

---

## 2022 financial year

Satisfactory result in a challenging environment

Financial analysts presentation

10/02/2023 | Bell Food Group, 2022 financial year



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 Ltd analysed, compiled and presented the information available to it with the required care. 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 Ltd 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 2022 financial year.

4 352

+ 6.1 %

Sales

in CHF million, currency adjusted

163

+ 0.4 %

EBIT

in CHF million

Operating sales growth

+6.1 %

128

+ 0.4 %

Net profit

in CHF million

7.00\*

=

Dividend

in CHF per share / \*2023 proposal  
to AGM



## Important factors affecting the 2022 financial year



**Satisfactory result  
in spite of the  
challenging  
market  
environment**



**Normalization of  
the Corona  
situation;  
beginning of the  
Ukraine crisis**

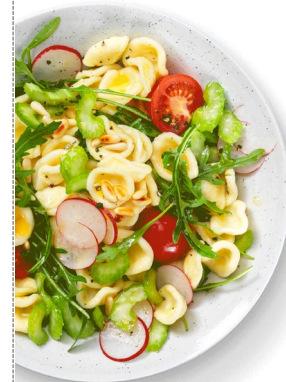


**Higher production  
costs mostly  
compensated by  
price increases**

**Solid performance  
in all business  
areas**



**Production facility  
in Marchtrenk  
posts strong sales  
growth**



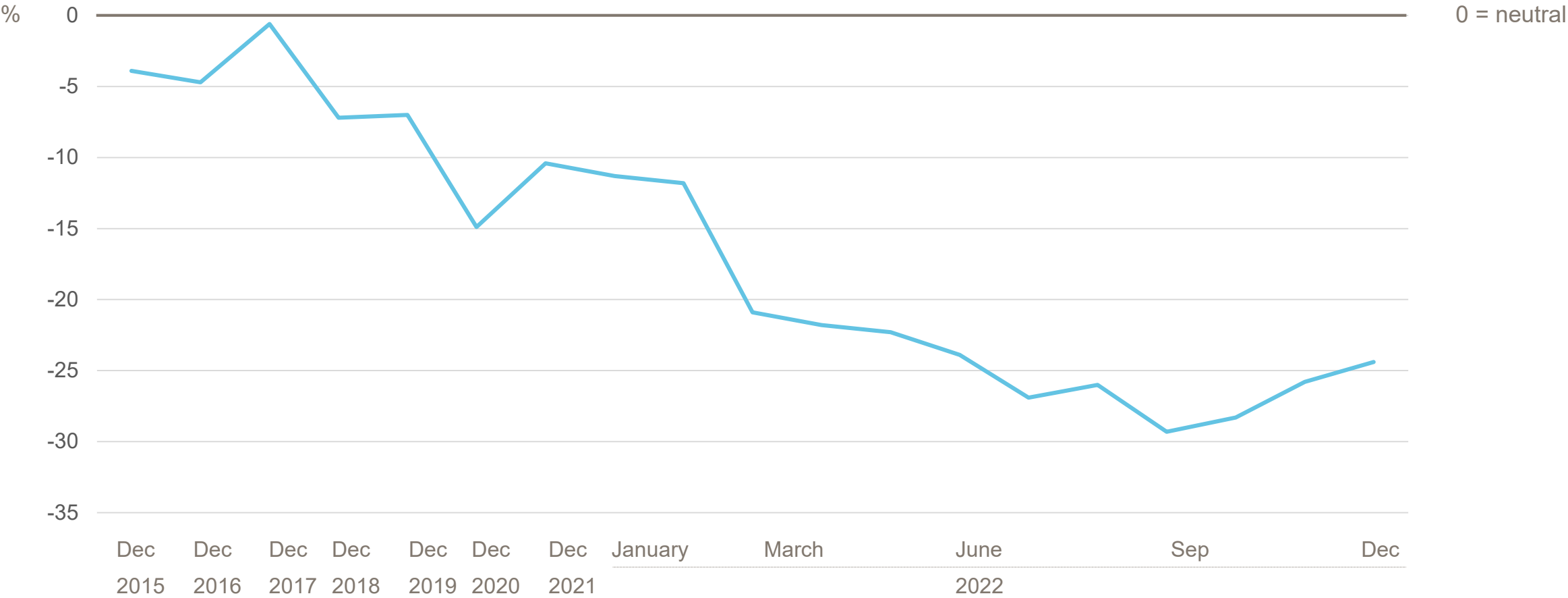
**High inflation  
affected consumer  
behaviour**



Overview of the 2022 financial year

# Inflation affected consumer behaviour

EU's consumer confidence index from December 2015 to December 2022



## Sales development – gratifying organic growth

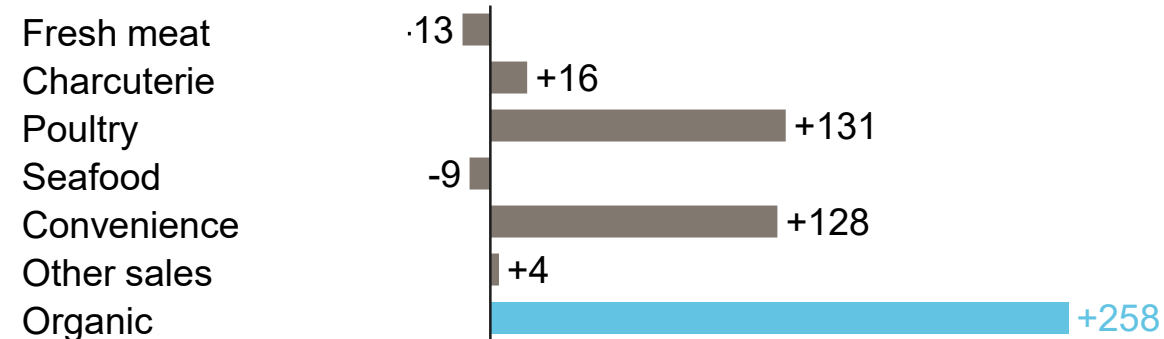
### Sales

in CHF million

Sales revenue 2021	4 201	
Currency effect	-107	- 2.5 %
Inorganic	-	-
Organic	258	+ 6.1 %
Sales revenue 2022	4 352	

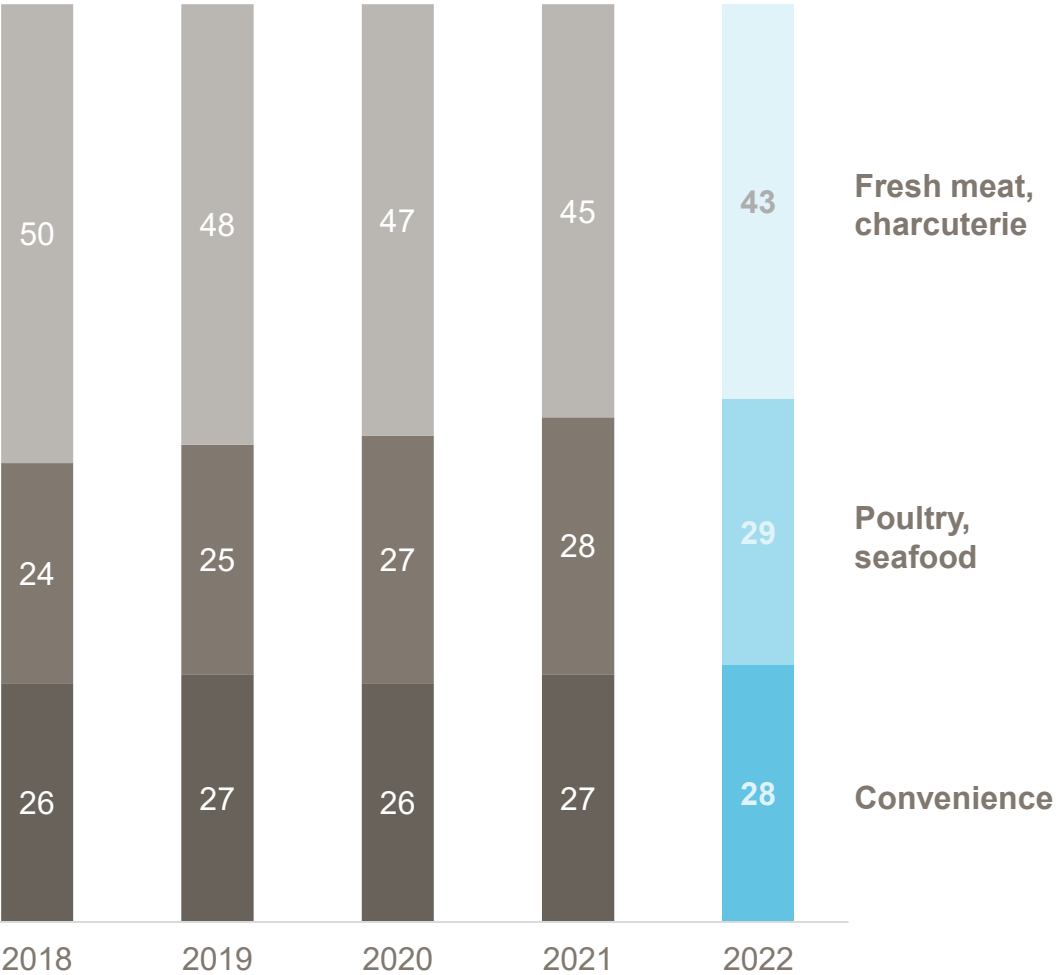
### Sales by product group

in CHF million

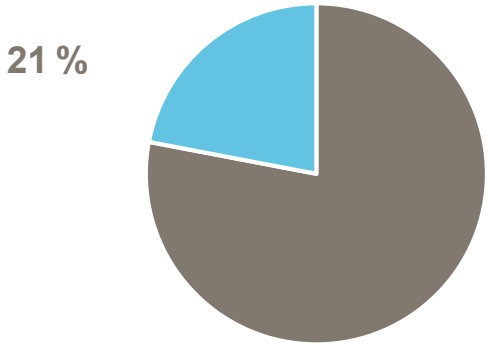




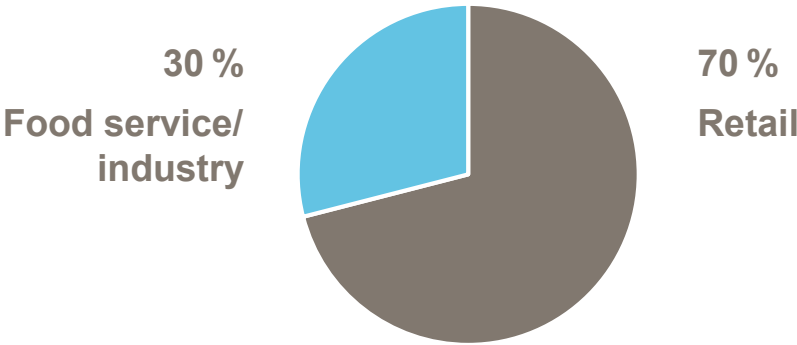
Sales by product group  
in %



Share of sales of vegetarian products  
in %





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





## Business areas – solid performance in all business areas

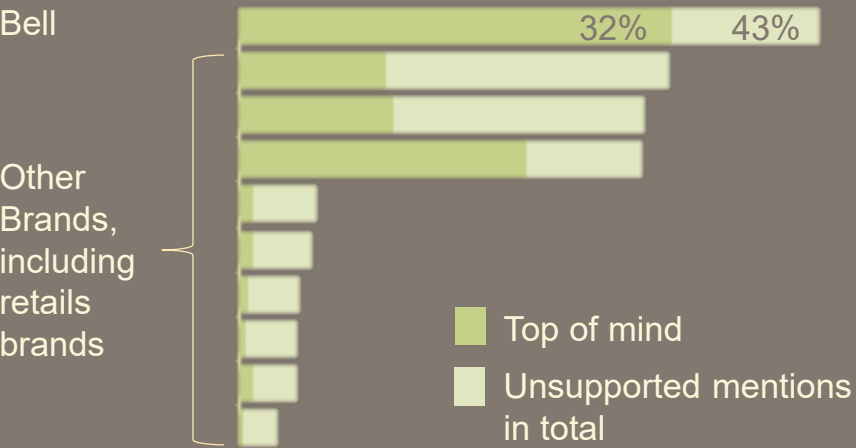
	 Sales in CHF million	 Change in %	 Growth drivers
Bell Switzerland	2 118	-0.3 %	Good seasonal business / strong result for poultry / recovery of food service / inflation cushioned by price increases
Bell International	1 079	+15.3 %	Very successful financial year / strong poultry business / strategically good market position / gained market share
Eisberg	320	+14.4 %	Normalisation of the coronavirus situation / Marchtrenk makes progress / guaranteed delivery readiness / inflation a great challenge
Hilcona	540	+10.8 %	Successful pasta and sandwiches / growing vegetarian ranges / upswing for out-of-home food products / inflation affects consumer behaviour
Hügli	381	+7.6 %	Normalisation of the coronavirus situation / recovery of food service / normalisation of retail / new brand concepts

# Innovations and market performance.

Leader in BBQ – Bell is the strongest player by far in this important market

• Bell is the strongest Swiss meat brand

Spontaneous naming of the brand in the Swiss meat market





- Regional specialties
- Organic products
- Innovative packaging



Prosciutto di Parma now  
in a folding packaging





- Value-added concepts
- Convenience
- Service



+ 143 %



- Range extensions
- Distribution expanded
- Market share gained



+ 235 %



# Explanations regarding the 2022 financial year.



Explanations regarding the 2022 financial year

## Income statement (1/2)

in CHF million

	2022	2021	+/-	%
<b>Net revenue</b>	<b>4 315</b>	<b>4 152</b>	+163	+3.9 %
<b>Gross profit</b>	<b>1 666</b>	<b>1 616</b>	+50	+3.1 %
as % of net revenue	<b>38.6 %</b>	<b>38.9 %</b>		
<b>EBITDA</b>	<b>326</b>	<b>326</b>	0	+0.0 %
as % of net revenue	<b>7.5 %</b>	<b>7.8 %</b>		
<b>EBIT</b>	<b>163</b>	<b>162</b>	+1	+0.4 %
as % of net revenue	<b>3.8 %</b>	<b>3.9 %</b>		

- **Organic growth net revenue CHF 267 million**  
Good performance of all business units; currency adjustment CHF 103 million
- **Increase in gross profit**  
Higher procurement prices absorbed, but with time gap for price adjustments
- **EBITDA and EBIT at the level of the record previous year**  
Inflation-driven cost increases were offset by price increases, operational progress and good cost discipline

## Explanations regarding the 2022 financial year

### Income statement (2/2)

in Mio. CHF

	2022	2021	+/-	%
<b>EBIT</b>	<b>163</b>	<b>162</b>	<b>+1</b>	<b>+0.4 %</b>
as % of net revenue	<b>3.8 %</b>	<b>3.9 %</b>		
Financial result	-15	-12	-3	
Net income from associated companies	5	3	+1	
Taxes	-25	-27	+2	
<b>Consolidated profit after tax</b>	<b>128</b>	<b>127</b>	<b>+0</b>	<b>+0.4 %</b>
as % of net revenue	<b>3.0 %</b>	<b>3.1 %</b>		

- **Good operating performance of the Bell Food Group**
- **Currencies burden financial result**  
Currency effect of unrealised currency losses CHF -5.6 million (+1.6 m);  
interest expenses CHF 8.5 million (+1.1 m)
- **Tax expenses slightly lower than in the previous year**  
Due to lower EBT and changes in allocation of the results to units with different tax rates
- **Result on a par with the previous year**

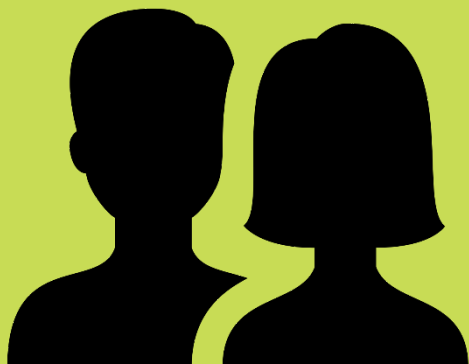
## Income statement – geopolitical distortions cause heavy inflation

**Feed**



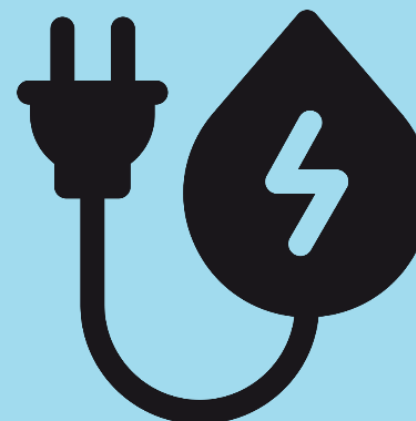
**+ CHF 57 million**

**Personnel**



**+ CHF 46 million**

**Energy**



**+ CHF 19 million**

**Transport**



**+ CHF 16 million**

Amounts = absolute change from previous year

## Balance sheet key figures – healthy balance sheet and solid financing

### Equity ratio

**47.5%**

*Previous year: 50.5%*

- Balance sheet extension due to bond issue and overpayment of a business partner
- Very solid balance sheet of Bell Food Group - equity ratio well above own target of > 40%
- Goodwill activated and amortized. If offset against equity, the equity ratio would be a very solid 45%

### Net debt ratio

**2.3x**

*Previous year: 2.1x*

- Successful placement of a CHF 300 million bond with a maturity of 7 years and an interest rate of 1.55 %
- Repayment of a maturing bond in the amount of CHF 175 million
- Refinancing in spring 2022 leads to an increase in financial liabilities
- Net debt ratio within own range of < 2.5x

## Operating Free Cashflow

**CHF 43 Mio.**

*Previous year : CHF 56 Mio.*

- At CHF 294 million, operating cash flow is at the level of the previous year.
- Net of cash-effective net capital expenditures, operating free cash flow amounts to CHF 43 million, which is only slightly below the previous year's level

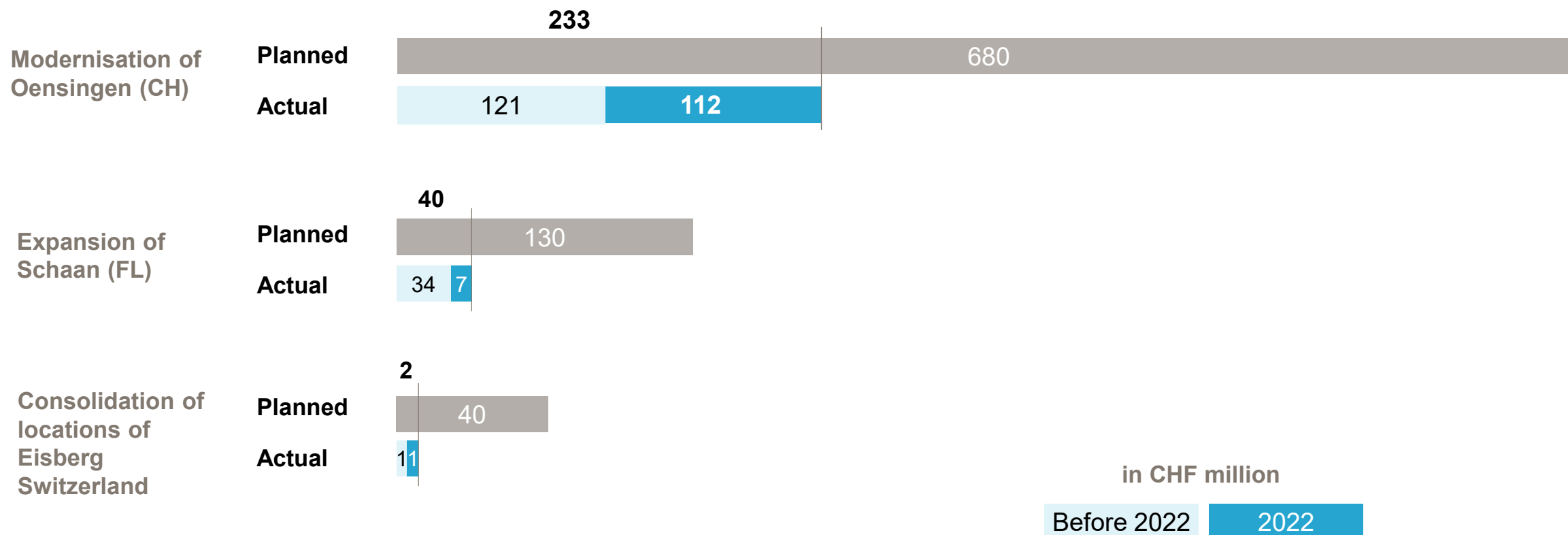
## Operational Investments

**CHF 280 Mio.**

*Previous year : CHF 241 Mio.*

- Operational investments amount to CHF 280 million, of which CHF 255 million are cash-effective
- Investment volume in line with guidance of CHF 300 million on average in the years 2021 to 2025
- Investment program in Switzerland gathers momentum; investments for this purpose amount to CHF 120 million in the year under review
- CHF 160 million invested in replacement and modernization projects in the reporting year

## Investment programme 2021 – 2025 – projects progressing according to plan

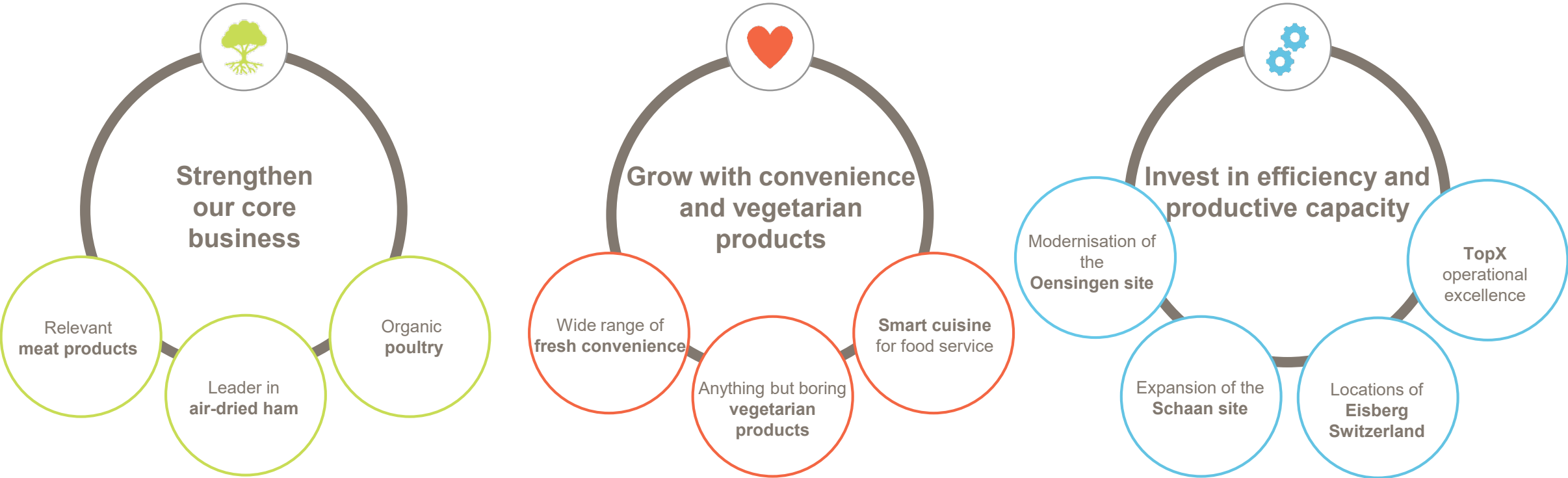


# Strategy 2021 – 2025

Leading in food – strategically expand our leading position.



We shape the future.





- **Bell Food Group is the largest organic poultry producer in Europe**
- **Profitable growth in the poultry sector in Switzerland, Austria and Germany**
- **Market share gained**
- **Growing market**





- **Strong growth**
- **High innovative strength; over 35 innovations in the reporting year**
- **New generation of frozen pasta**
- **We set new standards in indulgence**







- **Construction completed on budget**
- **Central storage location**
- **Reduction in energy and personnel costs**
- **Commissioning April 2023**

## Invest in efficiency and productive capacity – expansion of Oensingen site



- Construction work on track
- Automation and efficiency
- Central logistics and order picking
- Commissioning scheduled for 2025





## Invest in efficiency and productive capacity – new slaughter plant

Modernisation  
of the  
Oensingen  
site

BELL  
FOOD  
GROUP



- Increase capacity
- Optimization processes
- Highest standard
- High efficiency
- Commissioning scheduled for 2025



- **Start of phase 2**
- **New high-bay warehouse with over 17,000 pallet spaces**
- **Capacity expansion**
- **Process optimization**
- **Commissioning scheduled for 2025**





- 32 production sites active so far
- CHF 16 million savings in 2 years
- Around 4,500 employees involved so far
- Over 560 employee suggestions implemented in 2022



# ESG and sustainability engagement

## We take responsibility.



**Yasai builds smart and highly automated vertical farms for a more sustainable future**

**YASAI**  
GROW MORE WITH LESS



**Mosa Meat aims to be the first company in the world to submit an EU Novel Food application in 2023 (fat and muscle cells)**

**Mosa  
Meat**



# Outlook.



## Outlook for the 2023 financial year – volatile framework conditions

- Geopolitical developments will have a decisive effect on the cost situation on the procurement market
- Quality and availability of raw materials will remain volatile
- Lack of purchasing power and general concerns about recession among consumers will continue to affect demand
- It will be crucial for the Bell Food Group to be able to pass on higher production costs to consumers in a timely manner
- With regard to demand, the trend in favour of simpler products is likely to continue – this will particularly affect revenues in the convenience business areas

