

# ORIOR

★★★★★  
EXCELLENCE IN FOOD



2023 **ORIOR Group**  
INTERIM RESULTS

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## Performance measures

ORIOR uses alternative performance measures in this presentation that are not defined by Swiss GAAP FER. These alternative performance measures provide useful and relevant information regarding the Group's operative and financial performance. The document "Alternative Performance Measures Half Year 2023", which is available at <https://orior.ch/en/financial-reports>, defines these alternative performance measures.

# Agenda

## H1 2023

- CEO Statement
- ORIOR Group's operating profile
- Measures with an increased focus
- ESG / The ORIOR Responsibility
- Sales development
- ORIOR segments
- Consolidated income statement and balance sheet
- Additional ORIOR Group key figures

## Outlook

- ORIOR Group
- ORIOR segments
  
- Q&A

## CEO statement

*ORIOR continues its growth path*

**Top line** > Increase in net sales by 0.9% to CHF 312.1 million; organic growth: +2.4%, currency effect –1.4%

- *Key growth drivers:*
  - > *Casualfood posts double-digit growth, Culinor Food Group with excellent growth*
  - > *More positive news for Food Service segment*
  - > *Higher raw materials and input costs push up prices*
- *Negative factors:*
  - > *Inflation rates hit purchasing power in export markets*
  - > *Pork prices remain low; slight recovery evident towards end of Q2*
  - > *Plant-based sales to UK disappointing; building up of other sales markets delayed*

**Profitability** > **EBITDA increased to CHF 30.5 million (H1 2022: CHF 30.2 million)**

- *EBITDA margin at 9.8% (H1 2022: 9.8%)*
- *Positive main drivers* > *Growth through business model-driven ranges with higher margins, development of channels, efficiency improvements, and price increases*
- *Negative factors* > *Purchasing power and input costs*

### Major Group initiatives

- *ORIOR Strategy 2025* > *Investor Day on 19 September 2023 at Casualfood*
- *“ORIOR New Normal” / Plant development* > *Planning for 2030 plant development begun*
- *ORIOR Responsibility / ESG* > *SBTi commitment letter submitted and elaboration initiated*



## Decentralised business model

*Greater resilience thanks to decentralised structure, robust brand and product worlds, and broad diversification*

Convenience				Refinement			International			
Fredag	Le Patron	Pastinella	Biotta	Rapelli	Albert Spiess	Möfag	Culinor	Casualfood	Gesa	Spieß Europa
										

### Competence centre philosophy

- Strong identification
- Proximity to market plus speed and agility thanks to our embrace of distinctive individuality
- Strong regional roots

**High-priority strategic initiatives** underway to tap into existing sales potential, capture efficiency gains and optimise costs

- Far-sighted ORIOR New Normal, multidisciplinary Champion Model, synergistic ORIOR Bridge-building

### Broad diversification

- In our product lines and product ranges: from fresh ready-made meals and pasta dishes, plant-based specialities, pâtés and terrines to organic vegetable and fruit juices, premium meat products and delicious on-the-go food outlets
- In our sales channels: traditional food retailers, food discounters, the foodservice industry and the travel food market
- In our customer portfolio: large and broad base of small, mid-sized and large customers
- In our geographic reach: local, regional, national and international market coverage (non-Swiss revenues based on customer domicile as % of total revenues in H1 2023: 30.9%)

# Priority areas of action

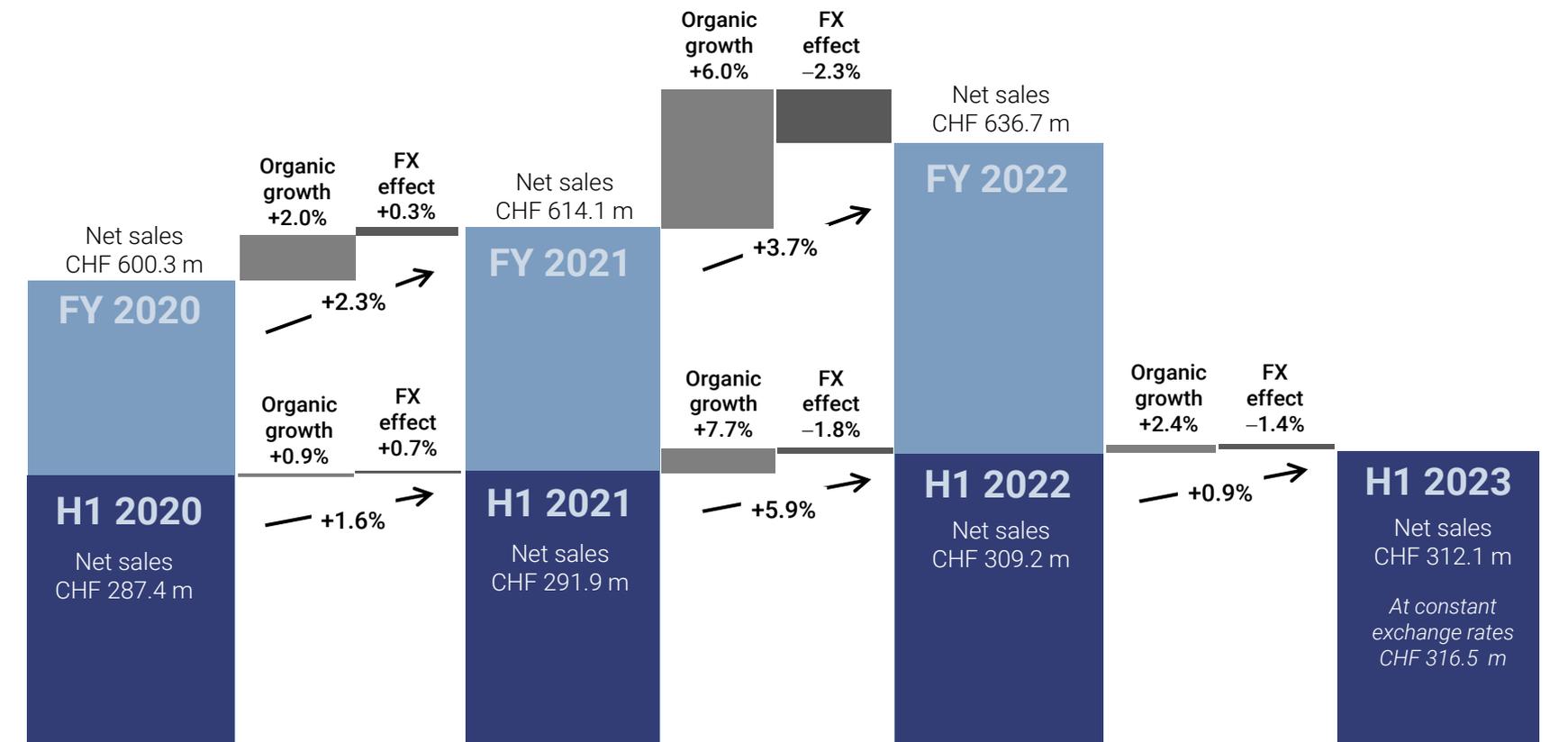
Factor/topic	Handling/measures
<p><b>Input costs</b> Raw materials Energy and other input costs including logistics</p>	<ul style="list-style-type: none"> <li>&gt; Strengthen procurement management: develop strategic purchasing; cross-cutting measures within Champion Groups</li> <li>&gt; Agile, proactive warehouse management in face of rising prices (e.g. pork H1 2023)</li> <li>&gt; Collaborative, responsible and appropriate price negotiations and adjustments</li> <li>&gt; Efficiency improvements thanks to controlling costs with rapid responsiveness as well as flexible structures and processes</li> <li>&gt; Energy costs for 2023/2024 have been recorded and factored in accordingly</li> </ul>
<p><b>Purchasing power in sales markets</b></p>	<ul style="list-style-type: none"> <li>&gt; Innovation: strengthen and expand entry-level and premium ranges</li> <li>&gt; Expand offering with simple yet delicious fresh menus</li> <li>&gt; Expand large-format range (family packs, multipacks)</li> <li>&gt; Develop and access new market opportunities</li> <li>&gt; Acquire new customers</li> </ul>
<p><b>Plant-based range</b> Switzerland sales: stable UK sales: inadequate, with only minimal signs of recovery</p>	<ul style="list-style-type: none"> <li>&gt; Trend towards “flexitarian” eating is a reality; decline in the plant-based segment is temporary</li> <li>&gt; Develop and access new export markets</li> <li>&gt; Innovate across all price points and channels in Switzerland</li> <li>&gt; Increase competitiveness in exports by being innovative in price positioning and optimising production cost structures</li> </ul>

# ESG / Sustainability at ORIOR

H1 2023 Highlights

-  2023 **CDP** questionnaire submitted at the end of July (rating expected in December, goal: maintain “B” rating)
-  **Double materiality analysis** process initiated – Findings / ESGC proposal planned for Nov. 23
-  Engagement **ESG ratings** further strengthened; draft reports reviewed
-  Progress made in implementation of **sustainability dashboard**, including workshops with KPI owners
-  **SBTi commitment letter** submitted; assessment of Scope 3 emissions underway
-  30-minute **Top50 webinars** conducted on SBT (3 x German, 2 x English)
-  Research started for new **vehicle directive** (e-mobility)
-  **Child labour risk assessment** (KoVI counterproposal requirement) in progress
-  **Culinor sustainability report** (GRI) nearing completion
-  Inspection performed by the Labour Inspectorate (occupational safety and health)

# Continuous organic growth



## ORIOR Convenience segment

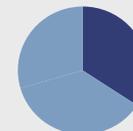
*Expectations mainly met; exports below expectations*

### Net sales

Decline of -0.1% to CHF 109.8 million (PY: +1.6%)

- Adjusted for one-off effect: +1.5%\*

The Convenience segment accounted for 34.8% of Group net sales.



### Primary influencing factors:

- Pleasing performance by Pastinella, the fresh pasta manufacturer, in all channels
- Retail segment posts slight improvement compared with same period last year
- Exports sales disappointing due to sales decrease with Plant-based Specialities in the UK and Biotta exports
- \* Sales shift into the Refinement segment (CHF –1.7 million)

### Product highlights

- Excellent performance from pasta and poultry specialties
- Fresh menus in Food Service segment / travel gastronomy
- Launch of new, diversified ranges at Biotta, e.g. Biotta Sprizz



# ORIOR Refinement segment

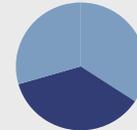
*Expectations not met*

## Net sales

Decline of -4.3% to CHF 119.3 million (PY: -0.4%)

- Adjusted for one-off effects: -5.2%\*

The Refinement segment accounted for 35.3% of Group revenues.



## Primary influencing factors:

- Persistently low pork prices; slight recovery towards end of H1
- Sales transfer from Convenience segment and fall in sales due to discontinuation of sales to Russia (CHF +1.1 million)\*
- Inflation-related weak demand in France caused exports to fall (intercompany sales with Spiess Europe)
- Volume stable despite lower promotional activity and slowdown in categories served in Retail

## Product highlights

- Terroir specialties from Rapelli
- Grill range with regional specialties from June onward
- Increase in sales of organic products and ranges with sustainable labels



# ORIOR International segment

*High expectations exceeded*

## Net sales

Net sales up by +6.0% to CHF 94.2 million

- Organic: +11.0% (PY: +26.2%)
- FX effect: –5.0% (previous year: –7.2%)

The International segment accounted for 29.9% of Group revenues.



## Primary influencing factors:

- Casualfood with strong double-digit growth thanks to increasing passenger numbers and outlet openings
- Culinor Food Group posts very good growth thanks to pass-through of increased input costs
- Gesa and Spiess Europe fail to meet previous year's level due to inflation and lower purchasing power in sales markets

## Product and concept highlights

- Opening of additional outlets, including at BER Airport
- New listings and expanded range with menu concepts in existing and new sales channels
- Realisation of bridging projects between Casualfood and Swiss units.



## Consolidated income statement | Net sales – EBIT

CHF million	January – June 2023	January – June 2022	Δ in %
<b>Revenues</b>	<b>312.1</b>	<b>309.2</b>	+0.9%
Cost of materials/change in inventory	-159.7	-167.9	
<b>Gross profit</b>	<b>152.4</b>	<b>141.3</b>	+7.9%
as a % of revenues	48.8%	45.7%	+314 bps
<b>EBITDA</b>	<b>30.5</b>	<b>30.2</b>	+0.8%
as a % of revenues	9.8%	9.8%	-1 bps
Depreciation and amortisation	-13.7	-12.8	
<b>EBIT</b>	<b>16.8</b>	<b>17.5</b>	-4.0%
as a % of revenues	5.4%	5.6%	-28 bps

- Gross margin improves by 314 basis points to 48.8%
  - *Main driver is growth in the International segment with travel gastronomy and higher gross margins thanks to business model*
- Gradual pass-through of higher input costs and efficiency gains offset substantial portion of additional costs
- EBITDA up to CHF 30.5 million, reflecting constant EBITDA margin of 9.8%
- Higher depreciation and amortisation related to investments in future, high-margin and innovative product categories

## Consolidated income statement | EBIT – Group net profit

CHF million	January – June 2022	January – June 2021	Δ in %
<b>EBIT</b> as a % of revenues	<b>16.8</b> 5.4%	<b>17.5</b> 5.6%	-4.0% -28 bps
<b>Net financial income/expense</b>	<b>-1.4</b>	<b>-1.9</b>	
<b>Group profit before tax</b> as a % of revenues	<b>15.4</b> 4.9%	<b>15.5</b> 5.0%	-0.8%
<b>Income taxes</b>	<b>-2.5</b>	<b>-2.5</b>	
Minority interests	0	66	
<b>Profit attributable to ORIOR shareholders</b> as a % of revenues	<b>12.9</b> 4.1%	<b>13.0</b> 4.2%	-0.4%

- The decline in net financial expenses was the result of lower foreign currency losses, whereas interest costs increased compared with the previous year due to the rising interest rate environment
- Stable tax rate of 16.2% fractionally above previous year's level (16.1%), but within medium-term expected range of 14% to 18%

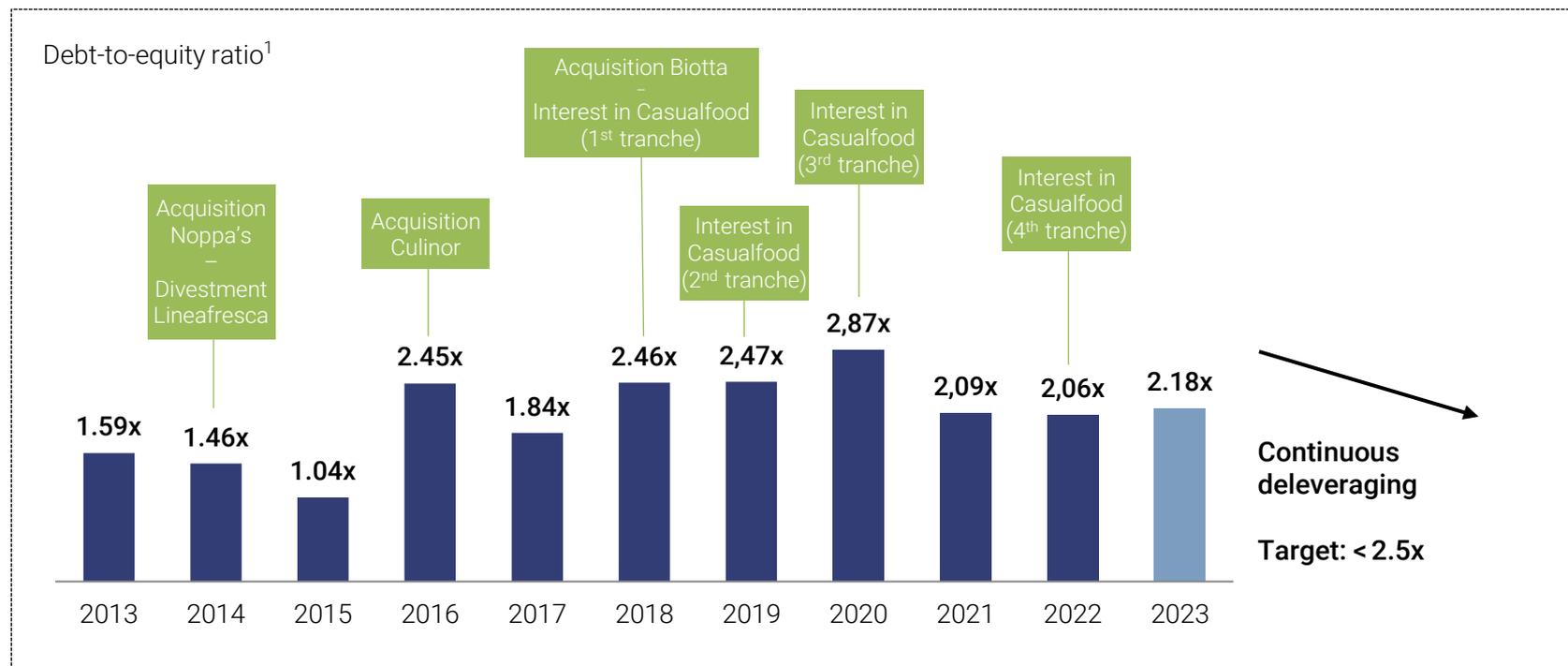
## Consolidated balance sheet

CHF million	30 June 2023		31 December 2022	
Current assets	180.6	49.5%	192.2	50.2%
Property, plant and equipment	125.2		129.4	
Intangible assets	52.9		55.8	
Financial assets	5.9		5.8	
<b>Total assets</b>	<b>364.6</b>	100.0%	<b>383.1</b>	100.0%

CHF million	30 June 2023		31 December 2022	
Liabilities	286.7	78.6%	301.6	78.7%
Equity	77.9	21.4%	81.6	21.3%
<b>Total liabilities and shareholders' equity</b>	<b>364.6</b>	100.0%	<b>383.1</b>	100.0%

- Steady fall in property, plant and equipment and intangible assets due to ordinary depreciation and amortisation
- Steady equity ratio of 21.4% (shadow accounts including goodwill 37.7%); Increase of equity ratio by 1.2% compared to H1 2022 (H1 2022: 20.2%).
- Decrease in current assets and liabilities due to increased business activities at year-end

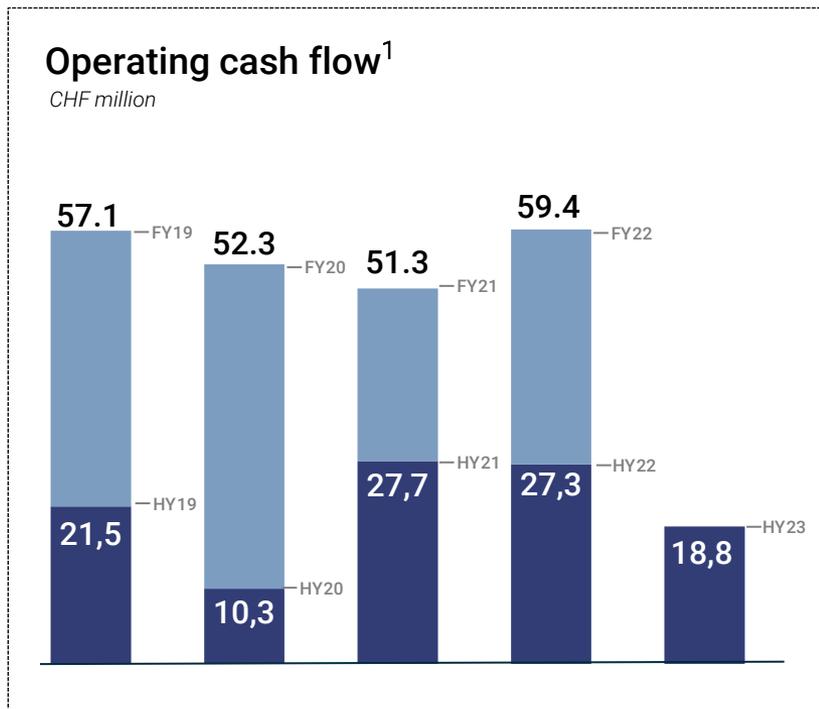
## Equity-depth ratio



- Debt ratio of 2.18x remains well below ORIOR's target of <2.5x
- Systematic continuation of deleveraging policy

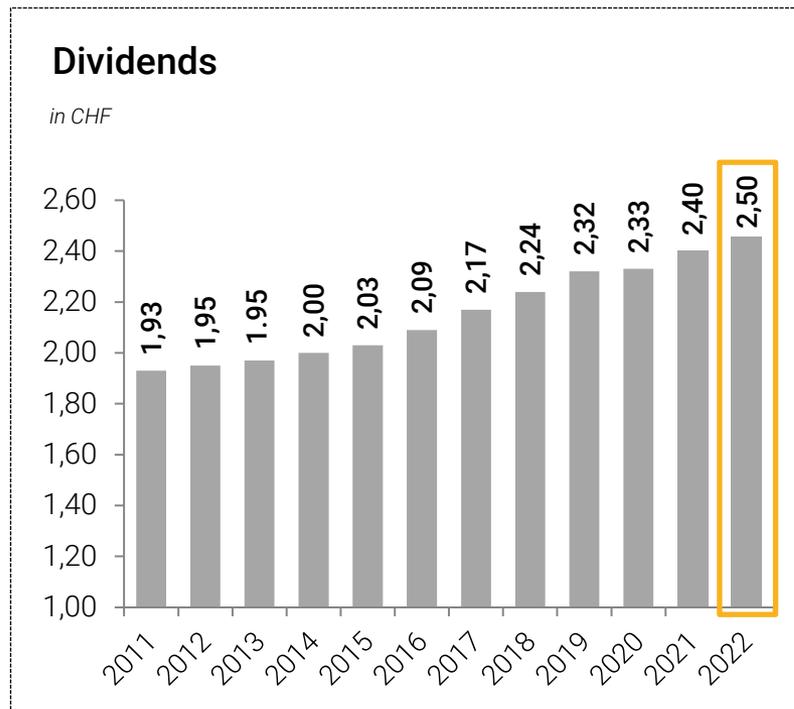
<sup>1</sup> 2013-2016 on IFRS basis

# Operating cash flow and dividends



<sup>1</sup> 2018-HY 2022 restated

- Lower operational cash generation due to purposefully built-up inventory levels with cash conversion of 61.8%



- Attractive dividend policy, steady increase in the absolute dividend
- Shareholder base: long-term major shareholders

# Outlook for ORIOR Group – Guidance FY 2023

>>> *Guidance (as at March 2023) confirmed*

	Guidance FY 2023	FY 2022
<b>Net sales ORIOR Group</b>	<b>CHF 662 to 678 million<sup>1</sup></b>	<b>CHF 636.7 million</b>

<sup>1</sup> At constant exchange rates (average EUR/CHF FY22: 1.0053)

	Guidance FY 2023	FY 2022
<b>Group EBITDA</b>	<b>Absolute increase with margins of 9.8 to 10.2%</b>	<b>10.1%</b>

	Guidance FY 2023	FY 2022
<b>Tax rate</b>	<b>14.0 to 18.0%</b>	<b>16.6%</b>

	Guidance FY 2023	FY 2022
<b>CAPEX</b>	<b>CHF 18.0 to 20.0 million</b>	<b>CHF 28.0 million</b>

# Outlook for the Convenience segment H2

*Solid, broad-based growth in prices and volumes*

## Positive drivers:

- Plant-based range and tofu in Switzerland, as well as innovations, bridge-building projects and expansions to ranges and channels
- Channel expansion in poultry & snacks; innovations in specialities
- Fresh pasta “al dente”, Demeter, chef recipes, vegetarian and vegan, regional specialities and typical Italian
- Food service and catering for major events
- Biotta Well, Biotta Demeter, shots in large bottles and shots in glasses, Biotta Sprizz

## Challenges:

- High rate of inflation/loss of purchasing power in plant-based target markets outside Switzerland; building up new sales markets more time-consuming than expected
- Limited availability of raw materials and high prices, particularly for high-quality and sustainable raw materials



# Outlook for the Refinement segment H2

*Stable to slight growth in prices and volumes*

## Positive drivers:

- Core product groups and heritage brands enjoy steady demand
- “Terroir” specialities (e.g. Monte Generoso), smoked specialities, and new convenience formats (snacks, pasties, vegan lasagne, and small packets)
- Pure Nature, Clean Label and products with added value in terms of sustainability (e.g. organic products and optimised packaging)
- Food service channels and Rapelli online store

## Challenges:

- Pork prices
- Continuing high prices and limited availability of raw materials, particularly organic products and beef



# Outlook for the International segment H2

*Continued excellent growth in prices and volumes*

## Positive drivers:

- Innovations, further developments and expansions to ranges in the new distribution channels in the Benelux countries
- Gesa continues to post growth, buoyed by the organic trend and smaller sizes
- Further increase in travelling/travel frequency
- Additional new outlets opened at BER
- Opening of the new “basta!” outlet at Hamburg main station

## Challenges:

- High rates of inflation and corresponding price sensitivity for premium products
- Shortage of qualified staff/time needed to issue airport IDs
- Persistently high raw materials prices
- Volatile additional input costs (energy/gas, transport, etc.)



# ORIOR



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# Share information

<b>Listing</b>	SIX Swiss Exchange
<b>Security number</b>	11167736
<b>ISIN code</b>	CH011 1677 362
<b>Ticker</b>	ORON
<b>LEI</b>	50670020I84ZA17K9522
<b>UID</b>	CHE-113.034.902

**Share price on 18 August 2023** CHF 75.50

<b>Dividend</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
Dividend per share in CHF	2.50 <sup>1</sup>	2.40	2.33	2.32	2.24	2.17	2.09	2.03	2.00	1.97	1.95
Dividend vs previous year in %	+4.1	+3.0	+0.4	+3.6	+3.2	+3.8	+3.0	+1.5	+1.5	+1.0	+1.0

→ An attractive dividend policy with a steady increase in the absolute dividend was confirmed in the ORIOR 2025 Strategy.

<b>Stock information / data</b>	<b>30 June 23</b>	<b>30 June 22</b>
Share price on 30.06 in CHF	76.50	79.80
High (January – December) in CHF	87.00	98.70
Low (January – December) in CHF	65.80	73.80
Market cap in CHF million	500.5	522.1
Earnings per share (diluted) in CHF	1.97	1.98 <sup>3</sup>
Operating cash flow per share in CHF	2.88	4.18
Shareholders' equity per share in CHF	11.92	11.41

## Major shareholders (as at 16 August 2023)<sup>2</sup>

UBS Fund Management (Switzerland) AG (CH)	10.02%
Credit Suisse Funds AG (CH)	7.7%
Vontobel Fonds Services AG (CH)	5.6977%
Swisscanto Fondsleitung AG (CH)	5.431%

## Company calendar

19.09.23	Investors' Day
13.03.24	Publication of Full Year Results / Annual Report 2023
23.05.24	Annual General Meeting

<sup>1</sup> Approved at AGM of 19 April 2023

<sup>2</sup> Information on major shareholders is given on page 12 in the 2023 Half Year Report

<sup>3</sup> Restatement, see Note 2 in Half Year Report 2023

# ORIOR locations

## ORIOR International

## ORIOR Switzerland



**Culinor, Destelbergen (BE)**  
 Chilled premium ready meals and meal components.



**Vaco's Kitchen, Olen (BE)**  
 Production of sous-vide products, chef meals and meal components.



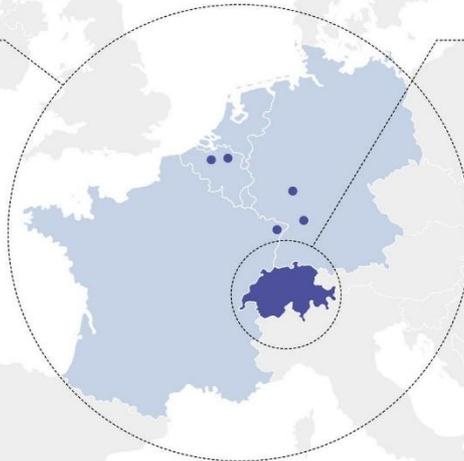
**Gesa, Neuenstadt-Stein (DE)**  
 Organic vegetable juices for food and beverage industry.



**ORIOR / Spiess Europe (FR)**  
 Distribution centre in Haguenau.



**Casualfood, Frankfurt (DE)**  
 "The taste of travelling". Gourmet islands for travellers on the go.



**Fredag, Root**  
 Poultry specialities, convenience meat dishes and vegetarian/vegan.



**Rapelli, Stabio**  
 Ticino charcuterie specialities like salami, prosciutto and coppa.



**Le Patron, Böckten**  
 Pâtés and terrines, ready meals, meal components.



**Albert Spiess, Schiers**  
 Grisons specialities like Bündnerfleisch, Salsiz and cured ham.



**Pastinella, Oberentfelden**  
 Fresh, filled and unfilled Italian-style pasta.



**Möfag, Zuzwil**  
 Fürstenländer specialities such as Mostbröckli and hams.



**Biotta, Tägerwilen**  
 Organic juices made from naturally grown fruits and vegetables.