

---

## First half of 2023

A very good result in a challenging environment

Financial analysts presentation

10/08/2023 | Bell Food Group, first half of 2023



This document does not constitute an offer to sell nor a solicitation to buy securities. It does not constitute an offer, a public offer or a prospectus as defined in Art. 3 and 35 et seq. of the Federal Act on Financial Services (FinSA) or a listing prospectus as defined by the listing rules of the SIX Swiss Exchange. Copies of this document may not be sent to or from other jurisdictions or be distributed elsewhere where this is restricted or prohibited by law.

In the event it should be established that this document constitutes an offer, a public offer, a prospectus, a basic information sheet or a similar notice pursuant to FinSA, it is hereby stated that Bell Food Group AG analysed, compiled and presented the information available to it with the care required. This document also contains certain forward-looking statements. **Such forward-looking statements, plans, objectives, estimates and strategies are subject to known and unknown risks, uncertainties and other factors, which can mean that the actual results, financial situation, development or other aspects (possibly material) of the company relevant to investors may deviate from what was explicitly or implicitly assumed and/or stated in these statements, plans, objectives, estimates and strategies. Because of these uncertainties, investors and other persons may not and cannot rely on such forward-looking statements, plans, objectives, estimates and strategies.**

Bell Food Group AG accepts no liability or obligation towards investors and the broader public to update such forward-looking statements, plans, objectives, estimates and strategies or amend them in line with future events and developments.

# Overview of the first half of 2023

2 249

+6.9 %

Sales revenue  
in CHF million

64

+1.0 %

EBIT  
in CHF million

47

+15.9 %

Net profit  
in CHF million

12 618

-1.9 %

Headcount  
FTE as of 30/06

Organic sales growth

+6.9 %



## Important factors affecting the first half of 2023

Persistent inflation and volatile market circumstances

Success for all business areas

Inflation mostly compensated by cost management, efficiency improvements and price increases

Persistent inflation leads to growing demand for less expensive product ranges

Adverse weather conditions in part



First half of 2023

## Persistent inflation in all sales markets

	Inflation rate as at the end of 2022	Inflation rate as at 30/06/2023
Switzerland	2.8 %	1.8 %
Germany	6.9 %	6.8 %
France	6.9 %	5.3 %
Austria	8.6 %	7.8 %
Poland	16.6 %	11.0 %
Spain	5.4 %	1.6 %
Hungary	24.4 %	19.9 %
Romania	13.8 %	9.3 %

## Development of sales revenue – strong organic growth

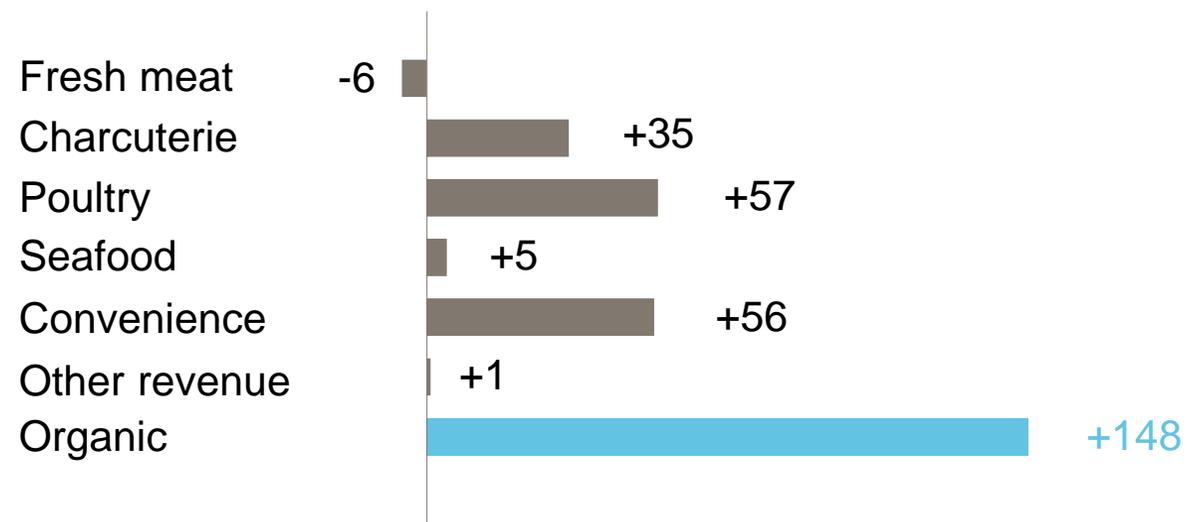
### Sales revenue

in CHF million

Sales revenue 2022	2 133	
FX	-33	-1.5 %
Inorganic	-	-
<b>Organic</b>	<b>148</b>	<b>+6.9 %</b>
Sales revenue 2023	2 249	

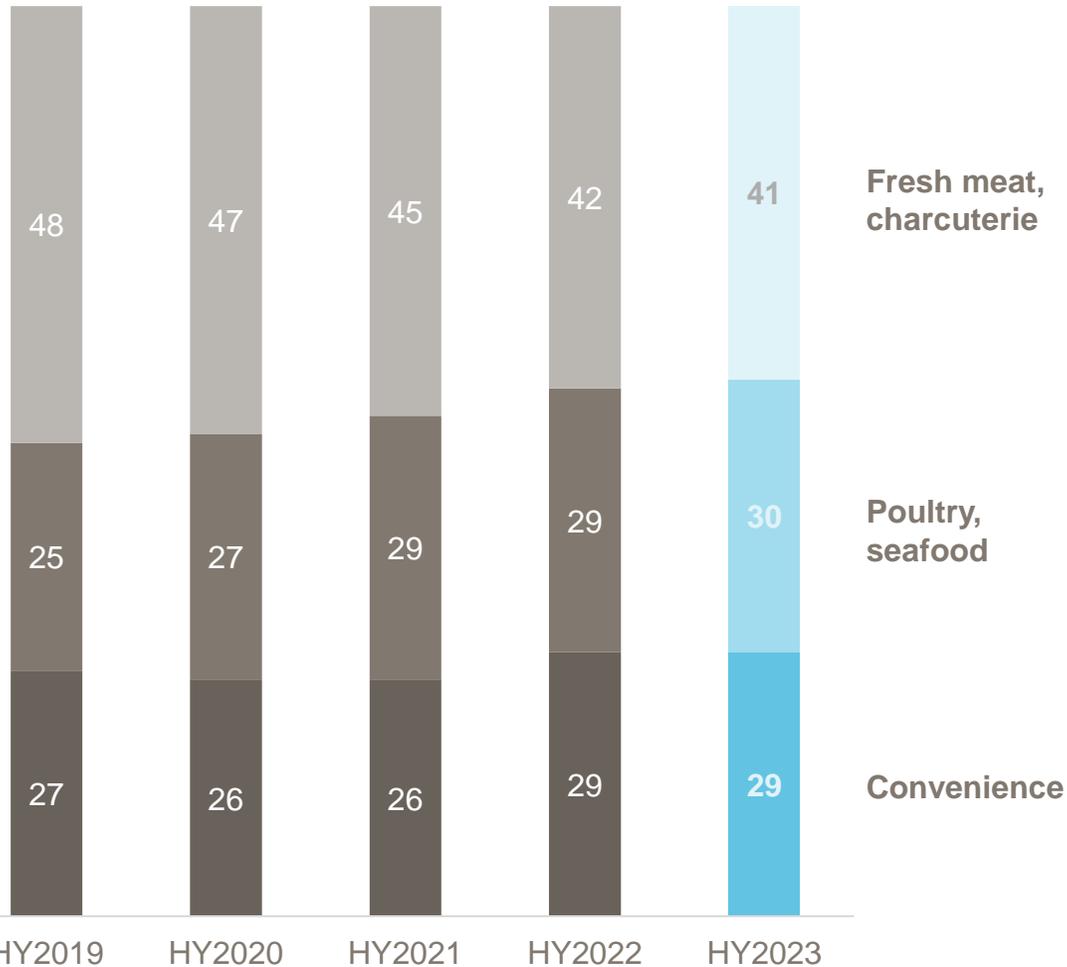
### Sales by product group

in CHF million

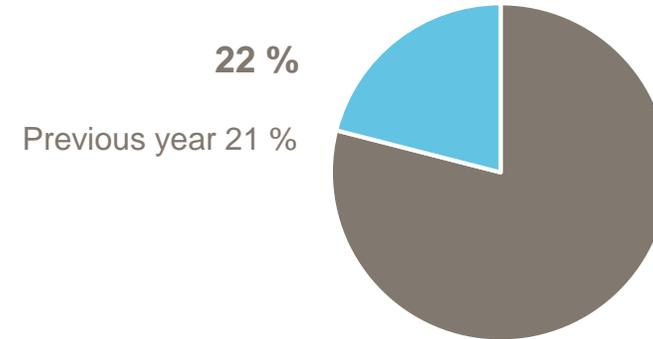


## Development of sales revenue – growth segments charcuterie, poultry and convenience

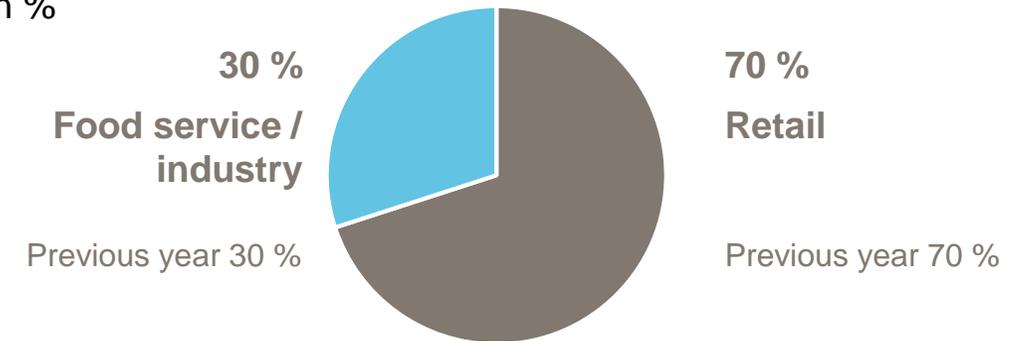
### Breakdown of sales by product group in %



### Share of sales of vegetarian products in %



### Share of sales for retail and food service/ industry in %



Explanations regarding the first half of 2023  
**Success for all business areas**

	 Revenue in CHF million	Change, organic in %	 Growth drivers
Bell Switzerland	1 064	+2.0 %	Barbecue season: sunshine followed rain / strong for fresh meat and poultry / food service grew / trend towards less expensive product ranges
Bell International	570	+14.7 %	Higher prices for pork / strong for sustainable poultry / market share gained / inflation mostly buffered by price increases
Eisberg	171	+7.0 %	Weather conditions affected procurement / Marchtrenk drove growth / rainy weather dampened consumption / inflation burdened food service
Hilcona	276	+5.7 %	Tense raw materials markets / high innovation capacity / product range adjustments due to changes in consumer behaviour
Hügli	211	+14.3 %	Market share gained / food service recovered further / inflation dampened demand for organic products

# Innovations and market performance

- Broad range expanded with new products
- Trendy special cuts
- Cooperation with market leader



- Dessert product range completely overhauled
- New market presence for the Vogeley brand
- All chocolate desserts were switched to fairtrade cacao



- Market activities intensified in Austria
- Capacities expanded in Switzerland
- Product range updated and new market presence



- To-go vegetarian product range expanded
- Trendy formats and recipes, e.g. Asian dishes



**Salad bowls**



- Ongoing expansion of product range, most recently with plant-based ham and chicken chunks
- Cooperation with retail and restaurant chains



# Explanations regarding the first half of 2023

Explanations regarding the first half of 2023  
**Income statement (1/2)**

in CHF million

	<b>HY2023</b>	<b>HY2022</b>	<b>+/-</b>	<b>%</b>
<b>Net revenue</b>	<b>2 226.8</b>	<b>2 111.2</b>	+115.7	+5.5 %
<b>Gross profit</b> in % of net revenue	<b>865.5</b> <b>38.9 %</b>	<b>812.2</b> <b>38.5 %</b>	+53.3	+6.6 %
<b>EBITDA</b> in % of net revenue	<b>147.9</b> <b>6.6 %</b>	<b>143.7</b> <b>6.8 %</b>	+4.3	+3.0 %
<b>EBIT</b> in % of net revenue	<b>63.6</b> <b>2.9 %</b>	<b>63</b> <b>3.0 %</b>	+0.6	+1.0 %

- **Organic growth for net revenue CHF 148 million**  
Good performance in all business areas
- **Increase in gross profit and higher margin**  
Higher costs were mostly compensated by higher prices.
- **Prior-year EBIT exceeded**  
Inflation-driven cost increases could be compensated with price hikes, operational progress and good cost discipline.

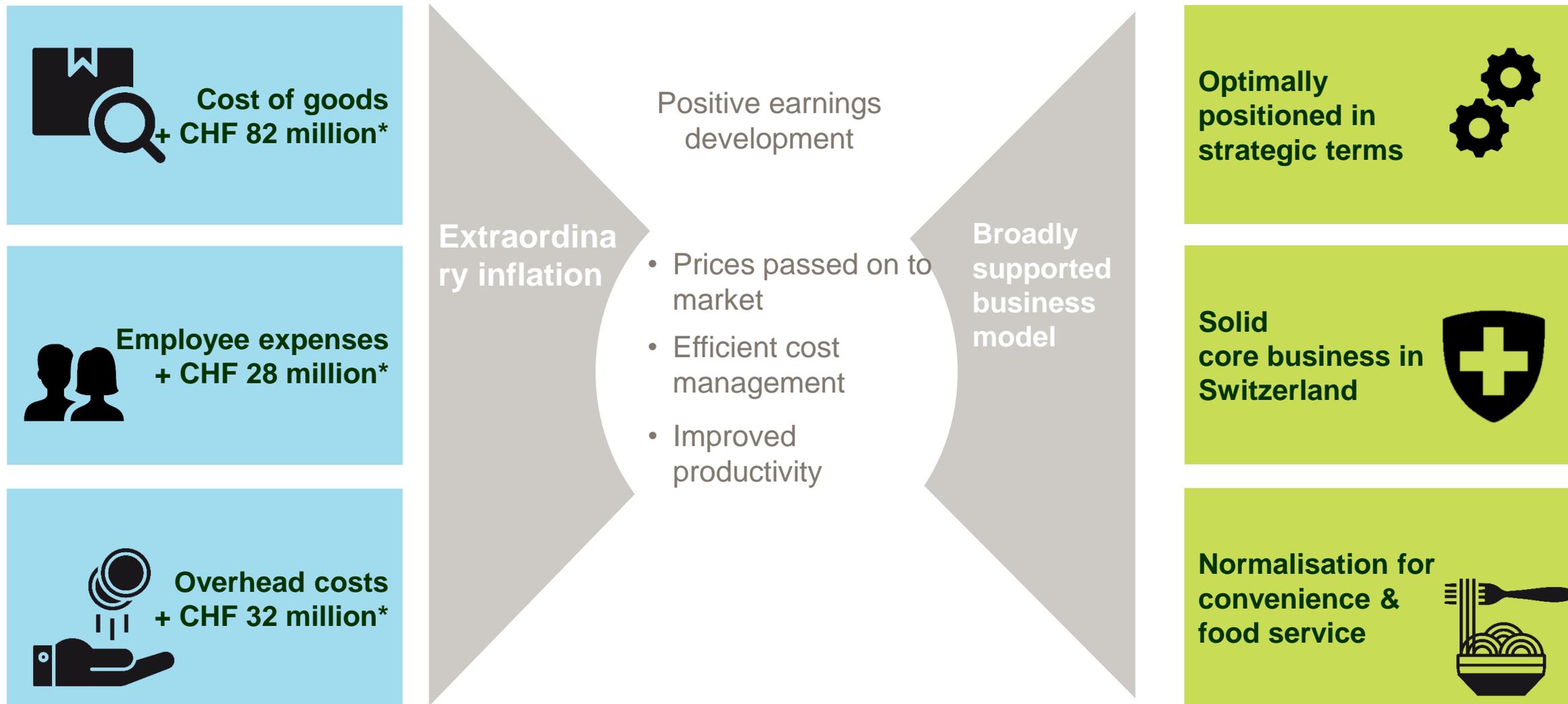
Explanations regarding the first half of 2023  
**Income statement (2/2)**

in CHF million

	HY2023	HY2022	+/-	%
<b>EBIT</b>	<b>63.6</b>	<b>63.0</b>	+0.6	+1.0 %
in % of net revenue	<b>2.9 %</b>	<b>3.0 %</b>		
Financial result	-3.8	-9.9	+6.1	
Net income from associated companies	0.8	1.0	-0.2	
Taxes	-14.0	-13.9	-0.1	
<b>After-tax profit</b>	<b>46.6</b>	<b>40.2</b>	+6.4	+15.9 %
in % of net revenue	<b>2.1 %</b>	<b>1.9 %</b>		

- **Good operating performance of the Bell Food Group**
- **Currency gains greatly impacted the financial result**  
 Currency gains were up in 2023 by CHF +6.1 million.  
 Other interest rates were stable.
- **Tax expenses were slightly lower than in the previous year**  
 Change in EBT resulted in constant tax expenses in spite of higher Group EBT
- **Result improved by 15.9 %**

## Strong business model – able to respond quickly to market changes



## Equity ratio

**48.5 %**

*Previous year: 48.3 %*

- Shift from non-current to current financial liabilities owing to bond (CHF 200 million) maturing in February 2024
- Bell Food Group has a very solid balance sheet – equity ratio well above own target of > 40 %
- Goodwill is capitalised and amortised. If it were to be set off against equity, the equity ratio would be very solid at 46 %

## Operating free cash flow

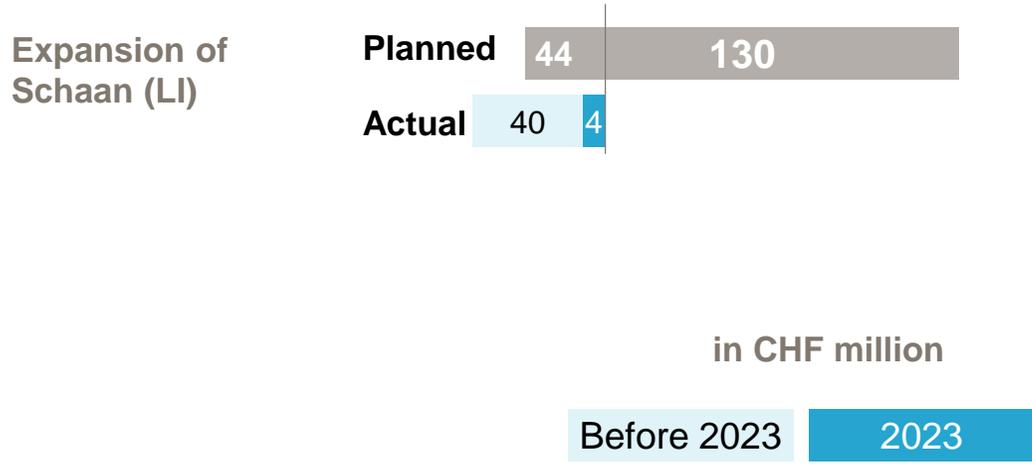
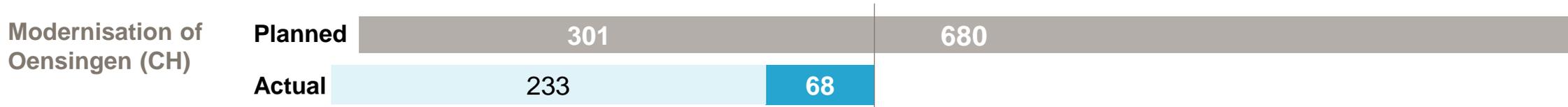
**CHF -36 million**

*Previous year: CHF 2 million*

- Profit increase had a positive effect on the operating cash flow, which increased by +14 % to CHF 141 million
- After deduction of the expected high operational investments of CHF 177 million, the operating cash flow was CHF -36 million.

## Investment programme 2021 - 2025 – projects are proceeding according to plan

in CHF million



### Operational investments

**CHF 134**  
million

*Previous year:  
CHF 106 million*

# 2021 – 2025 strategy

Leading in food – strategically expand our leading position

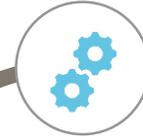
# Strategic directions at a glance



**Strengthen  
our core  
business**



**Grow with  
convenience and  
vegetarian  
products**



**Invest in efficiency  
and productive  
capacity**

- New access road
- Extensions
  - > Crate washing facility
  - > Cold rooms and warehouse
  - > Slicing centre
- Refurbishment of administration building



## New facility in Marchtrenk (AT) is a driver of growth

Growth with  
convenience  
and  
vegetarian  
products



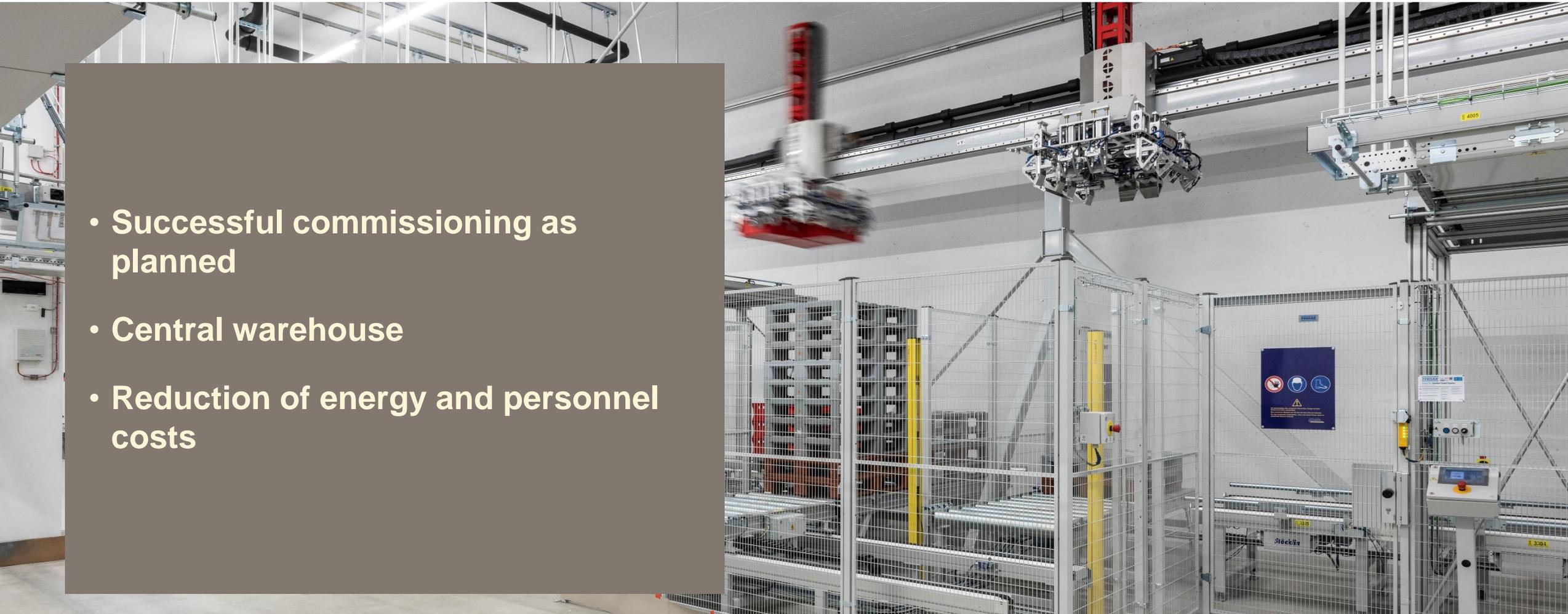
- Sales volumes continuously increased
- Further operational progress
- Good prospects



## Commissioning of deep-freeze warehouse in Oensingen (CH)



- Successful commissioning as planned
- Central warehouse
- Reduction of energy and personnel costs



# ESG and sustainability engagement

## We take responsibility.

**99 %**

of our beef came from deforestation and conversion-free sources in 2022.

**< 1 %**

operational food losses in 2022.

**61 %**

of the animals slaughtered in our own abattoirs in Switzerland have an animal welfare label/certification.

**99 %**

of all raw materials came from Europe in 2022.



- Photovoltaic plants are in use at 13 locations of the Bell Food Group, and another 10 are being planned
- Own production of electricity increased from 715 to 6 500 megawatt hours in one year

- 73 % of the fruit and vegetables procured meet or exceed a minimum standard for sustainable agriculture.
- 100 % of our palm oil comes from deforestation and conversion-free sources



# Outlook

## Outlook for the second half of 2023 – continue to cushion inflation

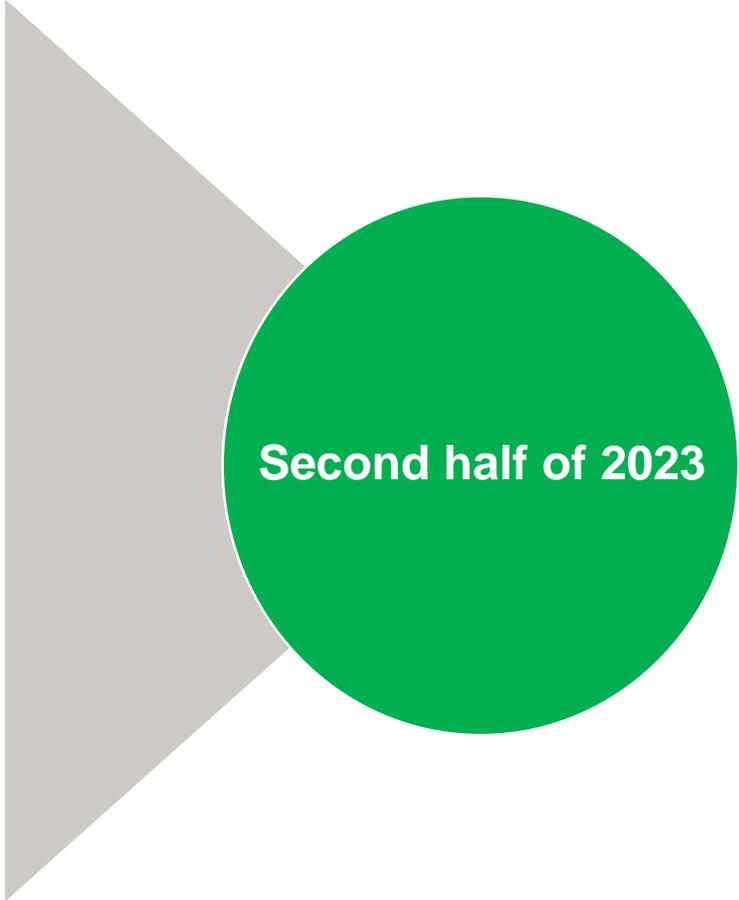
Inflation will continue to affect the performance of all business areas in the second half of 2023.

The development of inflation and its impact on people's purchasing power will continue to affect consumer behaviour and demand for our product ranges.

The shift in consumer demand towards cheaper product ranges will affect value creation.

The speed at which price changes can be implemented in the market will be a decisive factor for the Bell Food Group.

In summary, the outlook remains intact for a good annual performance.



Second half of 2023

## **Results for 2023**

Analysts' Presentation, Basel

**7 February 2024**

## **Annual General Meeting 2024**

Basel

**16 April 2024**

## **Results for the first half of 2024**

Analysts' Presentation, Basel

**13 August 2024**