in Australia and launched Seafood in NZ
- Entering North America and Asia through Foppen acquisition

3. Industry-leading Technology

- Transformation of Hilton Seafood and modernisation of Huntingdon in line with HFG goal of best-in-class automation
- Growing engineering solutions offer through JV with Agito Group
- Continued growth of Foods Connected supply chain management services, with contracts in new sectors and geographies

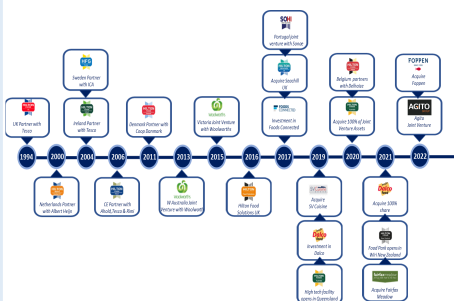
4. Delivered through the Sustainable Protein Plan

- Launching new three-part ESG strategy today

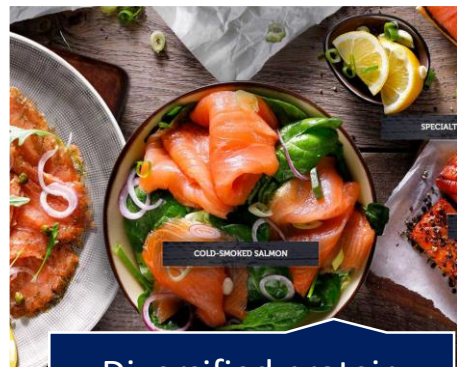


Hilton today

- Leading international, technology-led supply chain partner
- Serving retailers and food service businesses across the world with high quality protein – across meat, seafood, vegan and vegetarian foods and meals
- Over 6,000 employees, operating from 24 technologically advanced food processing, packing and logistics facilities across 19 markets in Europe, Asia Pacific and North America
- For almost thirty years, the business has been built on dedicated partnerships with customers and suppliers. Together we target long-term, sustainable growth and shared value



Long term focus



Diversified protein partner



Technology led supply chain partner

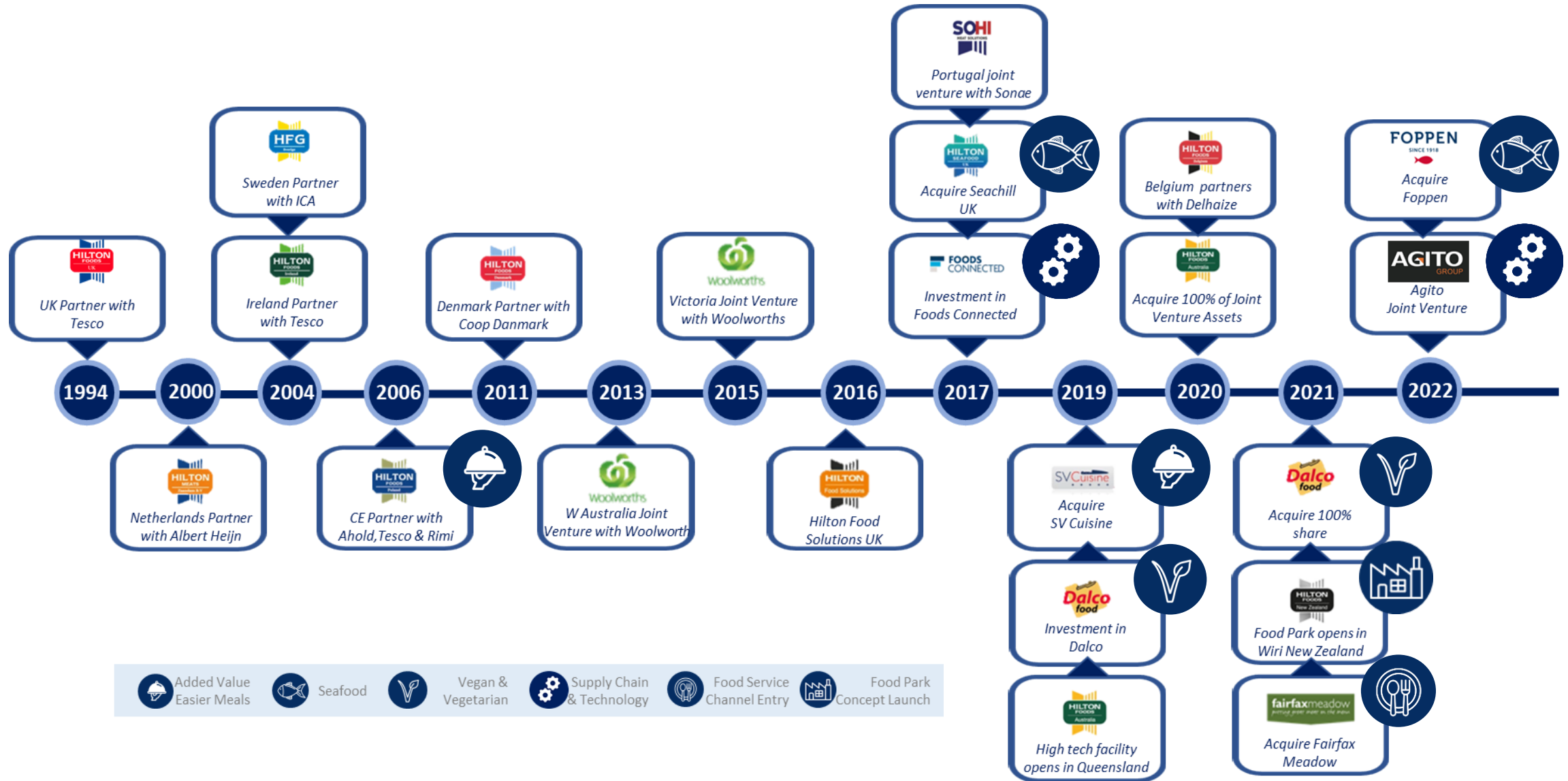


Strong and diversifying growth model



Strong ESG credentials

Growing our business to serve a growing protein market





FY21 Full Year Financial Review

Nigel Majewski

Chief Financial Officer



The International Protein Partner of Choice

Financial Highlights

Total volume growth of 7% benefiting from expansion in APAC

APAC:

- Volumes +32.8%
- Revenue +68.0% at constant currency
- NZ facility start-up in July

Europe:

- Volumes -2.0% with +3.1% 2-year growth
- Revenue: +3.1% at constant currency
- Revenue: +6.9% 2-year growth

Capital investment and M&A, supporting future growth

	2021	Growth ¹	2-year CAGR
Volume	492,588t	+7.0%	+15.1%
Revenue	£3,302.0m	+21.6%	+34.4%
Adjusted profit before tax ²	£67.2m	+13.0%	+15.8%
Adjusted earnings per share ²	61.3p	+13.8%	
Dividend per share	29.7p	+14.2%	
Capex and acquisitions	£100.1m	+£4.6m	
Net debt ³	£85.4m	-£38.0m	

DELIVERING SUSTAINABLE GROWTH

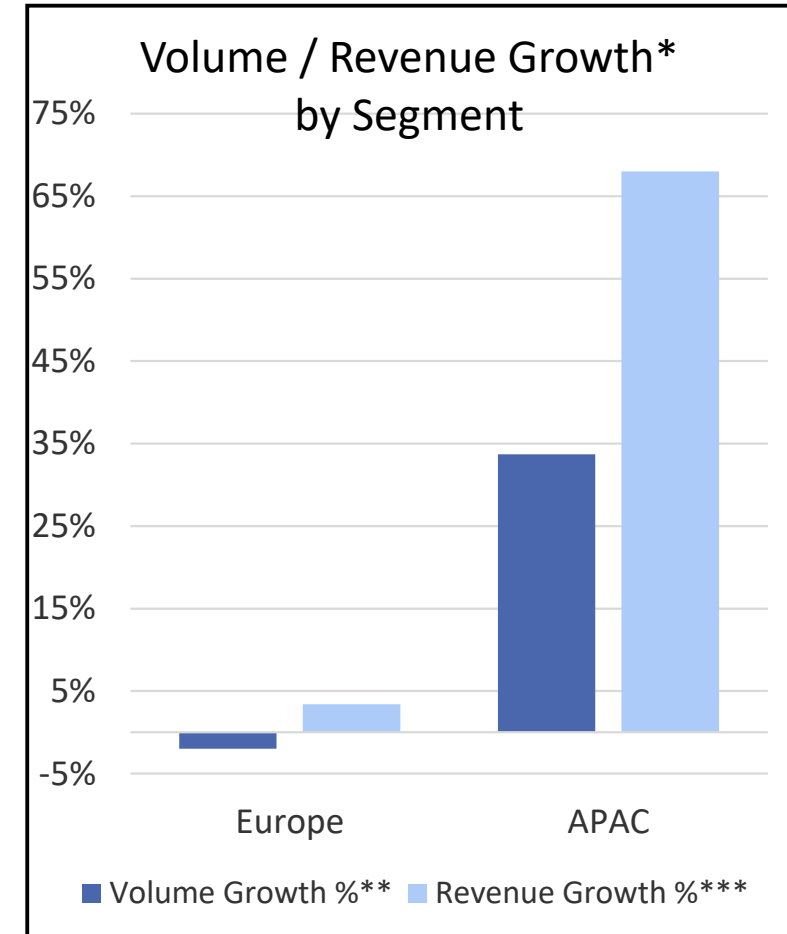
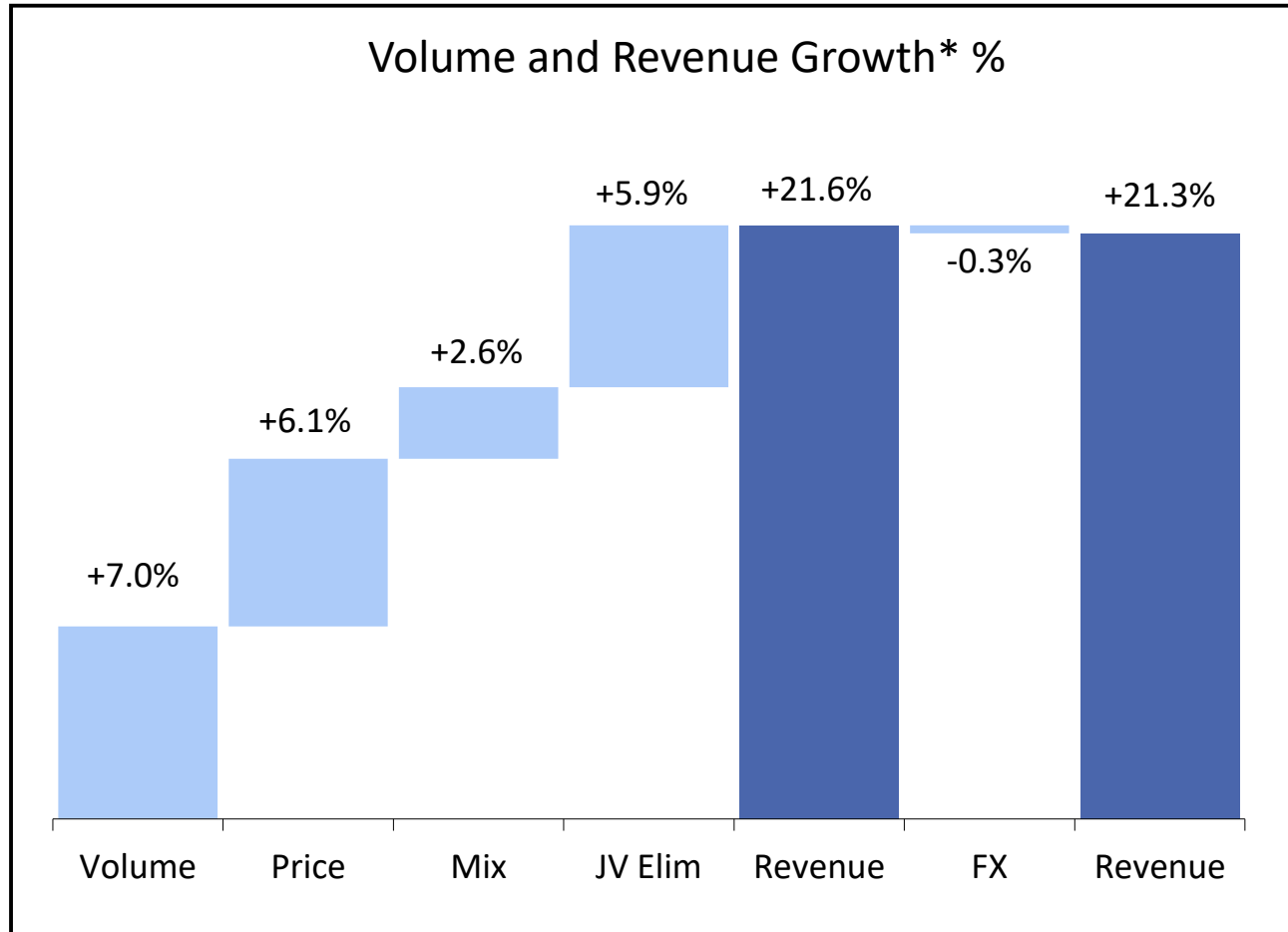
1. Variance calculated on a constant currency adjusted 52 week basis

2. Excluding IFRS 16, exceptional items and amortisation of acquired intangibles

3. Excluding IFRS 16, compared to FY 2020 closing net debt position



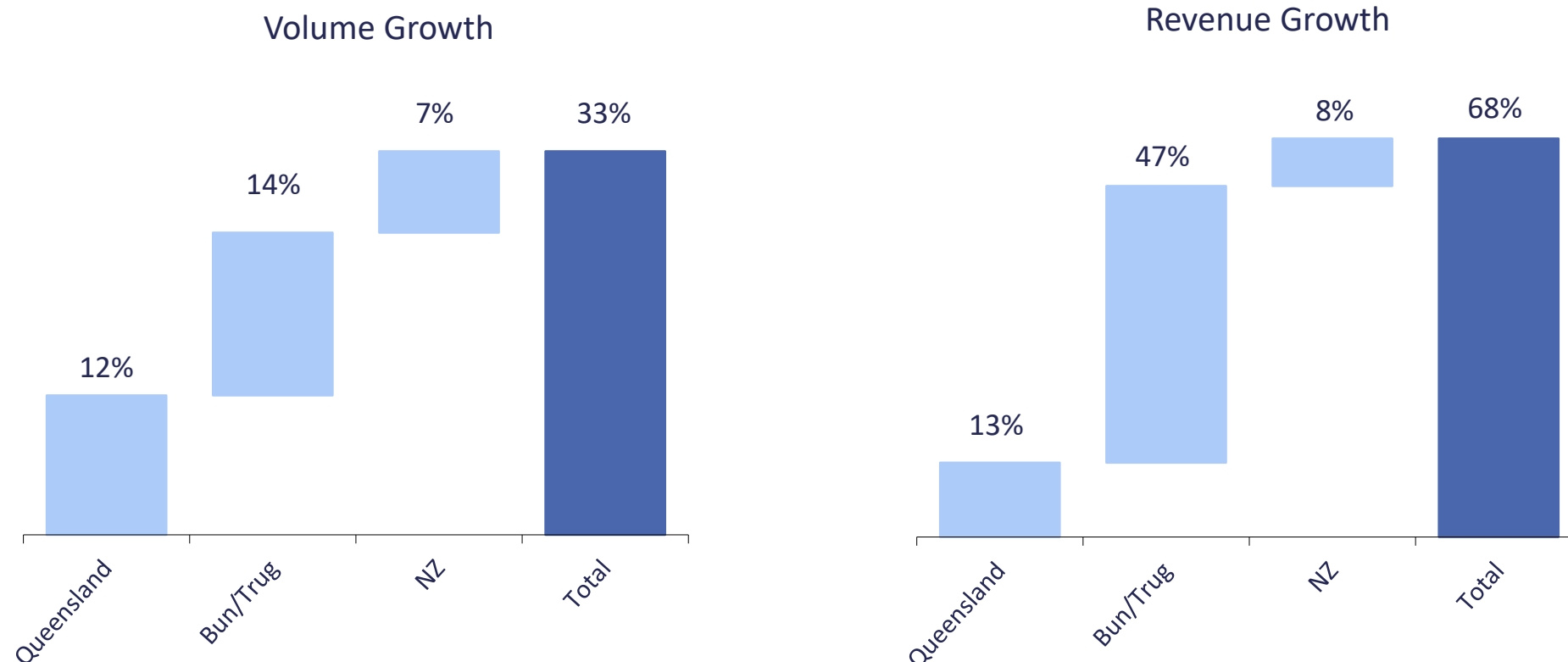
Topline Growth – APAC is the key driver of volume and sales growth



* Adjusted 52 week basis
 ** Volume includes share of JV
 *** Constant currency

Growth in APAC with start-up in New Zealand

- Start-up of Auckland facility in July 2021
- Purchase of JV assets and assumption of full control led to consolidation of revenue from July 2020
- Continued growth in Queensland following July 2019 start-up



Profit & loss account – pre-exceptionals, amortisation & IFRS 16

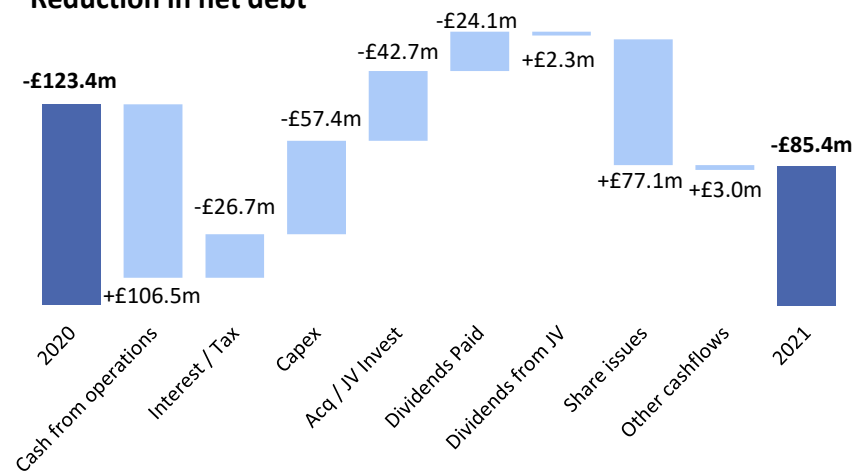
52 weeks ended 2 nd January 2022	2021 £m	2020 52 wk adj £m	% Change*	% Change Constant Currency*
Volume (tonnes)	492,588	460,259	7.0%	
Turnover	3,302.0	2,721.7	21.3%	21.6%
Operating profit	73.6	65.8	11.9%	12.7%
<i>Operating margin %</i>	2.2%	2.4%		
<i>Operating profit per kg</i>	14.9p	14.3p	+4.2%	+5.6%
Interest	(6.4)	(5.9)		
Profit before taxation	67.2	59.9	12.1%	13.0%
Taxation	(14.5)	(13.2)		
Profit after taxation	52.7	46.7	12.7%	13.6%
Earnings per share (pence)	61.3	54.4	12.7%	13.8%

Cash flow – pre IFRS16 adjustments

£m	2021	2020
Cash generated from operations	106.5	99.1
Tax and net interest paid	(26.7)	(22.2)
Net cash from operating activities	79.8	76.9
Capital expenditure	(57.4)	(95.5)
Disposal proceeds	0.1	0.1
Acquisitions/JV Investment	(42.7)	-
Free cashflow – pre minorities	(20.2)	(18.5)
Share issues	77.1	1.4
Dividends paid	(24.1)	(20.1)
Dividends from JV	2.3	4.3
Other	2.9	(2.3)
Change in net debt	38.0	(35.2)
Net debt	(85.4)	(123.4)

Capital investment / £m	2021	2020
Europe	29.2	24.5
APAC	27.5	70.7
Other	0.7	0.3
Total	57.4	95.5

Reduction in net debt





FY21 Strategic & Operational Review

Philip Heffer

Chief Executive Officer



The International Protein Partner of Choice

Responding to new food trends + and setting new food trends

Household Finances in Focus



Household budgets under more pressure

Health & Wellness



Personalised, integrated health

Convenience & Ease



When I need it, how I need it and where I need it

Environment & Sustainability



Fragile future, prioritising sustainability

Experience & Enjoyment



Redefining indulgence & treats, in and out of home

Changes in the macro-economic environment will continue to shape these trends further

International progress in 2021 and well-placed for future growth

Europe

- Strong performance against challenging consumer backdrop
- Winning by extending protein choices
- Continued range extension, product innovation and launching in new categories and markets
- Approval for site expansion in Sweden has been approved

New Markets

- Entering North America and Asia for first time through acquisition of Foppen
- Continuing to explore new opportunities on other proteins

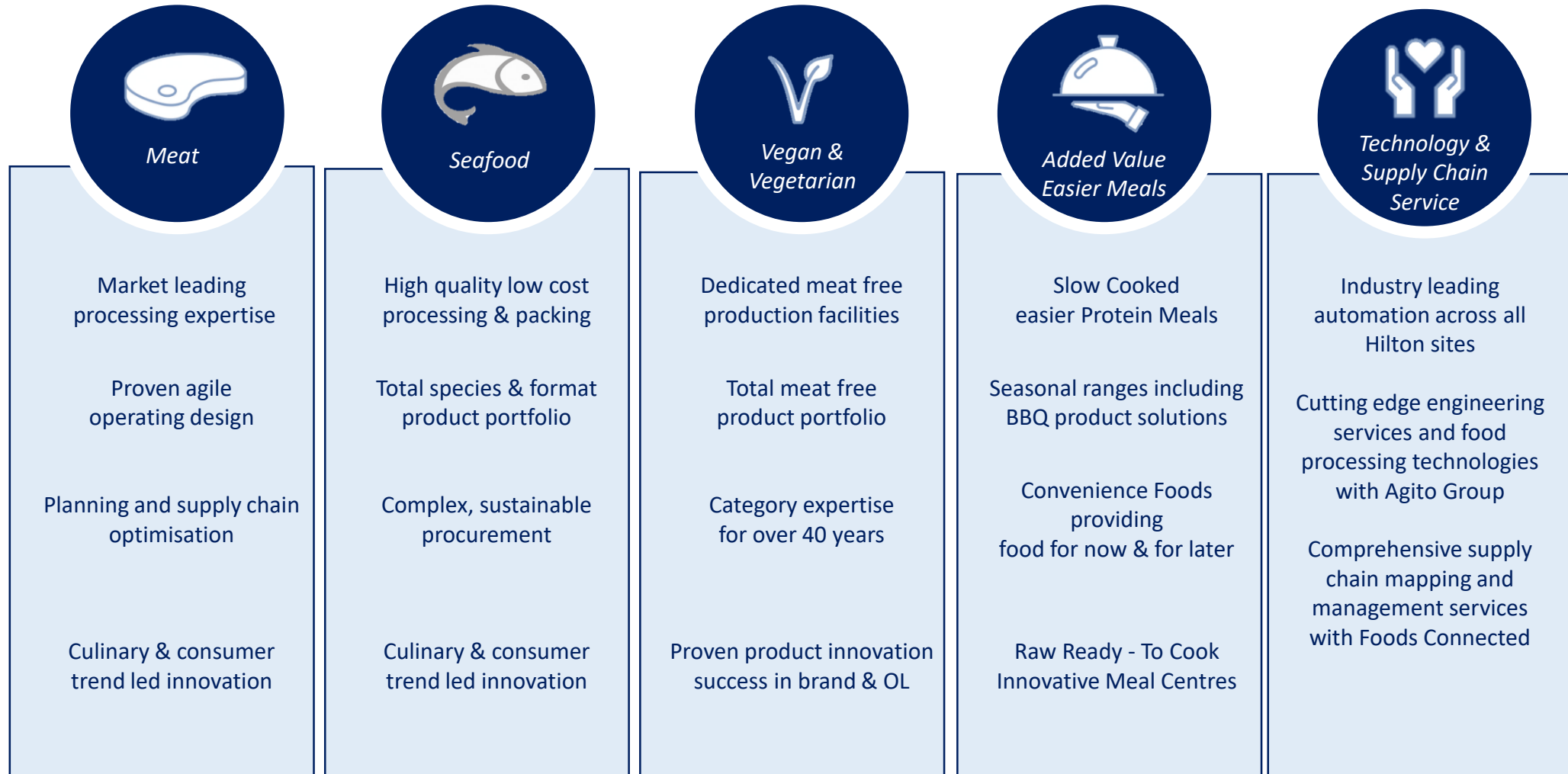


APAC

- Growth and progress during the pandemic
- Maintained market share in core meat categories in Australia and grown market share of seafood in NZ
- Opening of the NZ Wiri site with launch of 265 new products in an expedited 6 months launch timeframe
- Category growth: Australia launched 27 lines adding 6.3m additional units YTD
- Continued focus on enhancing value perception in meat and expanding ranges in seafood

Over Three quarters of volume now International

The International Protein Partner of Choice



Category Expertise : Local specialists supported by a global perspective to deliver category growth

ESG : Supporting our Partners to be First Choice for Sustainable Protein

Delivering sustained growth in meat sector through core business growth, innovation, and new ventures



Market leading processing expertise

Proven agile operating design

Planning and supply chain optimisation

Culinary & consumer trend led innovation



Delivered

Protect and grow the core: category development and innovation in core retail partnerships **alongside diversification** into food service through **acquisition of Fairfax Meadow**

Winning new business & EPD: Injected pork business and closing fair share gaps

Innovation and NPD: New products in all countries, premiumisation, seasonal ranges and packaging step changes

Opportunities

Continue to leverage our meat expertise to protect the core through innovation and **enter new markets**

Optimise channel diversification, synergies and opportunities with Fairfax Meadow

We will adjust our offer and pricing to **meet the needs of low-mid-premium consumers**, all impacted differently by the economic climate

Operational and strategic progress in seafood category despite challenging market conditions



High quality low cost processing & packing

Total species & format product portfolio

Complex, sustainable procurement

Culinary & consumer trend led innovation



Delivered

Investment in automation ensuring Seafood UK fit for future

Diversification in customer base **winning new retail partners**

Progress made in **replicating existing model throughout our geographies** where it makes sense

Opportunities

Sortation opportunities identified within specific European geographies

Foppen opportunity to Hilton existing retail partners and new customer prospects within Foppen's existing customer base

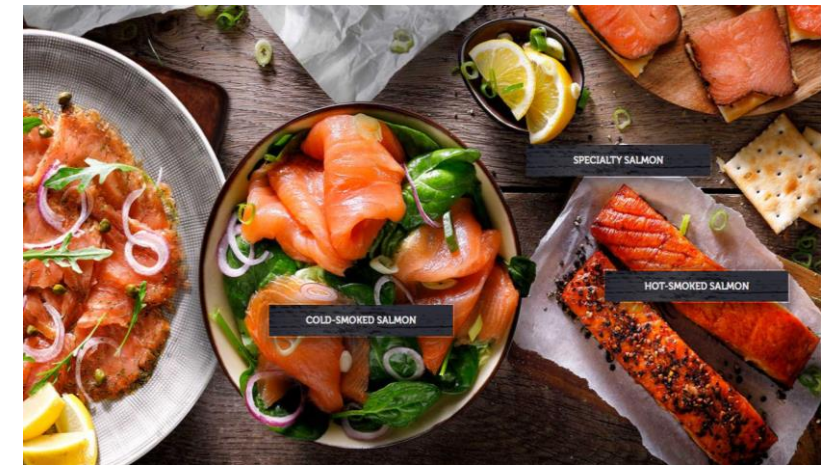
B2B opportunities in seafood through existing retail partners

Completed acquisition of smoked salmon specialists, Foppen, to complement and grow our seafood portfolio into 2022

High quality, premium smoked salmon processing since 1918 now producing brand and PL

Advantageous geographical presence and active in more than 15 countries

Positive platform for growth and diversification in customer, geography and meal occasion



Growing Vegan and Vegetarian business through innovation and partnerships with global brands and retailers



Dedicated meat free production facilities

Total meat free product portfolio

Category expertise for over 40 years

Proven product innovation success in brand & OL



Delivered

Acquired 100% of Dalco

Expansion to new Hilton regions in Europe as the market demand emerges

B2B brand partnerships development with new global branded customers and 184 new and improved recipes launched with award recognition

Opportunities

Range expansion and channel diversification opportunities into more geographies, frozen and foodservice

Meal occasion diversification: Focus on developing into Vegan 'breakfast meat'

Further range development: Developing the flexitarian opportunity & **optimising growth** in new B2B brand partnerships

Completed 100% acquisition of Dalco, strengthening our Vegan and Vegetarian proposition in market with strong growth forecasts

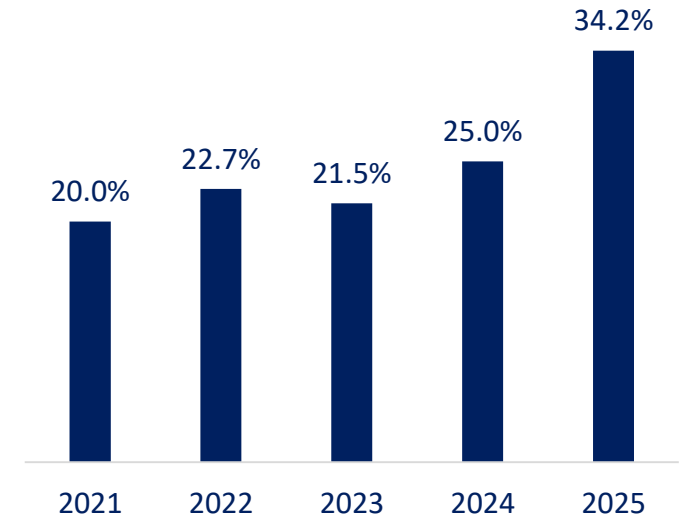
45 years experience of innovating and producing vegan and vegetarian meat alternatives

Full product portfolio capabilities for meat alternatives to meet all our customer and consumer needs

Meat substitute market is predicted to have double digit volume growth globally



Meat Substitute Market G% Growth Predictions*¹



Leading the industry in easier meal solutions and added value products

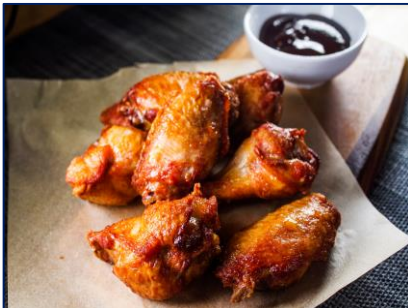


Slow Cooked
Easier Protein Meals

Seasonal ranges
including BBQ product
solutions

Convenience Foods
providing
Food for now & for later

Raw Ready
To Cook Innovative Meal
Centres



Delivered

Slow cooked business has doubled within our existing retail partnership and progress in winning European supply contracts

Double digit growth in fresh convenience foods driven through innovation and range extension including 174 new products

Expansion in added value poultry and innovation in **seasonal range development**

Opportunities

Pushing into other markets and channels into under developed geographies and foodservice

Fresh convenience foods growth momentum through **continued focus on innovation** and market development **to meet consumer needs**

Continued diversification into more raw ready to cook poultry based meal centre solutions

Delivering on our goal to become best in class FMCG company for technology



Industry leading automation across all Hilton sites

Cutting edge engineering services and food processing technologies with Agito Group

Comprehensive supply chain mapping and management services with Foods Connected



Delivered

Transformation of Hilton Seafood sites and modernisation of Huntingdon, including palletisation, automation and more efficient shift rotas

Joint Venture with Agito Group, Australian automation and technology solutions business and new customer supply chain projects

Successful start-up of AMR automation project with existing retail partner

Foods Connected delivering **E2E solution, diversification in food categories** and a **community of over 10,000 suppliers**

Opportunities

Market driven diversification into new sectors where the same challenges in supply chain exist

Acceleration of global expansion of Agito Group Joint Venture. **Extended portfolio offering**, including AMR and Warehouse Shuttle systems

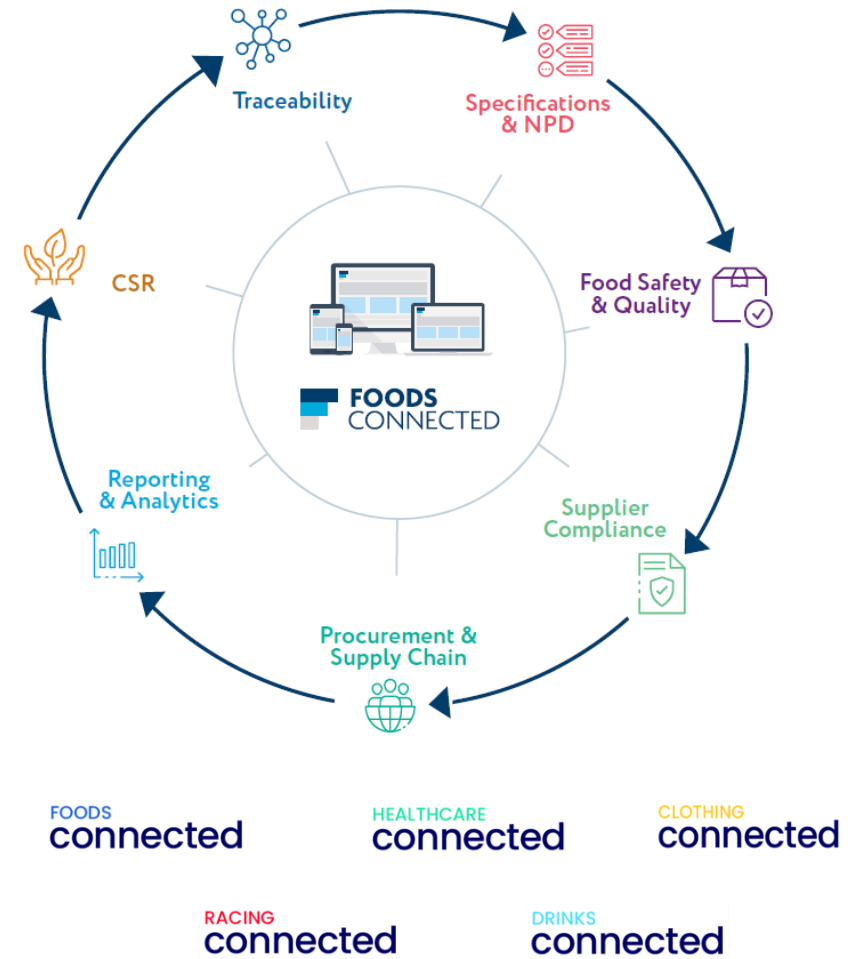
Exploration of opportunity to establish a new, **fully automated site, providing full protein consolidating** and providing store order picking service

Growing Foods Connected, providing end to end supply chain management services and further opportunities for category diversification

Cloud-based technology and tools for E2E supply chain mapping and management

Digital transformation of the supply chain, enabling effective decision making, has driven success to date

Future growth through innovation, diversification and evolution of the platform



 → **connected**

Joint Venture between Hilton Foods and AGITO Group brings together excellence in automation and food supply chain expertise

Core Business

- AGITO develop & design both the hardware & software – and then take care of the integration

- ✓ Materials Handling Systems
- ✓ Robotics & AMRs
- ✓ Sortation Systems
- ✓ Warehousing Solutions
- ✓ IT, SCADA & WMS Solutions
- ✓ Software Development
- ✓ Integration Services
- ✓ Process Optimisation
- ✓ Data Management

Problem Solving

- AGITO develop seamless automation and technology solutions that can future proof your business
- These solutions improve safety, connectivity, efficiency, productivity, operability, cost of ownership, data management, traceability, system communications

How they do it

- AGITO translates, analyses and integrates data from a companies current operation
- AGITO engineers collaborate closely with clients to identify the key areas of improvement that will have the greatest impact



As specialist integrators and innovators, AGITO work across the supply chain to transform data and work flows into technology and automation opportunities



Environment, Social & Governance Update

Philip Heffer, Chief Executive Officer



The International Protein Partner of Choice

We have evolved and further strengthened our ESG strategy

- Takes into account latest ESG developments
- Improving the accessibility of our ESG strategy
- Simplification to 3 pillars of people, planet and product

People

Planet

Product

Introducing the *Sustainable Protein Plan*

Innovating through partnership to make nutritious protein more sustainable



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

Delivering the *Sustainable Protein Plan* 2021 Milestones



People

Valuing People

New target of 30% of all senior roles held by women by 2025

Protecting Human Rights

Relaunched Human Rights and Modern Slavery strategy, creating ethical code for all HFG suppliers

Developing Potential

Emerging Leaders development programme for rising talent

Planet

Reducing Emissions

Science Based Targets approved for Scopes 1, 2 and 3

Enhancing Animal Wellbeing

Compassion in World Farming Award for first commercial electric humane stunning system for farmed prawns

Nature Positive

A founder member of the Soy Transparency Coalition, that produced its first trader benchmarking report in 2021

Product

Balanced Healthy Diets

+26% growth in volume of plant based products in 2021

Circular Packaging

76% average recycled content across entire tray range

Resource Efficiency

Saved 32k tonnes of food waste in 2021, a 10% reduction globally*¹ since 2019



Hilton Food Group plc

(*¹Across equivalent sites ²LFL 52 week volume sales growth YoY 2021 v 2020)



Outlook

Philip Heffer

Chief Executive Officer



The International Protein Partner of Choice

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