

**HILTON
FOODS**

HILTON FOODS INTERIM RESULTS

2024



Cautionary Statement

This investor presentation contains forward-looking statements that are subject to risks and uncertainties. These forward-looking statements are based on current expectations and assumptions relating to anticipated events and circumstances which may be beyond Hilton Foods control. Words such as 'aim', 'anticipate', 'believe', 'consider', 'estimate', 'expect', 'goal', 'intend', 'may', 'plan', 'potential', 'should', 'target' and other words and phrases of similar meaning including the negative of these terms are generally but not always used to infer forward-looking statements. Forward-looking statements are not a guarantee of future performance or outcomes. Neither Hilton Foods or any of its associates or directors provides any guarantee that any occurrence or event expressed in a forward-looking statement will actually occur. Undue reliance should not be placed on these statements.

These forward-looking statements are made as of the date of this presentation and based on risk factors and uncertainties that we believe to be reasonable at the time of writing. After this date and except as required by law or regulation, Hilton Foods does not undertake to publicly update or review these forward-looking statements to reflect any change to expectations, new information, or otherwise on which the statement may have been based.

Actual results and events could differ substantially from those implied in the forward-looking statements for a multitude of reasons including but not limited to domestic and global macroeconomic and political factors, changes to consumer purchasing strategies, industry trends, changes to customer relationships, supply chain disruption, volatility in raw material and commodities markets, cyber-security, the recruitment and retention of talented employees, significant incidents such as fire, flood, pandemic or interruption of supply of key utilities, the production of safe and high quality products, interest rates and currency movements and the impact of changes to tax and other legislation. Further detail on the principal risks and uncertainties faced by the Group are detailed in the Hilton Food Group Plc 2023 Annual report.

AGENDA

Highlights

Business Overview

Financial Performance Summary

Strategic Business Update

Outlook & Summary



Strong profit and volume performance underpinned by operational progress and product offer*

Volume

+3.2%

260,907t

Revenue

+1.0%

£1.94b

PBT

+38%

£33.5m

Free cash flow

£30m

£18.8m 2023

EPS

25.8p

+31.3%

Interim Dividend

9.6p

+6.7%

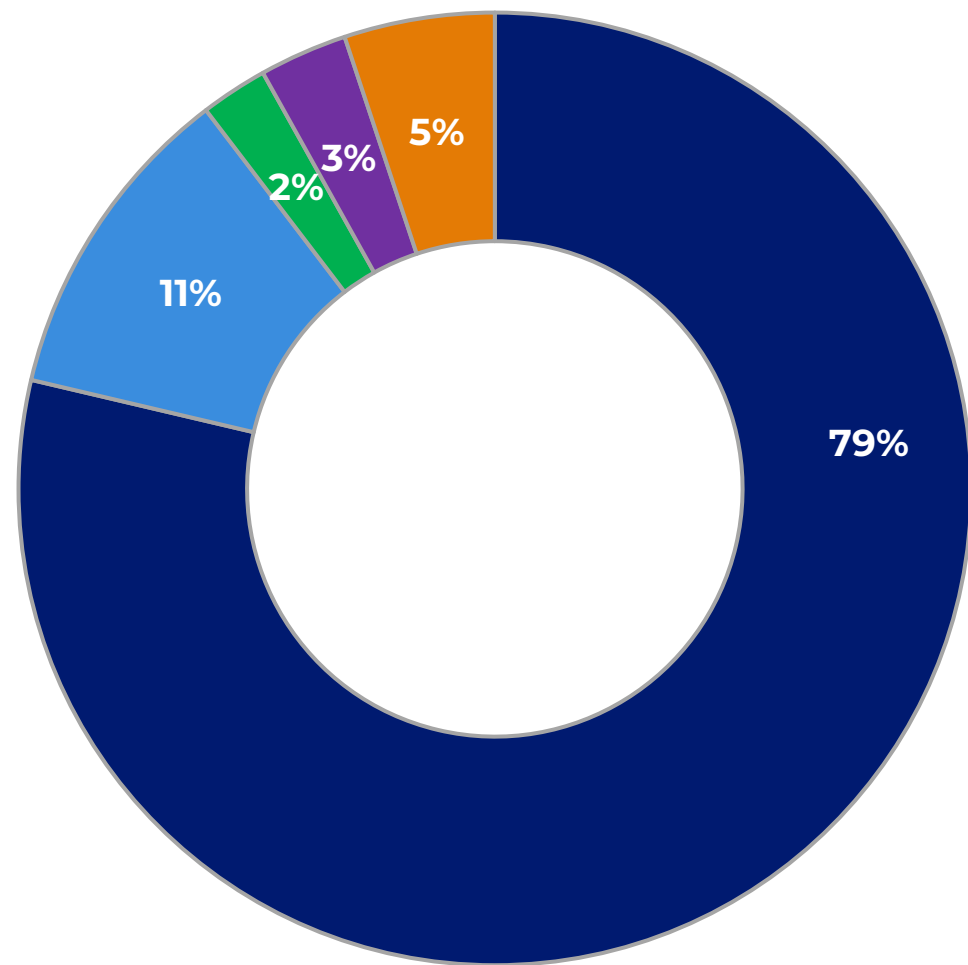
Strong profit performance and LFL volume growth

- ▶ Core meat category delivering strong retail volume growth across all operating regions
- ▶ Seafood business continues to improve, underpinning profit growth in UK & Ireland
- ▶ Good progress in developing cross-sell opportunities
- ▶ Remain on track to launch Hilton Foods Canada in 2027 with Walmart
- ▶ Vegan and vegetarian now in single operating site; reacting to market conditions
- ▶ Foods Connected wins new global contract with McDonald's
- ▶ Commitment to sustainability and progress continues across all areas, especially packaging

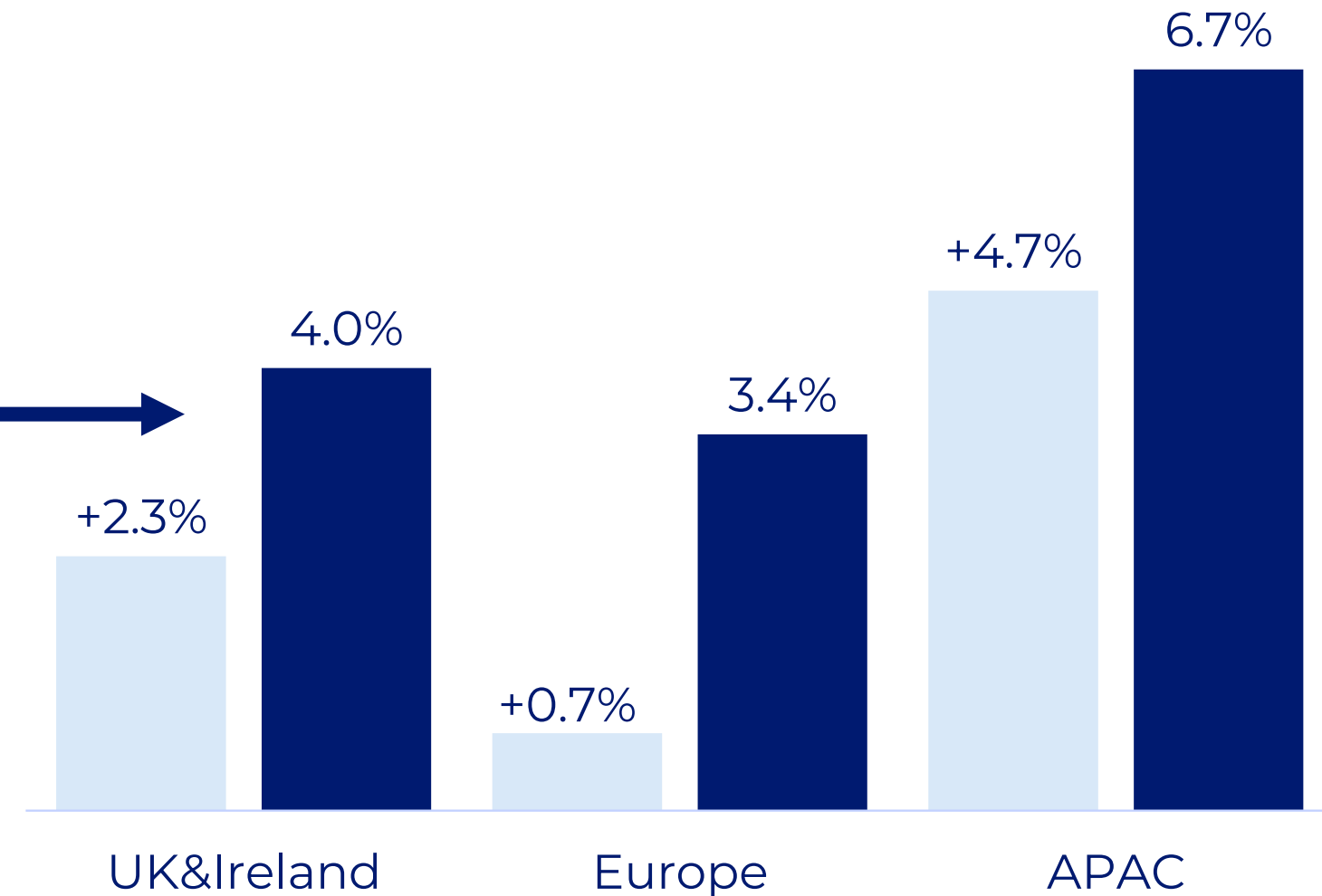


Growth in volume delivered by core meat and outperforms market trend across all regions

Product Portfolio Mix



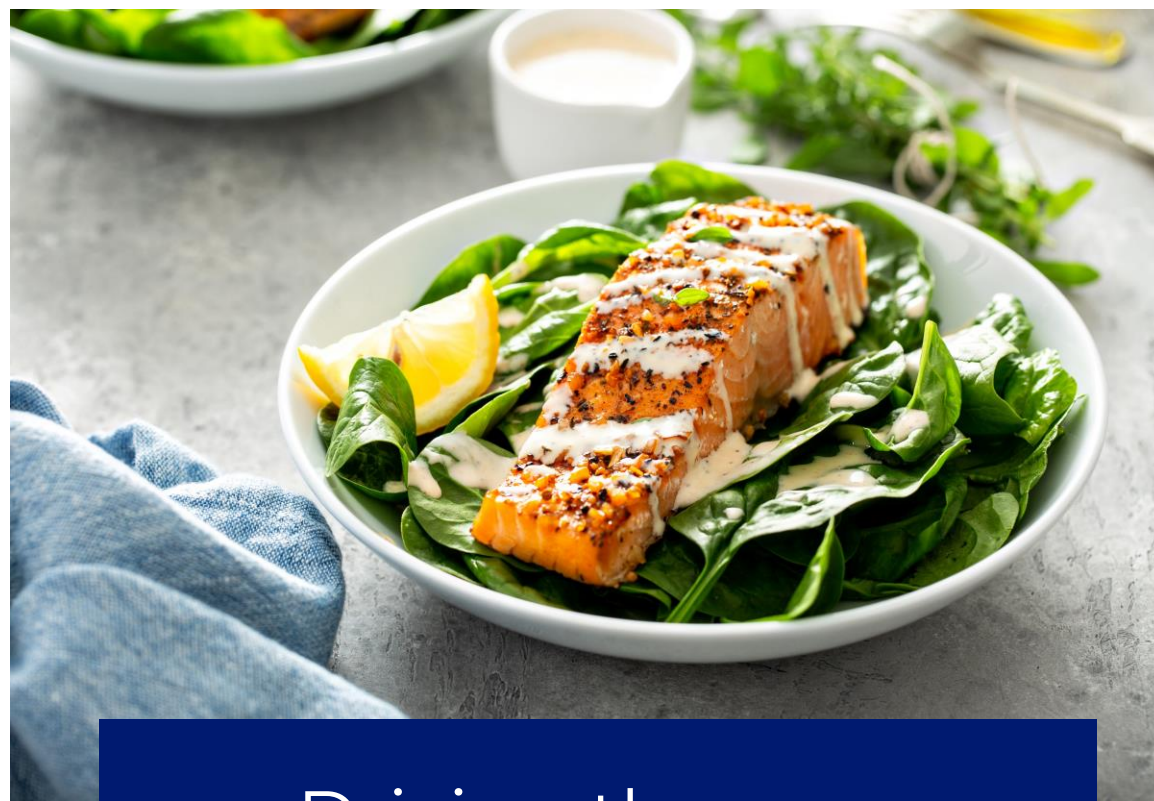
LFL Retail meat volume change YOY



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

■ Total Market Performance* ■ Hilton Foods Retail Meat Volume

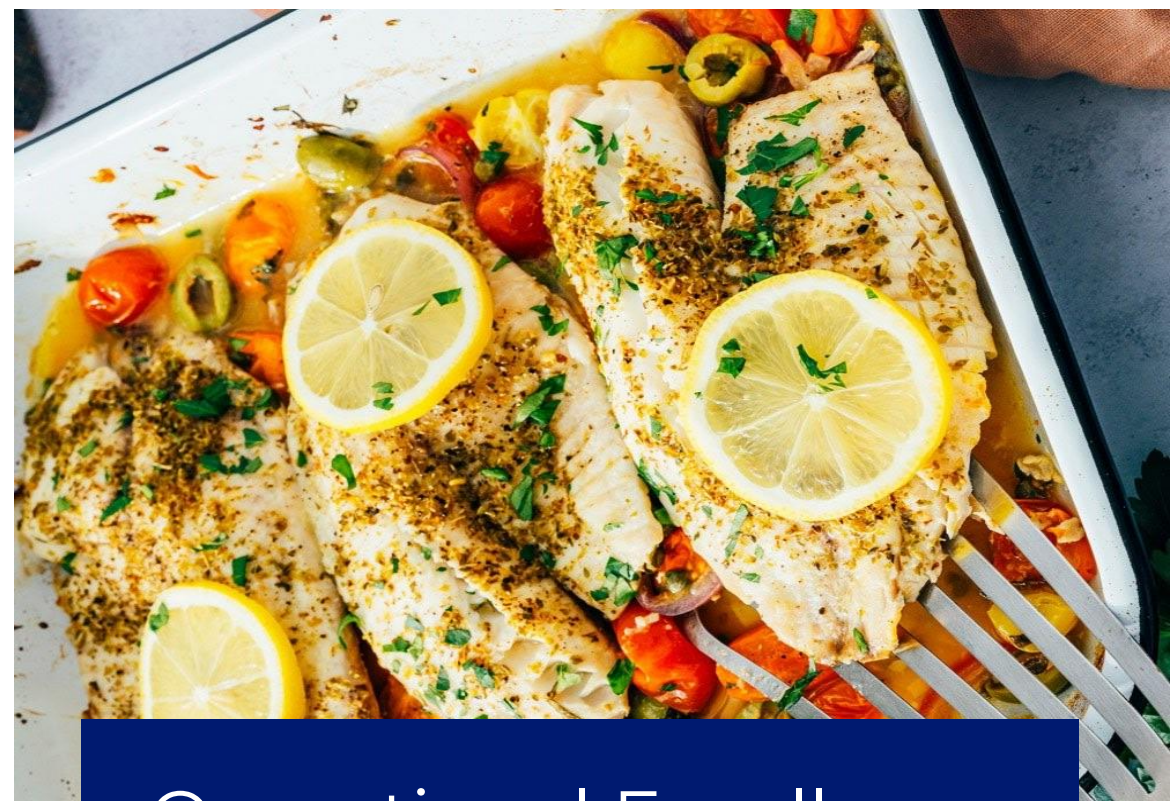
Continued improvement in UK Seafood underpins profit growth



Driving the core



Profitable new business



Operational Excellence

Continued product portfolio management

Strategic new product development

Pipeline of new business in the UK

Exploration of further cross sales opportunities

Strategic investment in white fish processing

Further investment in end of line automation

Buying better

Strategic priorities

1

GROW
OUR GLOBAL FOOTPRINT



2

EXPAND
OUR MULTI-CATEGORY
OFFER



3

BUILD
FURTHER EXPERTISE AS A
SUPPLY CHAIN PARTNER



4

LEVERAGE TECHNOLOGY
AS A DRIVER OF VALUE



BE RIGOROUS IN OUR APPROACH TO THE SUSTAINABLE PROTEIN PLAN ~ PEOPLE, PLANET, PRODUCT

CONSUMER-LED AND CUSTOMER FOCUSED INNOVATION IN FOOD AND TECH

FINANCIAL GUARDRAILS & STRATEGIC CAPITAL ALLOCATION FRAMEWORK

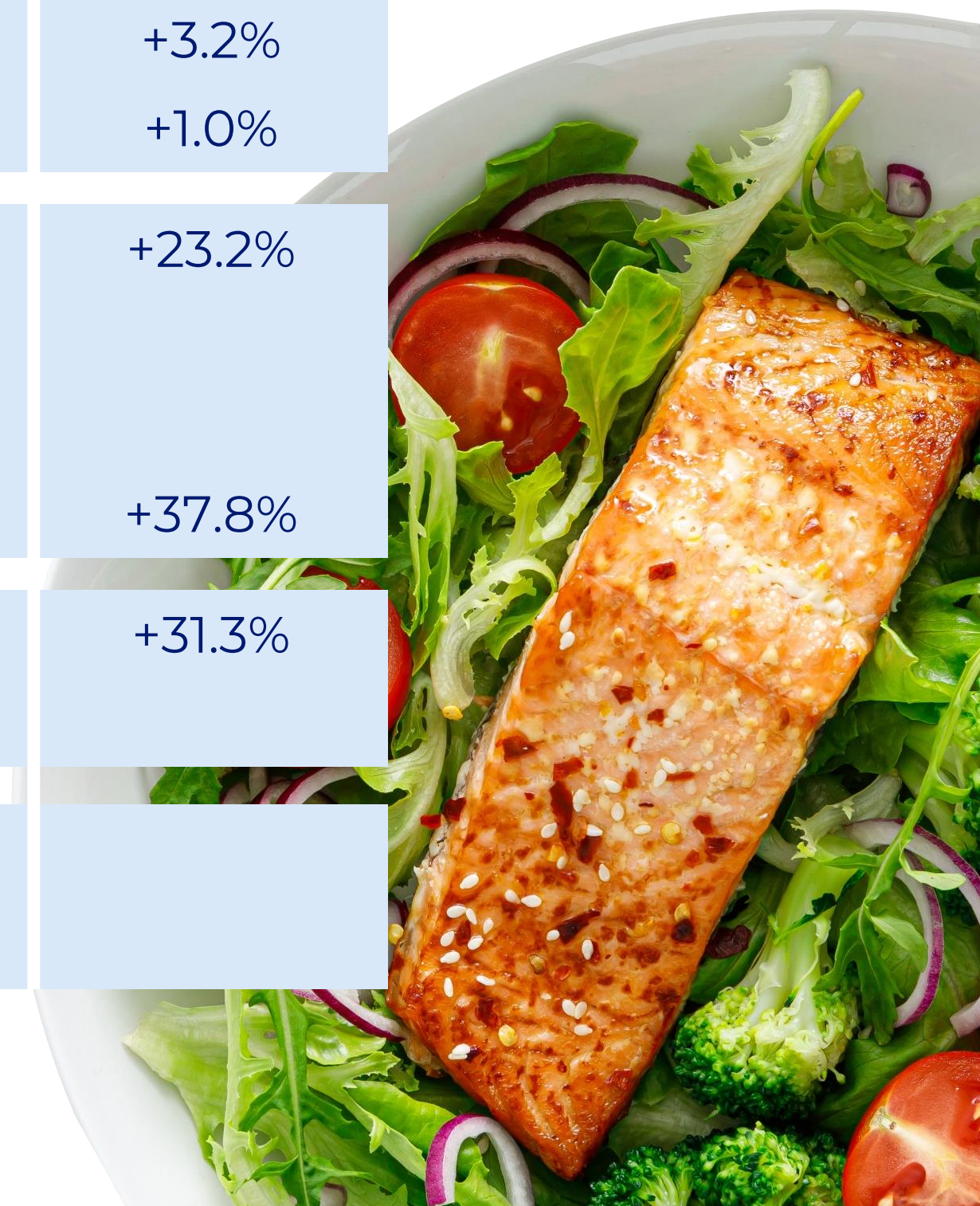
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**FINANCIAL
PERFORMANCE
SUMMARY**

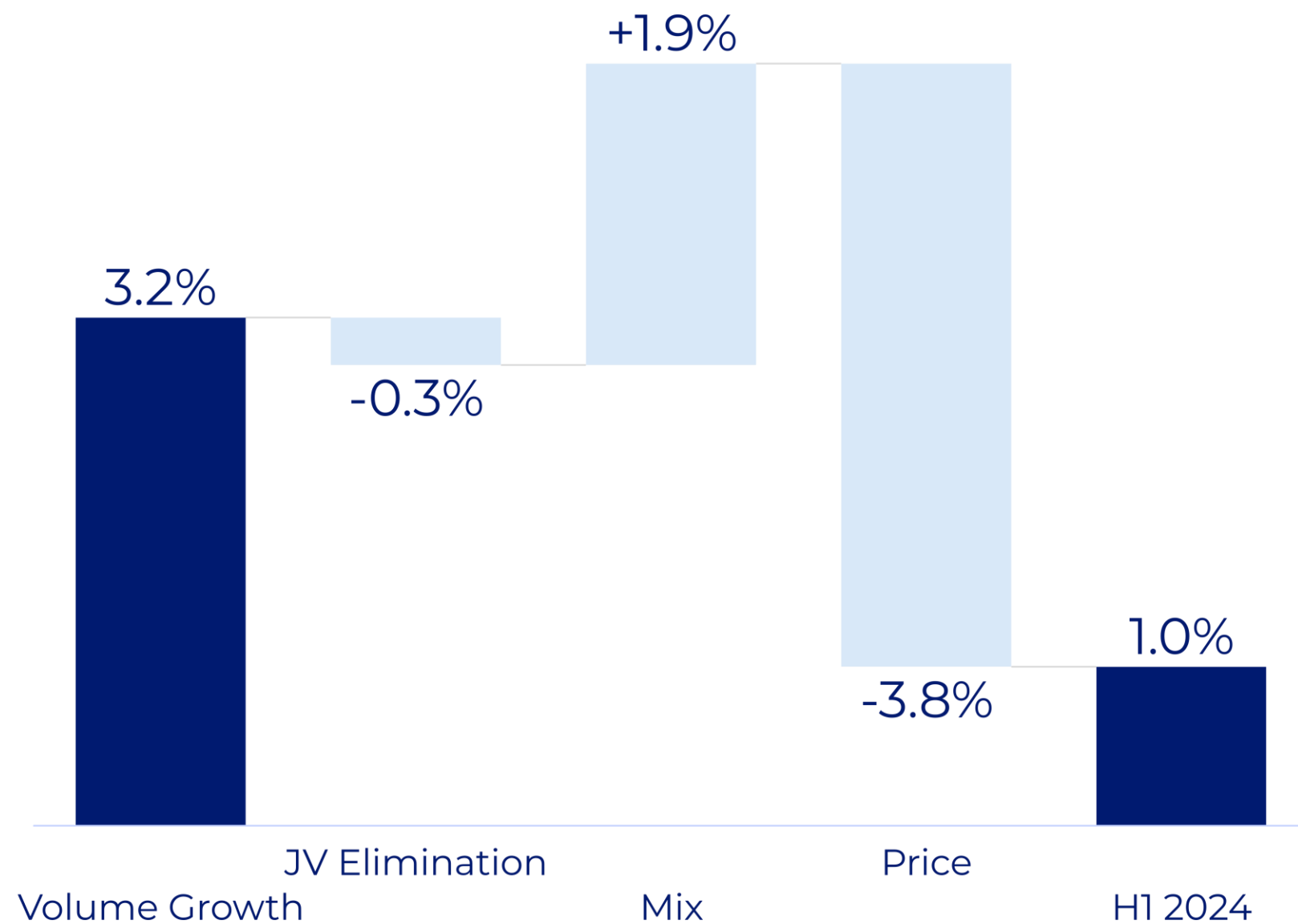
Strong profit performance and volume growth

	H1 2024 26 weeks	H1 2023* 26 weeks	+/-	+/- Constant fx
Volume / t	260,907	252,869	+3.2%	+3.2%
Revenue / £m	1,943.8	1,971.5	-1.4%	+1.0%
Operating profit / £m	46.9	38.8	+20.8%	+23.2%
Operating profit margin	2.4%	2.0%	+0.4 %pts	
Enhanced conversion margin	12.3%	11.1%	+1.2 % pts	
Profit before tax /£m	33.5	24.8	+35.0%	+37.8%
Adjusted EPS / p	25.8	20.1	+28.4%	+31.3%
Interim dividend per share /p	9.6	9.0	+6.7%	
Capex / £m	26.2	27.8	-£1.6m	
Net debt /£m	137.1	139.9* ¹	-£2.8m	



Revenue gains from product mix offset by deflation

% Revenue growth



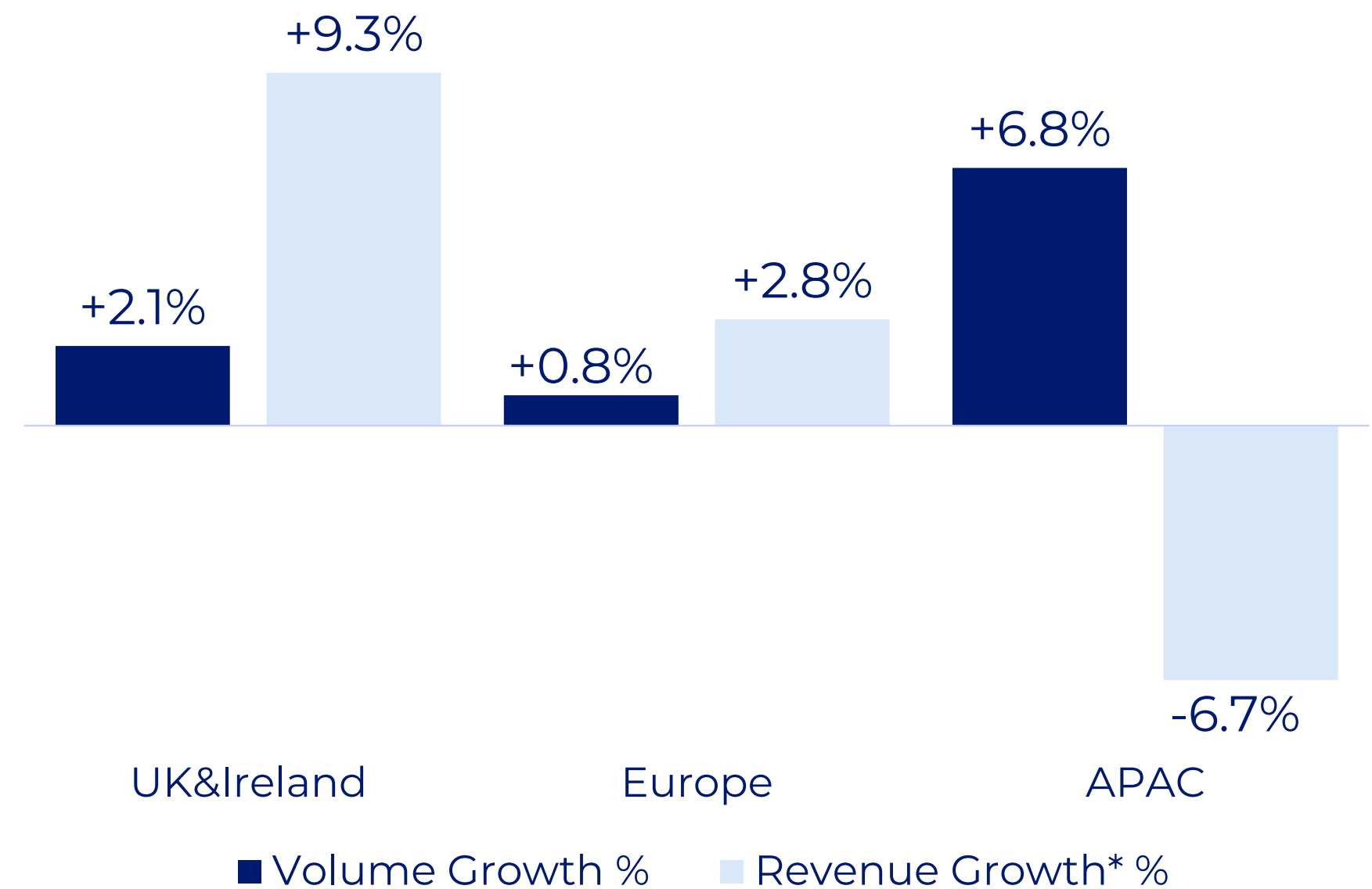
- ▶ + 1.0% constant currency revenue growth
- ▶ Strengthening GBP remains headwind
 - ▶ Revenue at -1.4% at actual Fx rates
- ▶ Positive benefit from changes in mix
- ▶ Impact of disinflation and deflation



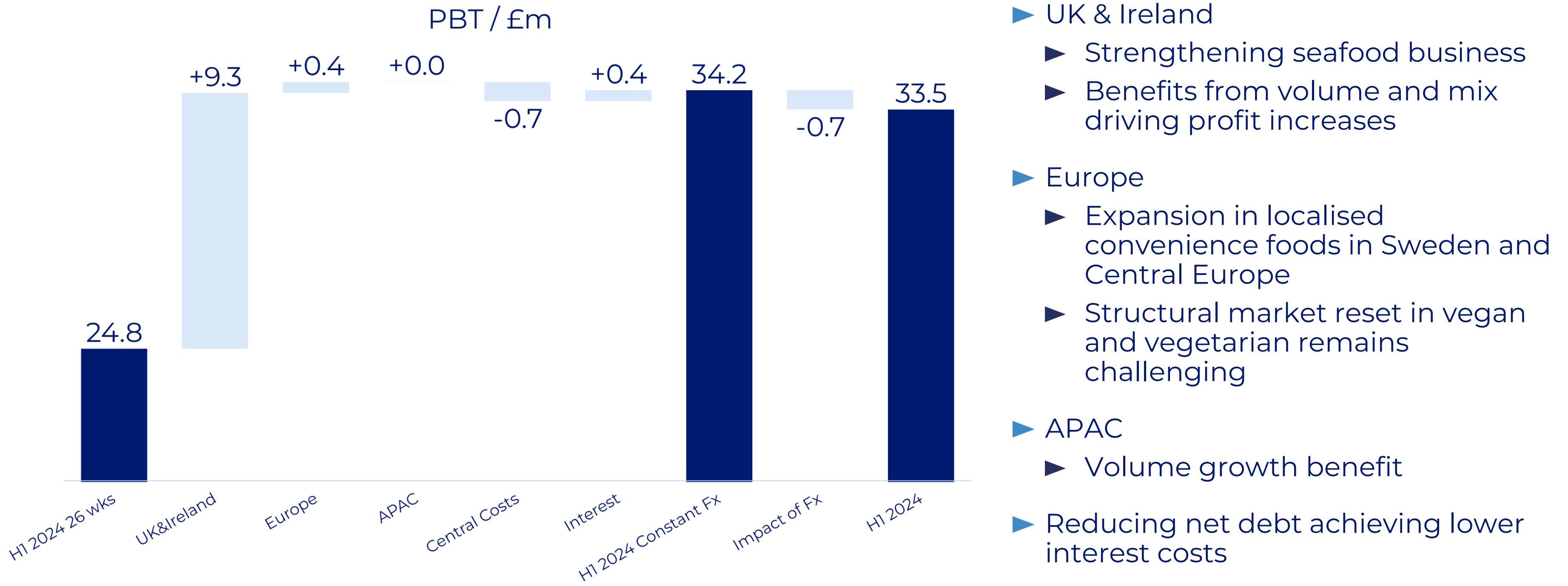
Volume growth across all regions

- ▶ UK & Ireland
 - ▶ Volume growth, particularly retail meat delivering strong revenue growth
 - ▶ Positive impact of mix change
 - ▶ Growth in premium tier steaks
- ▶ Europe
 - ▶ Easing inflationary pressures in meat
 - ▶ Vegan and vegetarian market remains challenging
- ▶ APAC
 - ▶ Deflation impacting revenue
 - ▶ Continued significant volume growth

Volume / Revenue* Development by Region



Growth in PBT driven by continued momentum in seafood and strong meat volume growth



Strong free cashflow

£m	H1 2024	H1 2023	+/-
EBITDA	70.7	67.5	+3.2
Working capital & other	5.6	0.3	+5.3
Tax & Interest	(20.1)	(21.2)	+1.1
Operating cash flow	56.2	46.6	+9.6
Maintenance capex	(9.9)	(9.7)	-0.2
Underlying FCF	46.3	36.9	+9.4
Expansionary capex	(16.3)	(18.1)	-1.8
Free cash flow*	30.0	18.8	+11.2

Net Debt	137.1	216.7	-79.6
Net debt: EBITDA	0.9x	1.8x	-0.9x

- ▶ Highly cash generative core business
 - ▶ Operating cash conversion 2.3x
 - ▶ Ongoing focus on working capital

- ▶ Reducing leverage
 - ▶ Annualised Net debt : EBITDA 0.9x
 - ▶ Board target of <2x

- ▶ Floating rate interest
 - ▶ H1 2024 Average rate on bank debt 6.9%
 - ▶ vs 6.0% average for FY 2023

Strategic investment targeting strong returns and driving business improvement

£m	H1 2024	H1 2023	+/-
Expansionary capex	16.3	18.1	-1.8
Maintenance capex	9.9	9.7	+0.2
Total core	26.2	27.8	-1.6

£m	H1 2024	H1 2023	+/-
UK & Ireland	12.6	12.8	-0.2
Europe	10.5	13.2	-2.7
APAC	3.7	1.7	+2.0
Other	0.3	0.1	+0.2
Disposal proceed	(0.9)	-	-0.9
Total core	26.2	27.8	-1.6

► Expansionary Capex

- White fish processing improving yield and labour efficiency
- Further roll-out of flow wrap packaging
- Continued UK end of line automation
- Retail packing capability for vegan and vegetarian business

► Maintenance Capex

- Protecting the core

► FY24 core spend remains c£60m

- Plus c.£10m Hilton Foods Canada

Strong balance sheet and capital allocation framework in place

ROCE

20.2%

+1.9% pts v FY23

Free Cash Flow

£30m

£18.8m H1 2023

Leverage

0.9x

Net debt: EBITDA

Cash Conversion

2.3x

Maintenance Capex

protecting the core

Expansionary Capex

supporting growth within our existing business

Supercharging Growth

through new facilities in new geographies

>20% ROCE over length of contract

Selective M&A

bolt-on M&A with strong returns and synergies

Attractive shareholder returns

progressive dividend policy

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**STRATEGIC
BUSINESS
UPDATE**

Our product offer and competitive edge remains attractive to new customers

1

GROW
OUR GLOBAL
FOOTPRINT



Continuing to explore new strategic geographies and customers

Hilton Foods Canada in partnership with global retail leaders
Walmart on track to launch 2027

Hilton Foods Global team in place focused on Asian market growth opportunity

Our existing customer relationships remain strong, unlocking growth through our focus on the consumer

2

EXPAND OUR MULTI-CATEGORY OFFER



Launched new seasonal product ranges and premium tier products

Extending our seafood and poultry ranges in APAC

Healthier, more sustainable ranges launched in Sweden and Holland

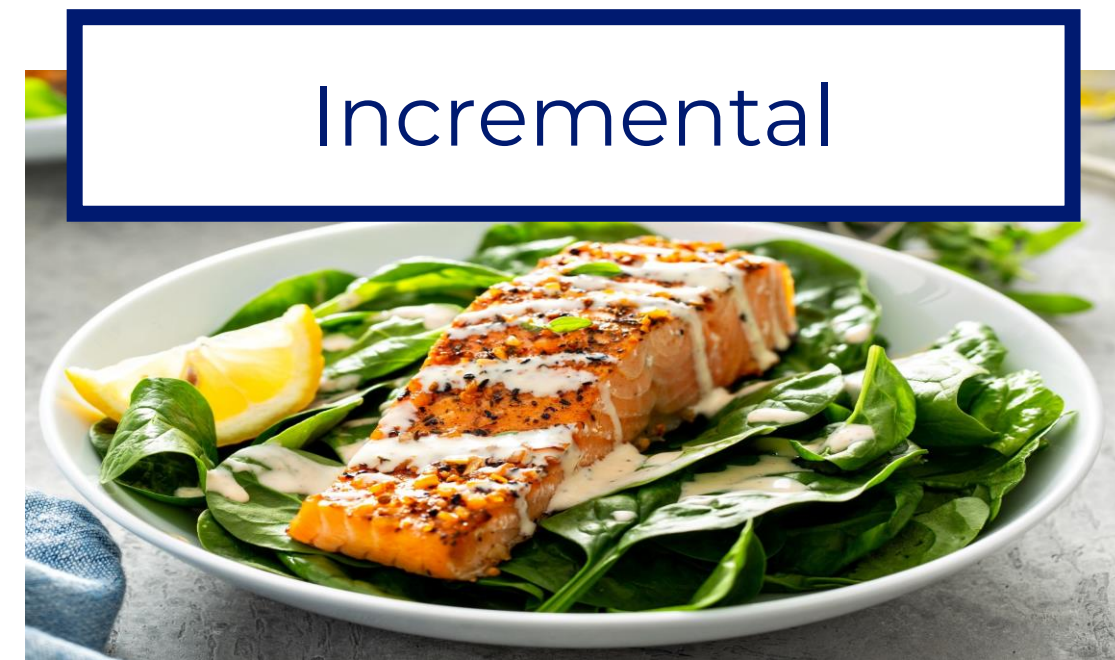
Slow cooked meat range launched in Ireland and NI pork win

Over the past 12 months we have focused on unlocking the opportunity in our multi-category offer



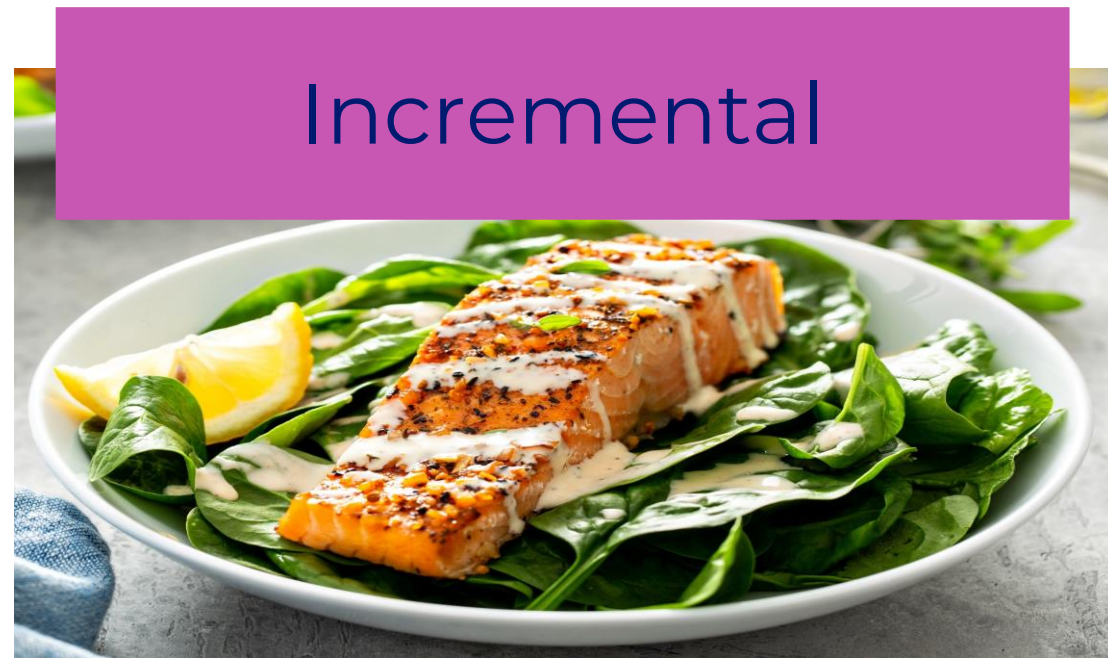
	UK	Ireland	Holland	Denmark	Sweden	C. Europe	Portugal	Australia	New Zealand	Asia	North America
Meat	Existing	Existing	Existing	Existing	Existing	Existing	Existing	Existing	Existing		
Seafood	Existing	Existing	Existing						Existing	Existing	Existing
Vegan & Vegetarian	Existing		Existing		Existing	Existing	Existing				
Easier Meals	Existing				Existing	Existing					
Food Service	Existing		Existing	Existing							

We have grown organically



	UK	Ireland	Holland	Denmark	Sweden	C. Europe	Portugal	Australia	New Zealand	Asia	North America
Meat	Green	Dark Blue	Dark Blue	Green	Green	Green	Dark Blue	Green	Green	White	Dark Blue
Seafood	Green	Dark Blue	Dark Blue	White	White	White	White	White	Dark Blue	Dark Blue	Green
Vegan & Vegetarian	Dark Blue	White	Dark Blue	White	Dark Blue	Dark Blue	Dark Blue	White	White	White	White
Easier Meals	Dark Blue	White	White	White	Dark Blue	Dark Blue	White	White	White	White	White
Food Service	Green	White	Dark Blue	Dark Blue	White	White	White	White	White	White	White

We have grown incrementally



	UK	Ireland	Holland	Denmark	Sweden	C. Europe	Portugal	Australia	New Zealand	Asia	North America
Meat	Existing	Incremental	Existing	Existing	Existing	Existing	Existing	Existing	Existing		Existing
Seafood	Existing	Existing	Incremental						Incremental	Incremental	Existing
Vegan & Vegetarian	Existing		Existing		Existing	Existing	Existing				
Easier Meals	Incremental			Incremental	Incremental	Incremental		Incremental	Incremental		
Food Service	Existing		Existing	Existing							

Existing category presence

Growing with our current customers by exploring new categories or through innovation and new product development

Diverse product ranges best place Hilton Foods to win

Everyday Meals At Home



Social Special Meals At Home



Time Off From Cooking



Core fish and coated categories for retail



Premium seafood categories for retail



Convenience food categories for retailers



We are continuing to react to challenging vegan and vegetarian market

Robust business improvement plan in place

Optimising consolidated single operating site

Product range rationalisation and improvement

Retail packing moved in house

Targeting new business

Cost out and quality improvement



We influence the entire supply chain delivering our customers priorities and improving security of supply

3

BUILD FURTHER EXPERTISE AS A SUPPLY CHAIN PARTNER



End to end UK supply chain review improving availability and volume sales in retail steaks

Strengthening upstream partnerships in Seafood

Supported the development of a standardised carbon measurement tool

Improved integrated business planning with Woolworths

Our 'market leading' tech supports our core food businesses and is an opportunity for growth

4

LEVERAGE TECHNOLOGY AS A DRIVER OF VALUE



Supporting the core Hilton Foods business

UK end of line automation Agito programme continues

Digitalising the packaging supply chain with Foods Connected

Monetising the tech stack

Foods Connected continues to grow their customer base

New global contract between Foods Connected and McDonald's

Agito chosen supplier partner for significant project in Australia with Coca-Cola Europacific

Be rigorous in our approach to The Sustainable Protein Plan

People



36%

Surpassed women in positions of leadership target of 30% by end of 2025.

Published our first joint
UK and APAC Modern Slavery Statement
Enhancing disclosure on our business and our supply chains.

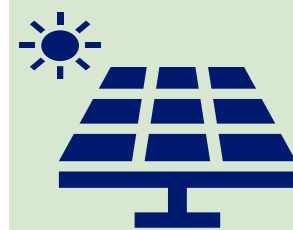
Planet



Validated SBT's

1.5°C

On track to disclose **transition plan** in the coming months.



Saving Energy

Further roll-out of solar to our Truganina facility in Australia. We continue to roll-out of ISO 50001 to more facilities over the next 12 months.

Product



91%

of our packaging is kerb side recyclable for consumers in Australia.

New flow wrap packaging format roll out in Ireland, Central Europe and Denmark saving

390 tns

increasing total savings to 2300tns

All senior leaders' LTIPs include sustainability objectives across all three pillars
Board level leadership of Sustainability Committee

Summary

- ✓ Strong interim results and clear strategy in place that is delivering
- ✓ Core meat category driving volume growth across all three regions
- ✓ Continued improvement within seafood underpinning profit growth
- ✓ Good progress developing cross-sell opportunities
- ✓ Strong balance sheet and ability to invest in growth

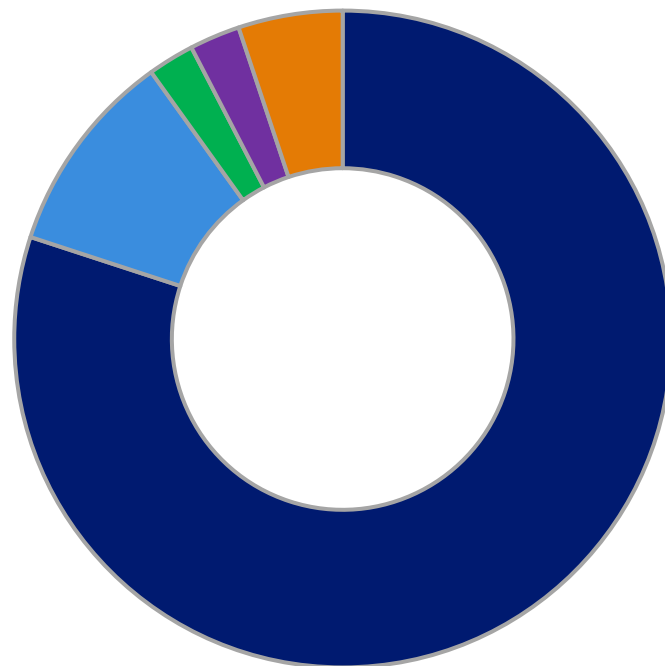


Why Hilton Foods - Driving long-term value

International food and supply chain services partner of choice

Outstanding food products

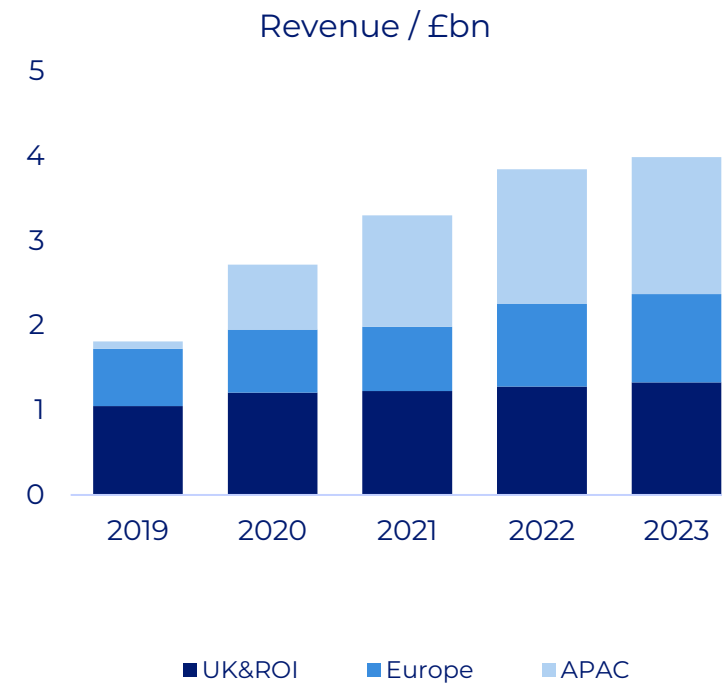
We create and produce award winning multi-category food products for retail, foodservice and wholesale best placed to meet consumer needs



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

Growing internationally

Long term partnerships spanning almost 30 years with leading international retailers, operating, 24 facilities across 10 countries and over 7000 skilled colleagues



Industry leading technology

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



Integration into our tech stack delivers Hilton Foods competitive edge and opportunity to commercialise

Outlook

- ▶ We remain ambitious with a clear strategic plan in place
- ▶ The Group's strong financial position sets us up for success
- ▶ Hilton Foods is well placed to deliver the remainder of the year in line with market expectations*



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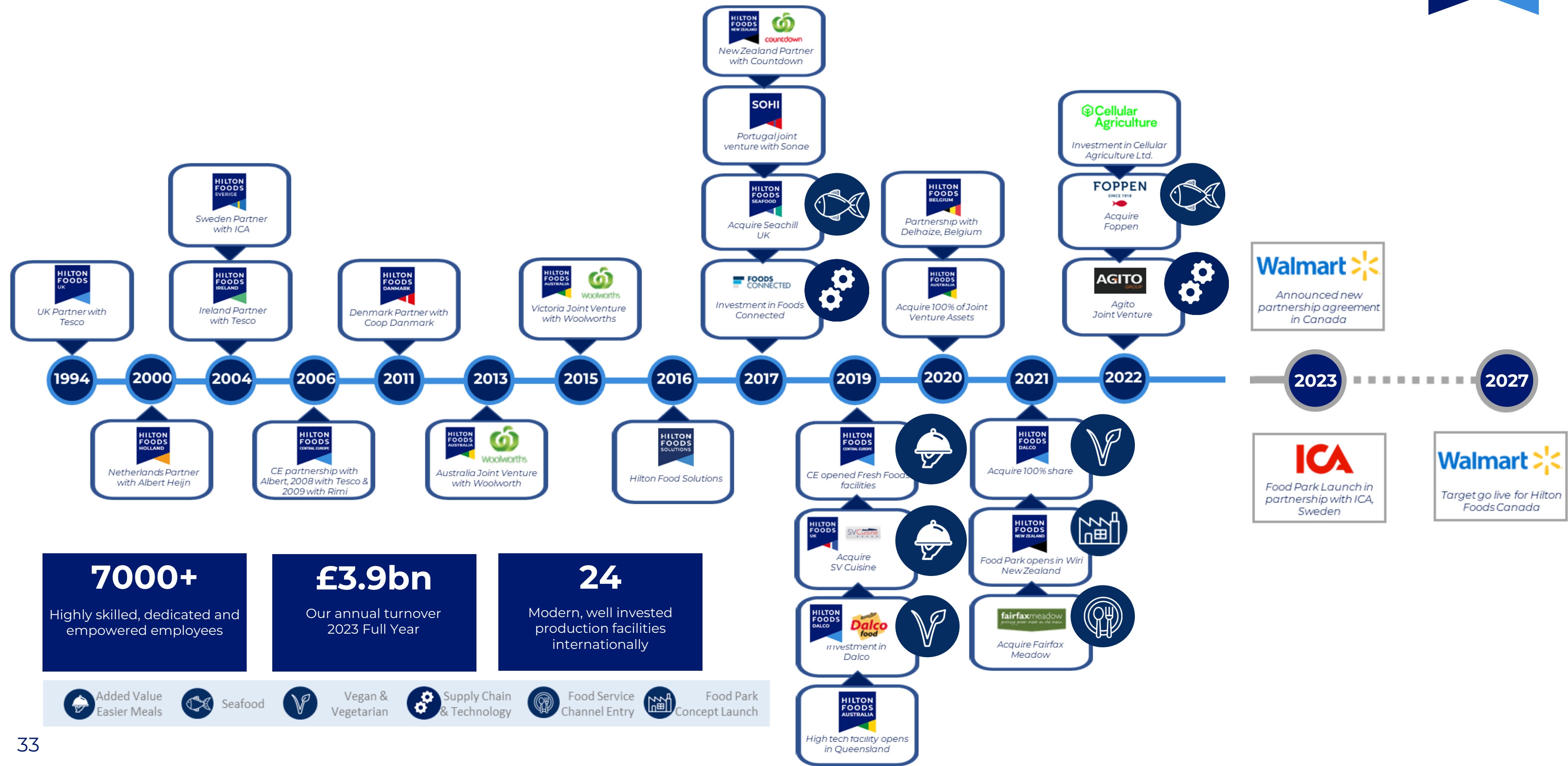
Q&A

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APPENDIX

Growth and success through long-term partnership



7000+
Highly skilled, dedicated and empowered employees

£3.9bn
Our annual turnover 2023 Full Year

24
Modern, well invested production facilities internationally

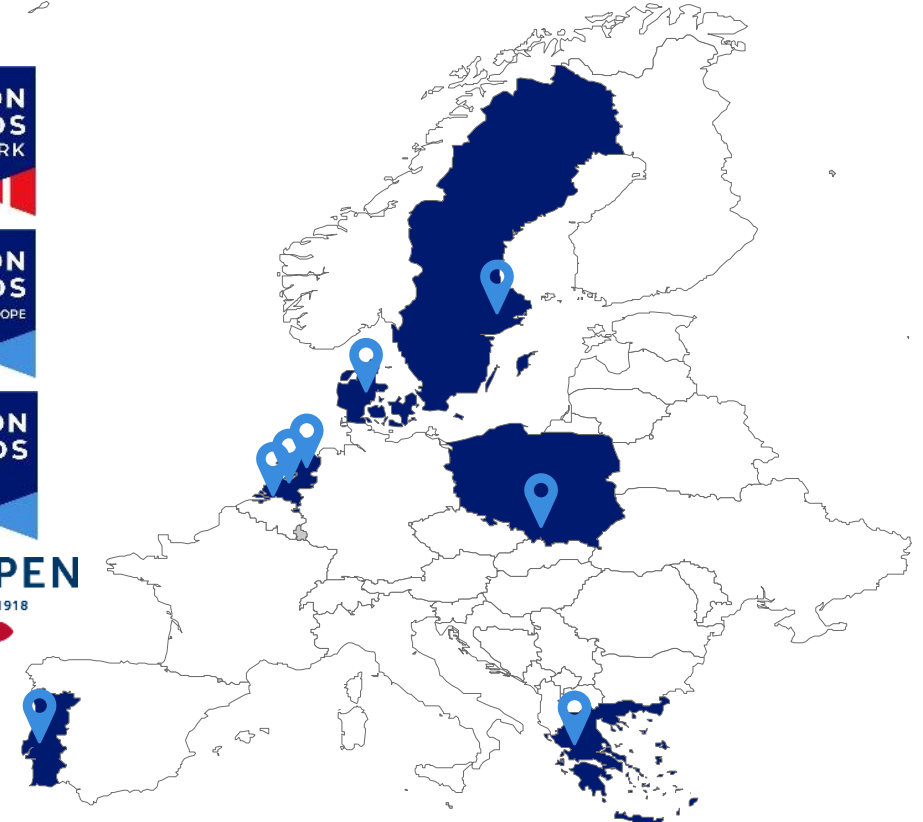
- Added Value Easier Meals
- Seafood
- Vegan & Vegetarian
- Supply Chain & Technology
- Food Service Channel Entry
- Food Park Concept Launch

We operate highly automated, state of the art facilities internationally that best serve our customers

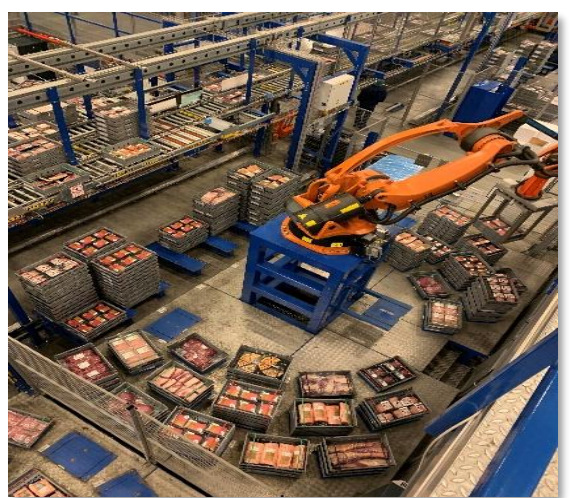
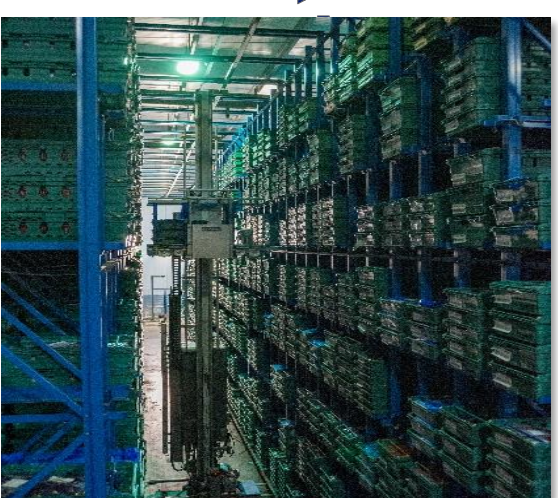
UK & Ireland



Europe



Asia-Pacific



Technical Guidance

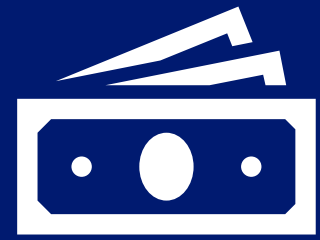
	2024	2023
Core Capex / £m	c. £60m	£58.6m
Effective tax rate	c. 27%	26.0%
Average interest rate on bank borrowings ¹	c. 6.7%	6.0%
Average FX rates ²		
AUD	1.92	1.87
DKK	8.73	8.57
EUR	1.17	1.15
NZD	2.08	2.03
PLN	5.05	5.22
SEK	13.33	13.19
Impact on 2024 PBT / £m	-£0.9m	-

Half-year / Year end

H1 2024 26 weeks ending 30th June 2024 / FY 2024 52 weeks ending 29th December 2024

H1 2023 28 weeks ended 16th July 2023 / FY 2023 52 weeks ended 31st December 2023

Our medium-term financial ambitions



Focused investment
delivering sustainable
returns

> 20%

ROCE target

< £50_m

Target core capital
spend per annum

< 2.0x

Leverage

> 1.5x

Cash conversion



Grow margin through
additional services



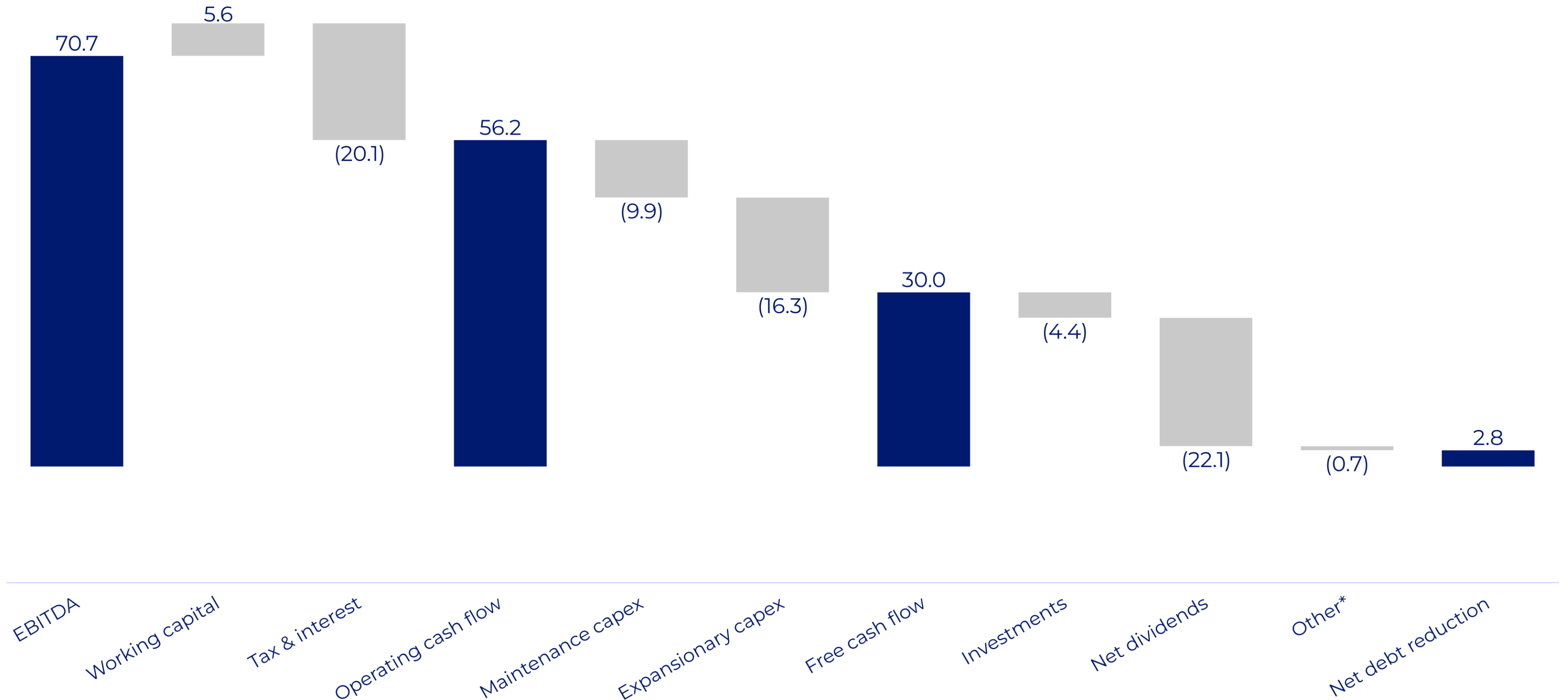
Sustained mid-single
digit profit growth



Organic mid-single
digit EPS growth

Strong free cashflow generation

Net debt reduction / £m



Cashflow Statement – IFRS 16 impact

£m	H1 2024			H1 2023		
	Ex IFRS 16	IFRS 16 Reclass / Exceptional	Reported	Ex IFRS 16	IFRS 16 Reclass / Exceptional	Reported
Cash generated from operations	76.3	12.6	88.9	67.8	5.9	73.7
Tax and interest paid	(20.1)	(4.1)	(24.2)	(21.2)	46.7	25.5
Net cash from operating activities	56.2	8.5	64.7	46.6	1.6	48.2
Maintenance Capex	(9.9)	-	(9.9)	(9.7)	-	(9.7)
Underlying Free cashflow	46.3	8.5	54.8	36.9	1.6	38.5
Expansionary CAPEX	(16.3)	-	(16.3)	(18.1)	-	(18.1)
Free cashflow	30.0	8.5	38.5	18.8	1.6	20.4
Acquisitions/JV Investment	(4.4)	-	(4.4)	(1.6)	-	(1.6)
Payment of lease liabilities	-	(8.6)	(8.6)	-	(6.9)	(6.9)
Dividends paid	(20.6)	-	(20.6)	(20.2)	-	(20.2)
Dividends paid - minority	(1.5)	-	(1.5)	(1.6)	-	(1.6)
Other/FX	(0.7)	-	(0.7)	(0.2)	5.2	5.0
Change in net debt	2.8	(0.1)	2.7	(4.8)	(0.1)	(4.9)
Opening net debt	(139.9)	0.2	(139.7)	(211.9)	0.3	(211.6)
Closing net debt	(137.1)	0.1	(137.0)	(216.7)	0.2	(216.5)

H1 24 - 26 week period compared to 28 weeks reported for H1 23

		H1 24	H1 23		Variances%		
		26 weeks as reported	28 weeks as reported	Adjusted to 26 weeks	H1 24 vs H1 23 (28wk)	H1 24 vs H1 23 (adj to 26 wks)	H1 24 vs H1 23 (adj 26 wks at const. FX)
Volume	tonnes	260,907	272,321	252,869	-4.2%	3.2%	3.2%
Revenue	£m	1,943.8	2,123.1	1,971.5	-8.4%	-1.4%	1.0%
Adjusted Operating Profit	£m	46.9	41.8	38.8	12.2%	20.8%	23.2%
Adjusted PBT	£m	33.5	26.8	24.8	25.3%	35.0%	37.8%
Adjusted EPS	p/share	25.8	21.6	20.1	19.4%	28.4%	31.3%

Balance Sheet Summary

As at 30 June 2024	H1 2024			H1 2023		
	£ m	ex IFRS 16	Impact of IFRS 16	Reported	ex IFRS 16	Impact of IFRS 16
Non-Current Assets	491	194	685	483	228	711
Current Assets	499	(2)	497	543	(5)	538
Current Liabilities	(455)	5	(450)	(439)	(8)	(447)
Net Current Assets	44	3	47	104	(12)	92
Total Assets Less Current Liabilities	535	197	732	587	216	803
Creditors Falling Due in Over 1 Year	(201)	(218)	(419)	(281)	(236)	(517)
Capital Employed	334	(21)	313	306	(20)	286
Share Capital	9	-	9	9	-	9
Distributable reserves	192	(20)	172	172	(18)	154
Other Reserves	122	(1)	121	115	(2)	113
	323	(21)	302	296	(20)	276
Minority Interests	11	-	11	10	-	10
Total Equity	334	(21)	313	306	(20)	286
Net Bank Debt	137	-	216	216	-	216
Net Debt – including lease liabilities	137	218	356	217	(248)	(31)

Net Debt

£m	H1 2024			H1 2023		
	Ex IFRS 16	Impact of IFRS 16	Reported	Ex IFRS 16	Impact of IFRS 16	Reported
Cash and cash equivalents	95.3	-	95.3	79.7	-	79.7
Bank Borrowings	(232.3)	-	(232.3)	(296.1)	-	(296.1)
Net Bank Debt	(137.0)	-	(137.0)	(216.4)	-	(216.4)
Lease Liabilities	(0.1)	(218.2)	(218.3)	(0.3)	(225.6)	(225.9)
Net Debt – including Lease Liabilities	(137.1)	(218.2)	(355.3)	(216.7)	(225.6)	(442.3)

P&L – Adjusted to Statutory Measure

£ m	H1 2024	H1 2023
Statutory Operating Profit	43.6	30.6
Add back IFRS 16 depreciation	9.6	9.5
Less: IAS 17 lease accounting	(11.3)	(11.3)
Add back: Amortisation of acquired intangibles and fair value adjustments	4.6	5.3
Adjusting items (exceptional)	0.4	7.7
Adjusted Operating Profit	46.9	41.8
Statutory Profit Before Tax	25.4	11.3
Adjustment to operating profit as above	3.3	11.2
Add back: IFRS 16 interest	4.1	4.3
Adjusting items (exceptional)	0.7	-
Adjusted PBT	33.5	26.8

Net Interest

£m	H1 2024	H1 2023
Bank and other interest payable	(8.6)	(11.5)
Supply chain finance interest	(5.2)	(3.6)
Bank interest receivable	0.5	0.1
Net interest on bank borrowings	(13.3)	(15.0)
Adjusting items (exceptional)	(0.7)	-
Interest on lease liabilities	(4.1)	(4.3)
Net interest payable	(18.1)	(19.3)
EBITDA Interest cover – ex IFRS 16 (times)	5.3	4.5