



# Nomad Foods

# CAGNY

Investor Presentation

February 23, 2023



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# Company Overview

**Stéfan Descheemaeker**

Chief Executive Officer

# Nomad Foods is the Most Attractive Growth Story in Global Frozen Food

- 1 Market leader in European Frozen Food, a category which leads FMCG on Health and Sustainability
- 2 Dynamic portfolio of leading brands in important staples like frozen fish and vegetables as well as growing segments like Plant Protein
- 3 Strong free cash flow available for accretive capital allocation (M&A, share buyback)
- 4 Consistent organic growth with strong top and bottom line contributions from strategic acquisitions
- 5 An established track record of winning in the market while delivering excellent financial performances
- 6 A proven value-creating acquisition model supported by a highly effective integration execution

Nomad consistently delivers organic sales growth, strong cash flows, accretive M&A, and share buyback for double-digit EPS expansion



# Nomad Foods

## Company Overview

€3 billion  
REVENUES

19  
NUMBER OF  
PRODUCTION  
FACILITIES

> 8,000  
COMPANY  
EMPLOYEES

3%  
AVERAGE ORGANIC  
REVENUE GROWTH PER  
YEAR 2016-2022

12%  
ADJUSTED EPS  
CAGR  
2016-2022

A Portfolio  
of Europe's Leading  
Frozen Food Brands





# Nomad Foods European Footprint

SEPTEMBER 2021

**Acquisition of Fortenova's  
Frozen Food Business**

DECEMBER 2020

**Acquisition of Findus Switzerland**

APRIL & JULY 2018

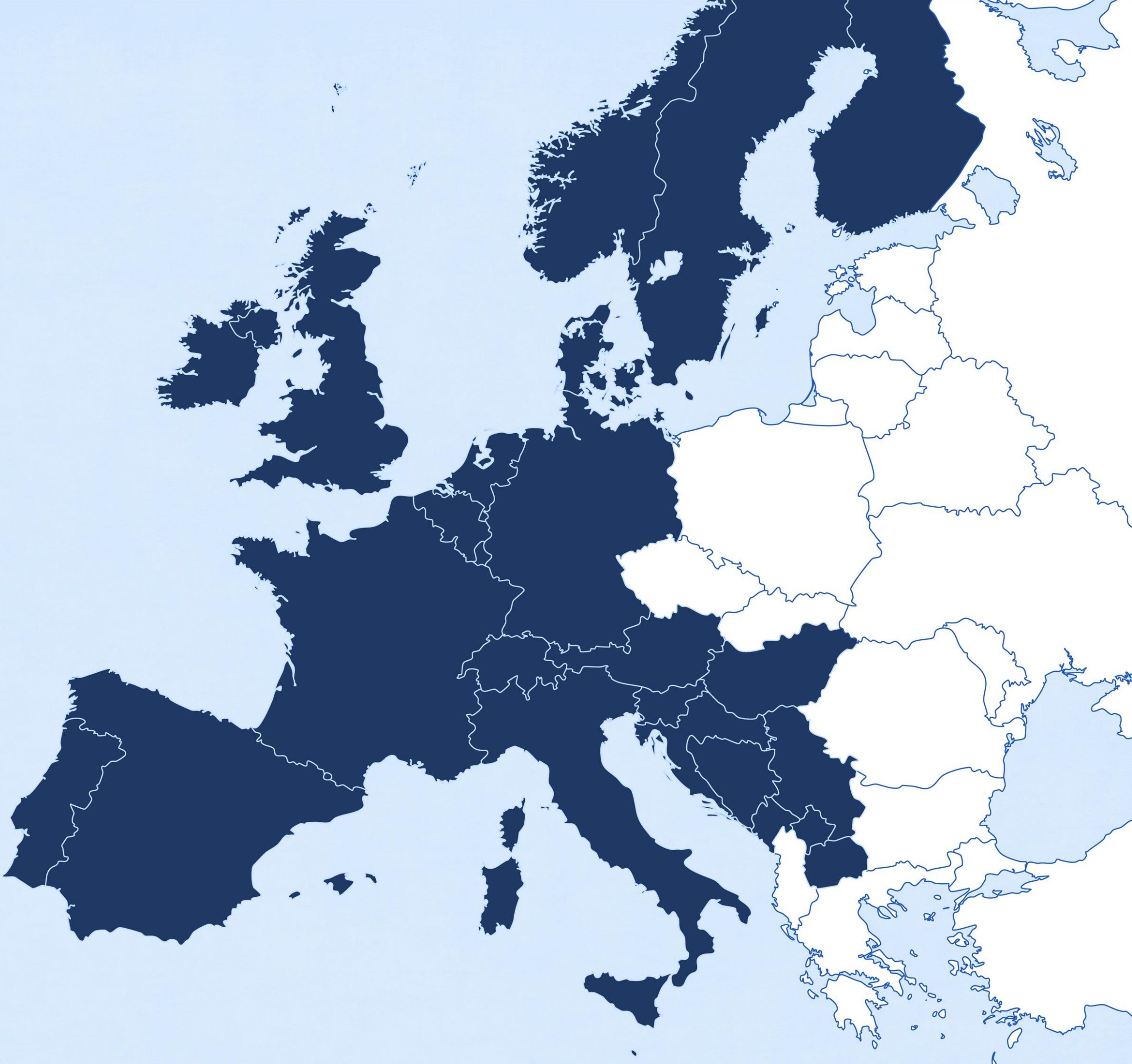
**Acquisition of Goodfella's  
and Aunt Bessie's**

NOVEMBER 2015

**Acquisition of Findus Group**

JUNE 2015

**Initial acquisition of the Iglo Group**



|           |              |            |             |
|-----------|--------------|------------|-------------|
| <b>22</b> | <b>8,000</b> | <b>8</b>   | <b>€3bn</b> |
| COUNTRIES | EMPLOYEES    | CATEGORIES | TURNOVER    |



# Fun Facts About Nomad Foods

The **2.5 BILLION FISH FINGERS** we produce annually would stretch around the world five and half times

Last year, **THE UK REMOVED 193 TONS OF MATERIAL FROM ITS PACKAGING** – this is the equivalent to 16 London double-decker buses

We have **THE LARGEST FISH FACTORY IN THE WORLD** in Bremerhaven and **THE LARGEST HERB FIELD IN EUROPE** in Reken

Our King Majestic Ice Cream was recently voted **BEST ICE CREAM\* IN THE WORLD**

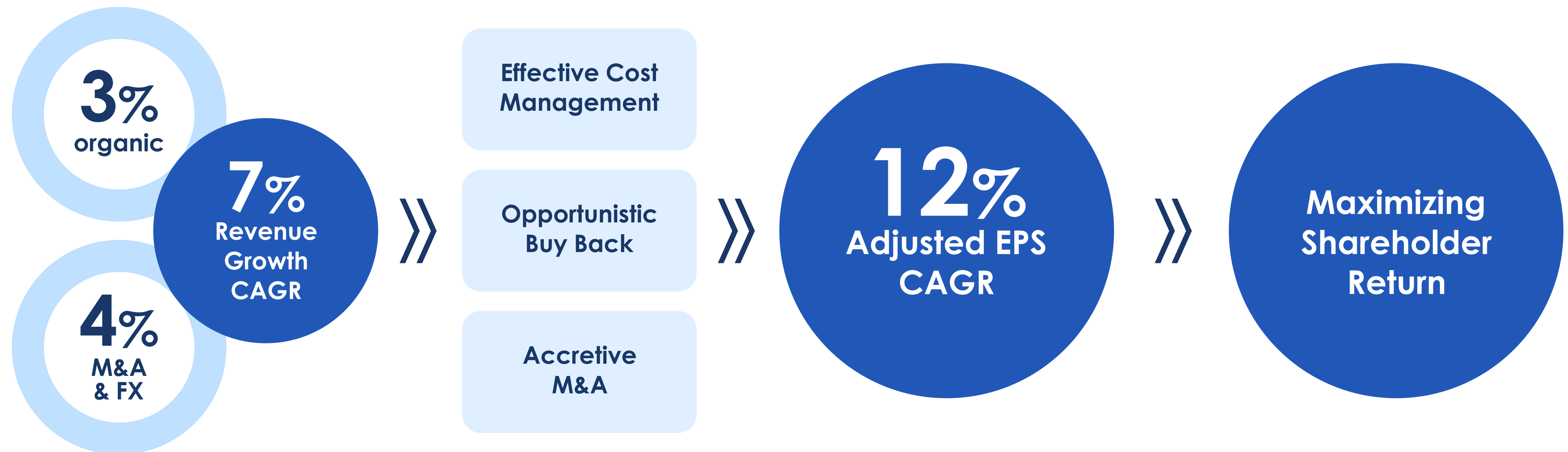
Our UK pea harvest will create **TWO BILLION PORTIONS OF PEAS THIS YEAR** and our spinach goes from field to frozen in less than three hours

Finally, **ONLY MCDONALD'S RIVALS NOMAD** as the largest fish processor

# Double-digit Adjusted EPS Built on Consistent Organic Sales Growth, Disciplined Cost Control and Effective Capital Allocation

6-year historical performance

2016-2022





# Nomad Generates Strong Free Cash Flow to Fund Accretive Capital Allocation

Total Adjusted Free  
Cash Flow

2016-2022

€1.7bn

Average Adjusted  
Cash Flow Conversion

2016-22

108%

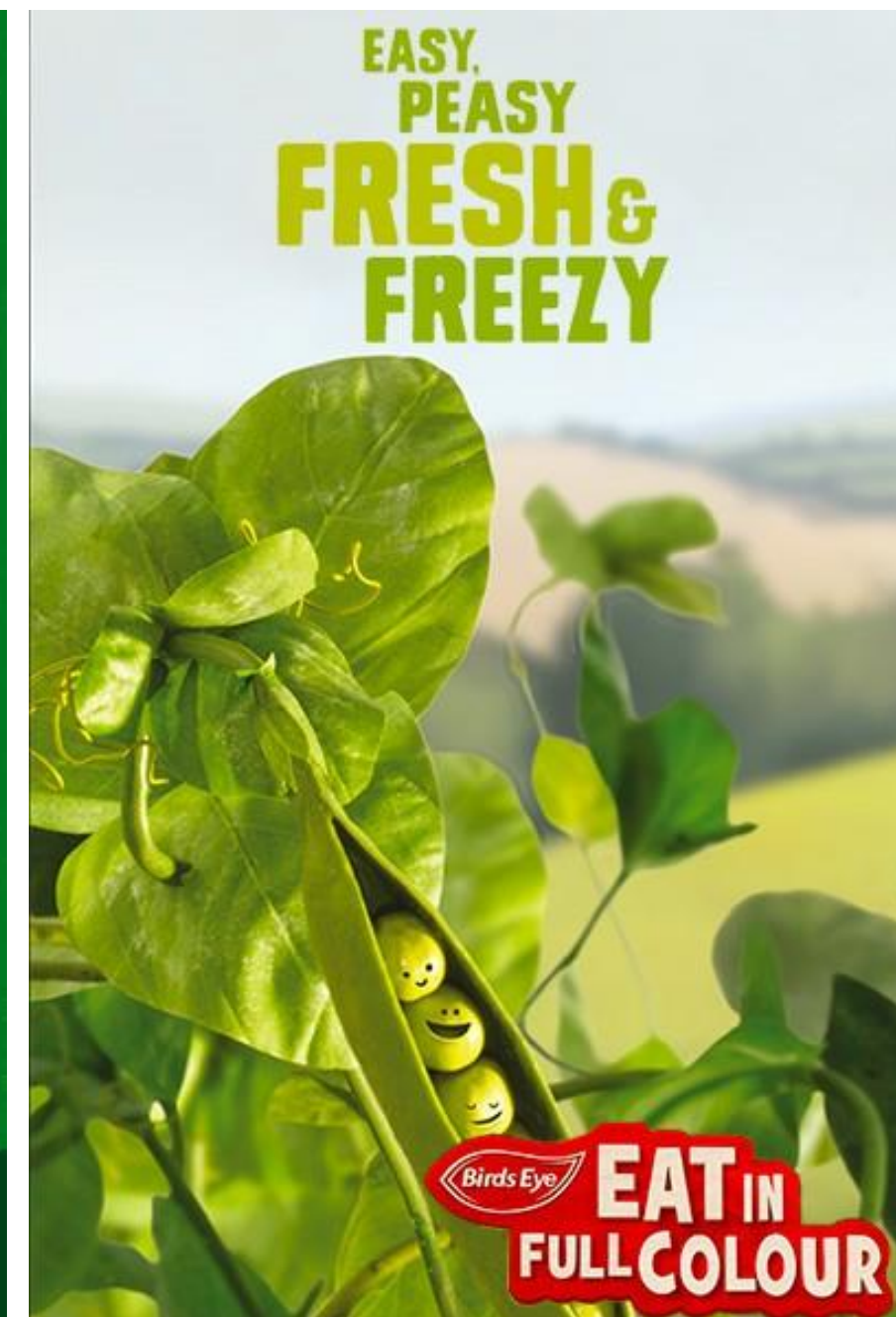
Average Free Cash Flow  
as % of Sales

2016-2022

11%



# Iconic Brands with High Brand Awareness





# Our Commercial Strategy Combines Great Products, Outstanding Communication and World Class Brands

## We have Superior Products

The n°1 driver on repeat is product superiority



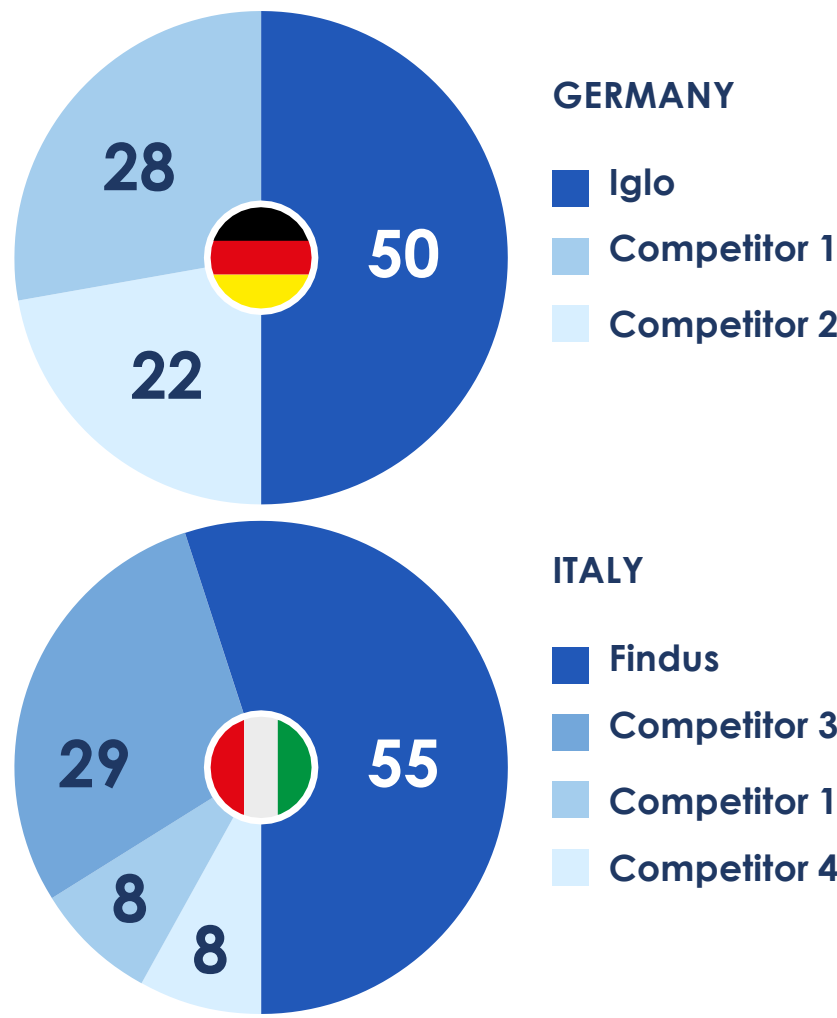
## We have Great Communications



Source: Nomad/System1

## We have The Most Relevant Brands

Brand Equity Score



Source: Nomad/ Deloitte



# A Portfolio and Strategy Anchored in **MUST WIN BATTLES**

Key Facts  
About our  
MWB portfolio:

**70%**  
of total sales

**5%**  
annual organic revenue  
growth since 2017

**40%**  
market share\*



\*includes Adriatic region and within MWB categories



# Driven by Strategic Acquisitions, We Have Grown Nomad Sales >50%, EBITDA >60%, and Doubled Adjusted EPS Since 2016



2015

Acquisition for approximately  
€700 million



2018

Acquisition for approximately  
€225 million



2018

Acquisition for approximately  
€240 million



2020

Acquisition for approximately  
€110 million



2021

Acquisition for approximately  
€615 million





# Growing Contribution from INNOVATION

Innovation  
as a % of Sales



4%  
2018

6%  
2021

8%  
2025  
GOAL

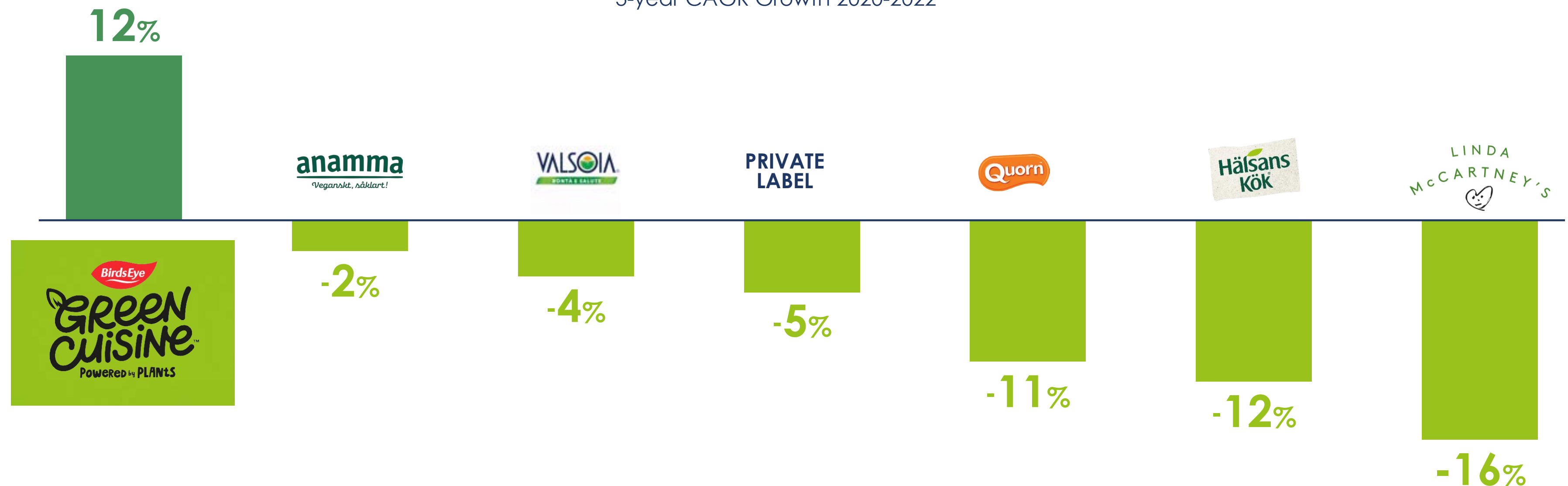
Note: Innovation defined as new products  
introduced within the past two years



# Green Cuisine is Outperforming Competitors, Gaining Share & Challenging for Market Leadership

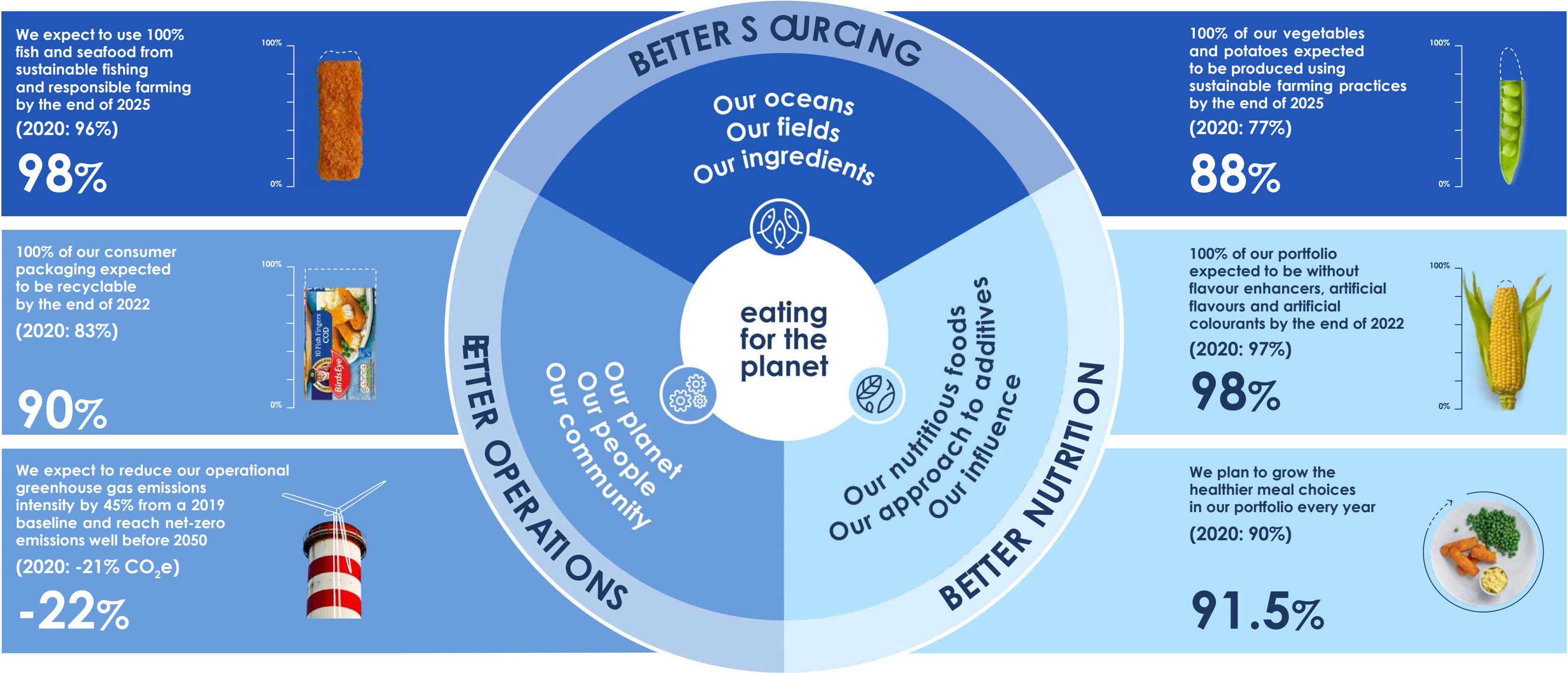
## European Meat-Free Frozen Food

3-year CAGR Growth 2020-2022





# ESG is Becoming More Crucial for Investors, and We are Raising our Game





# Nomad is at the Cutting Edge of Key Consumer Trends



**CONVENIENCE AND  
AFFORDABILITY**



**PLANT  
PROTEIN**



**HEALTH AND  
SUSTAINABILITY**

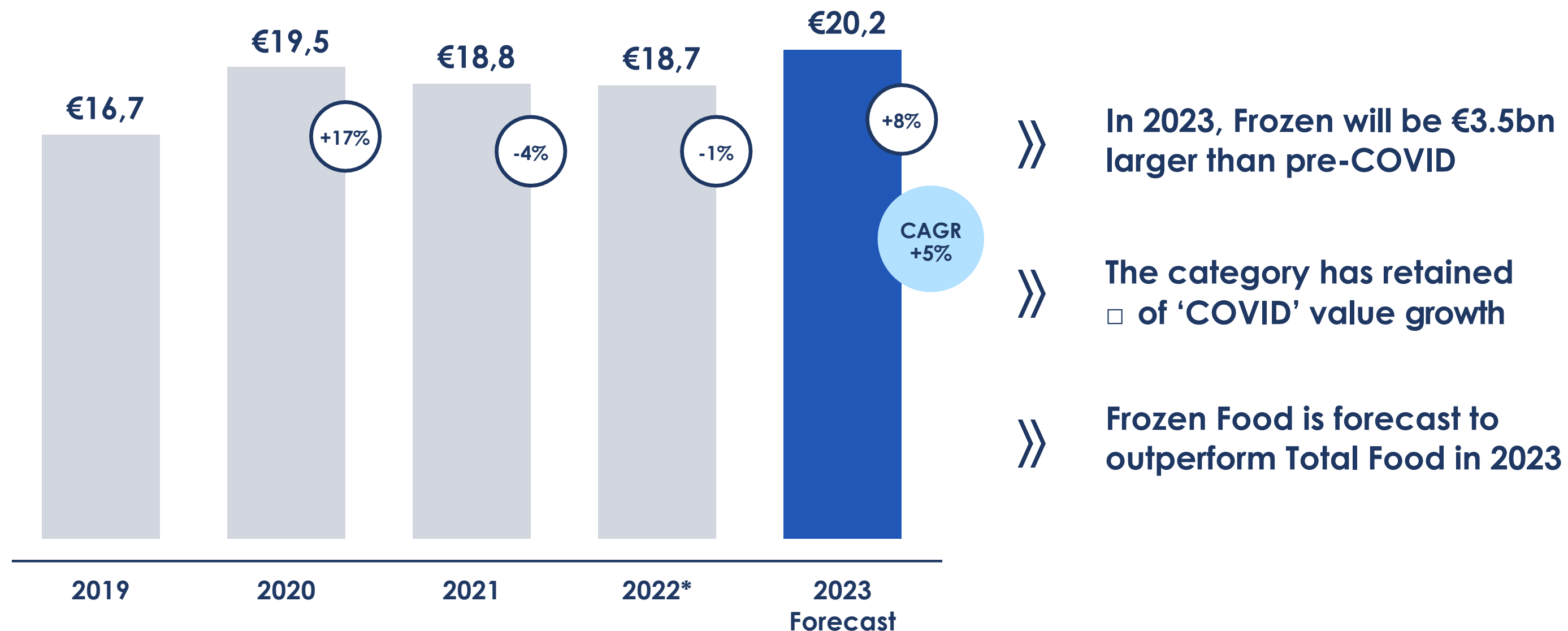


**TASTE AND  
NUTRITION**



# Frozen is Expanding its Post-COVID Consumer Gains across Europe

Total Savory Frozen Category – Value (BN) and % Change

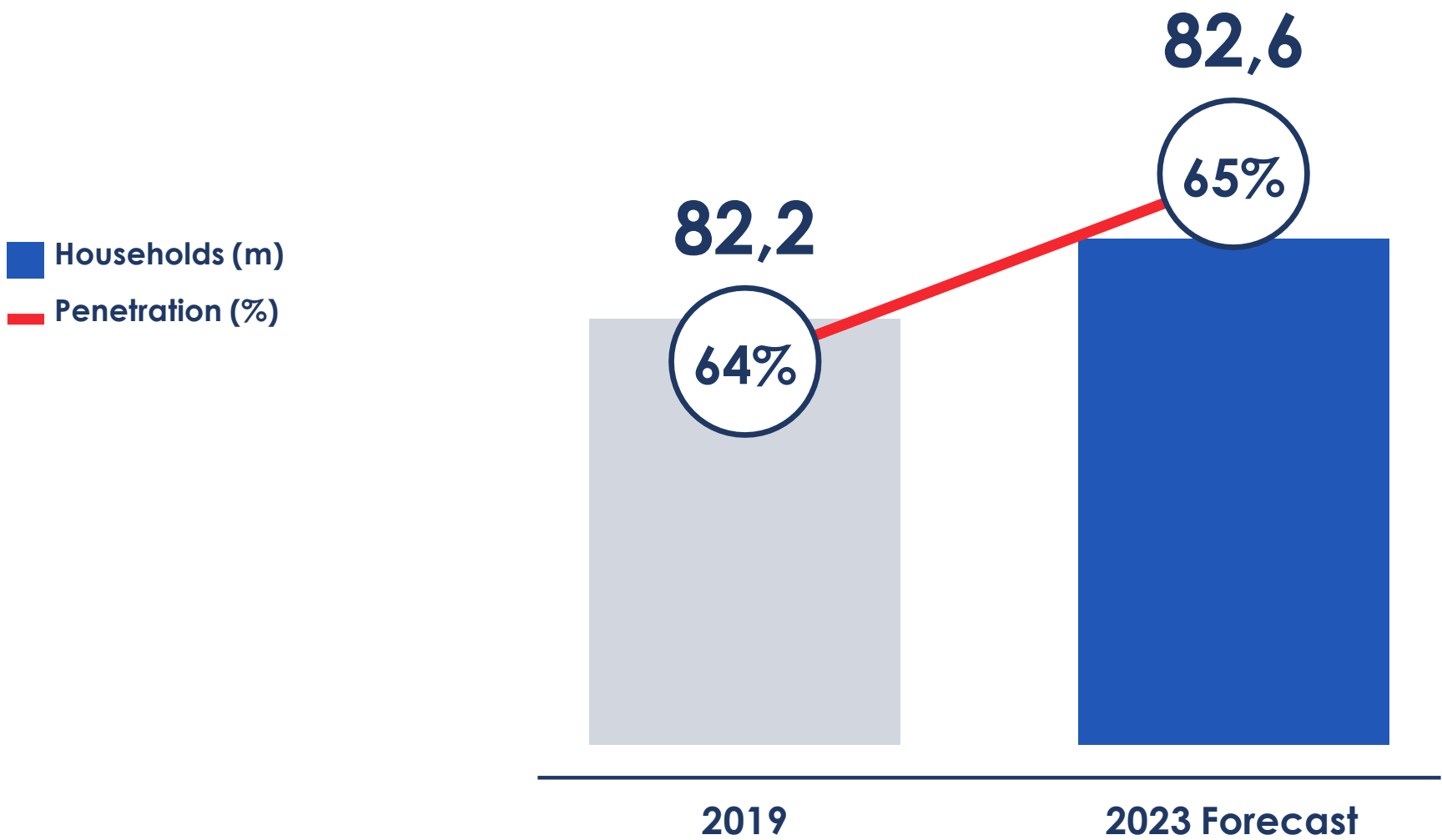


\*Total Food FY22 projection, Category Footprint YTD 22  
Source: Nielsen/IRI Category Footprint excl. Adriatic region



# We Have Added Nearly 500,000 Households While Increasing Our Overall Penetration Levels Since Covid

Nomad Savory Frozen Household Penetration % 52 weeks\*



- » We have expanded our consumer reach since the pandemic
- » We expect nearly 83m households will consume our products in 2023
- » Household penetration has increased by 1% since COVID





# We Have the Right Plans to Meet New Challenges in 2023

## IN 2022 WE SUCCESSFULLY

**Secured our  
long-term fish supply**

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**Leveraged our supply chain  
to address volatile markets despite  
unprecedented cost increases**

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**Priced to close the gap with inflation**

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**Refinanced our debt portfolio  
to extend our maturities  
to 2028/29**

## IN 2023 WE PLAN TO

**Strengthen our  
brands while adding to  
our consumer value and  
affordability propositions**

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**Leverage our world-class supply  
chain to help fund topline growth**

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**Execute Revenue Growth  
Management (RGM) strategies  
to maximize our portfolio and  
recoup 2022 & 23 costs**



# Our 2023 Commercial Strategy will Maximize Portfolio Value, Helping Offset Costs while Meeting Consumer Needs

## REFRAME AFFORDABLE CORE

Innovate & renovate to offer  
convenient, affordable  
solutions to consumers

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Grow Nomad share  
versus Private Label

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Preserve brand  
value at all costs

## LEVERAGING GROWING OCCASIONS

Capture new in-home  
occasions with 'fakeaway'  
meal deals positioned to  
replicate takeaways

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Develop convenient  
Ready Meals as consumers  
'hybrid' work & eat from  
home post-COVID

## TURBOCHARGE EXISTING MUST WIN BATTLES VALUE PORTFOLIO

Invest in affordable  
categories that will benefit  
from increased consumer stress  
(chicken, pizza, potatoes)

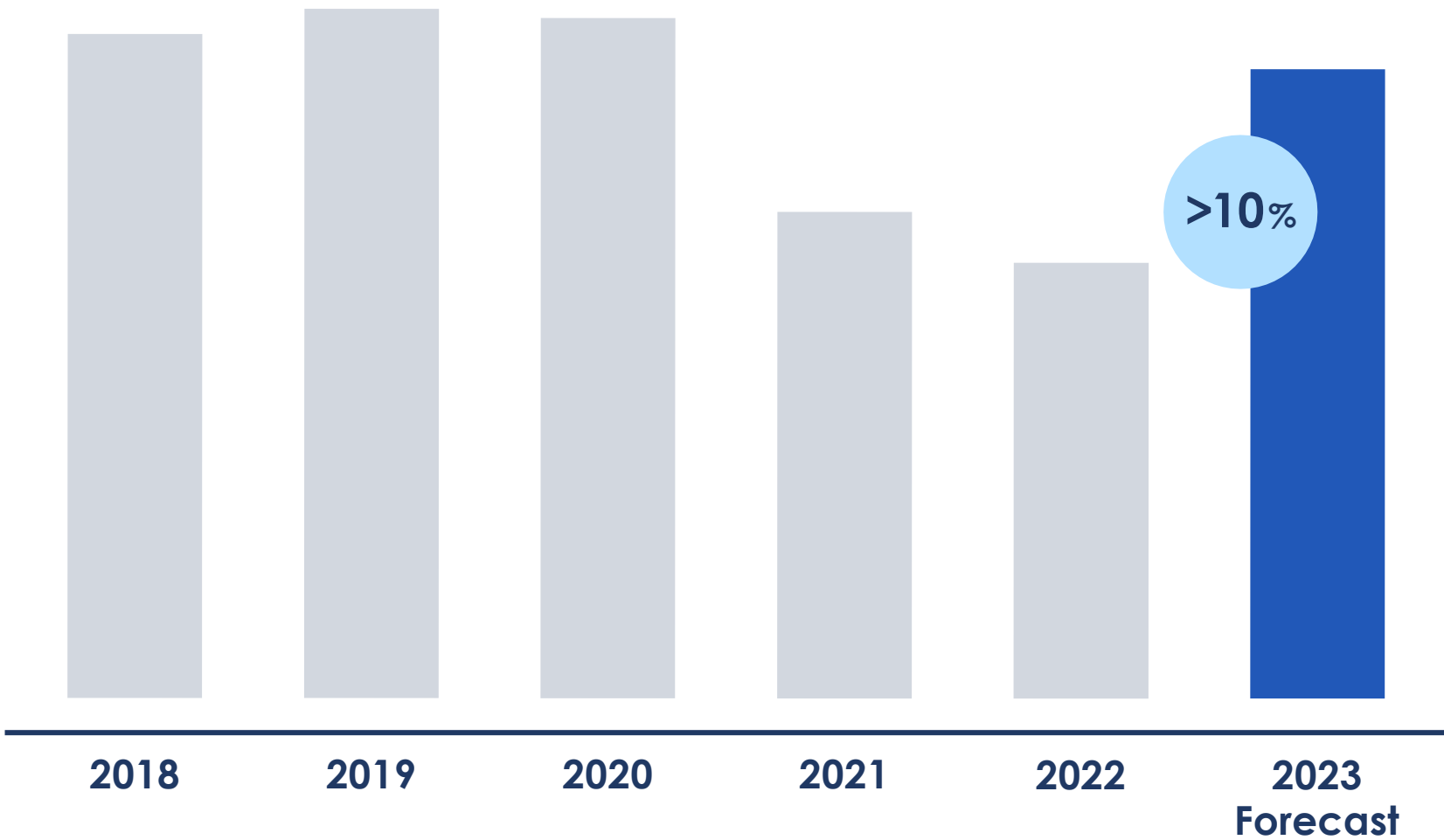
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Support the local Must  
Win Battles that are well  
placed to capture these  
consumer in-flows

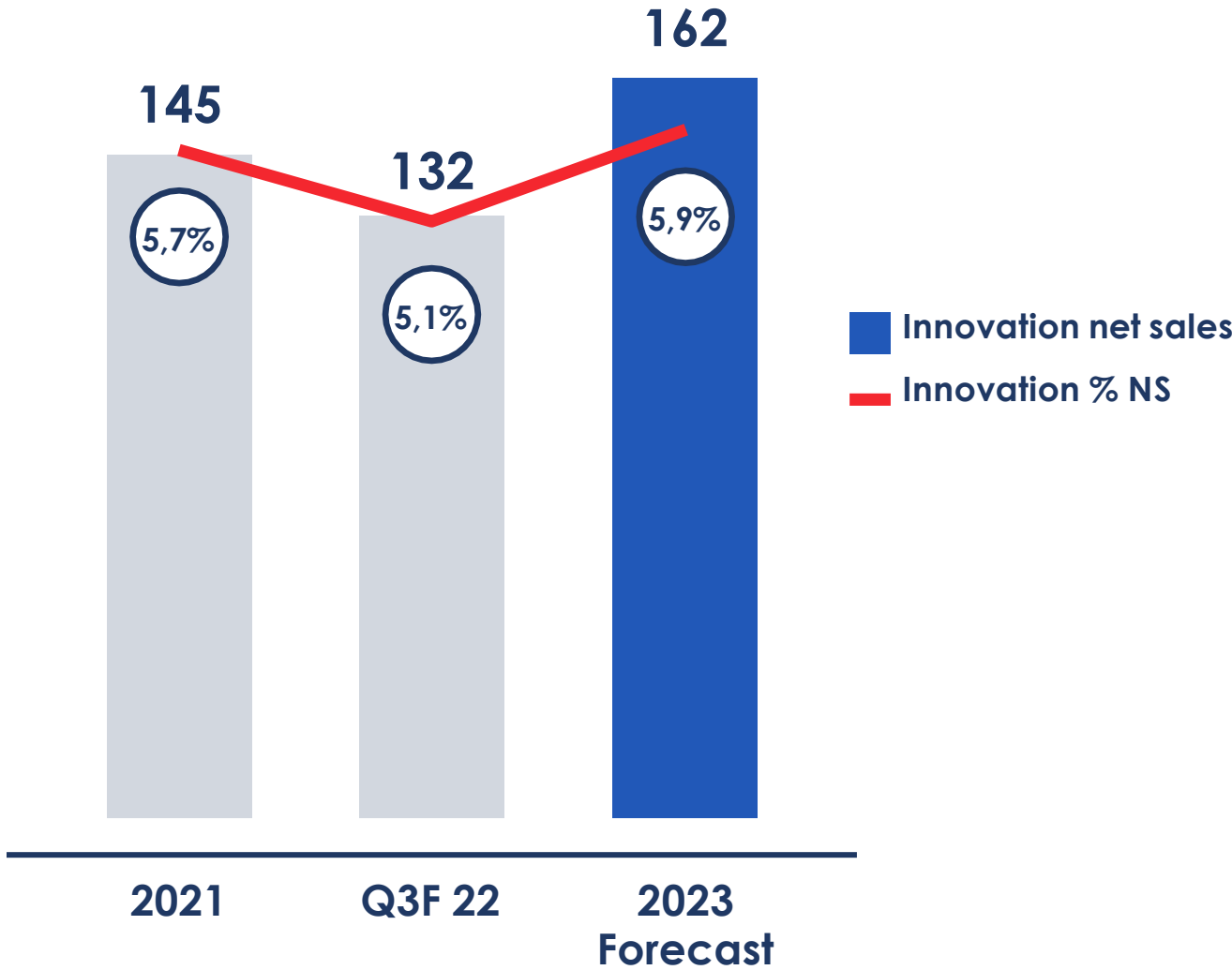


# Enhanced Media investment and Product Innovation Will Drive Success in the Market

Nomad Foods  
Media Spend Evolution



Nomad Foods  
Innovation NS & % of NS





# Our Supply Chain is Evolving Rapidly, Lowering our Costs and Fueling Growth

## 2022 Challenges

Inflation up nearly €300m,  
an unprecedented 10x increase

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Disrupted global supply chains coming out of  
COVID lockdowns, war in Ukraine, bad harvests,  
logistics disruptions, labour shortages

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Product scarcity and supply chain  
deterioration (fish especially)

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Easing COVID restrictions in Europe, supply  
chain constraints, retailer dislocations, volume  
elasticity in response to price increases



## 2023 Strategic Response

Focus on People Safety,  
Food Safety and Talent

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Supply for Resilience and Scarcity

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Manage for High Inflation  
and Increased Productivity

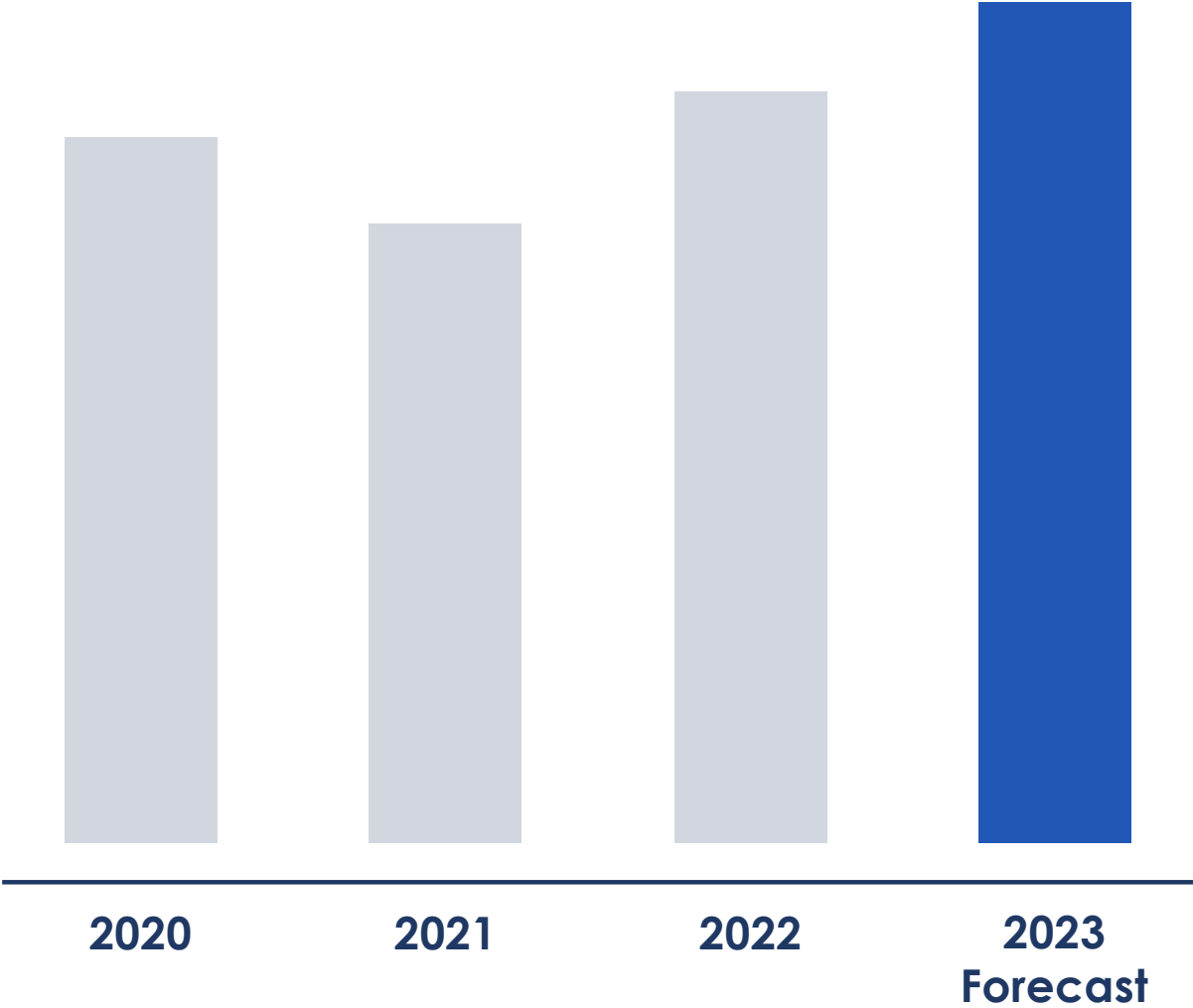
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Deliver End to End  
Operations Excellence

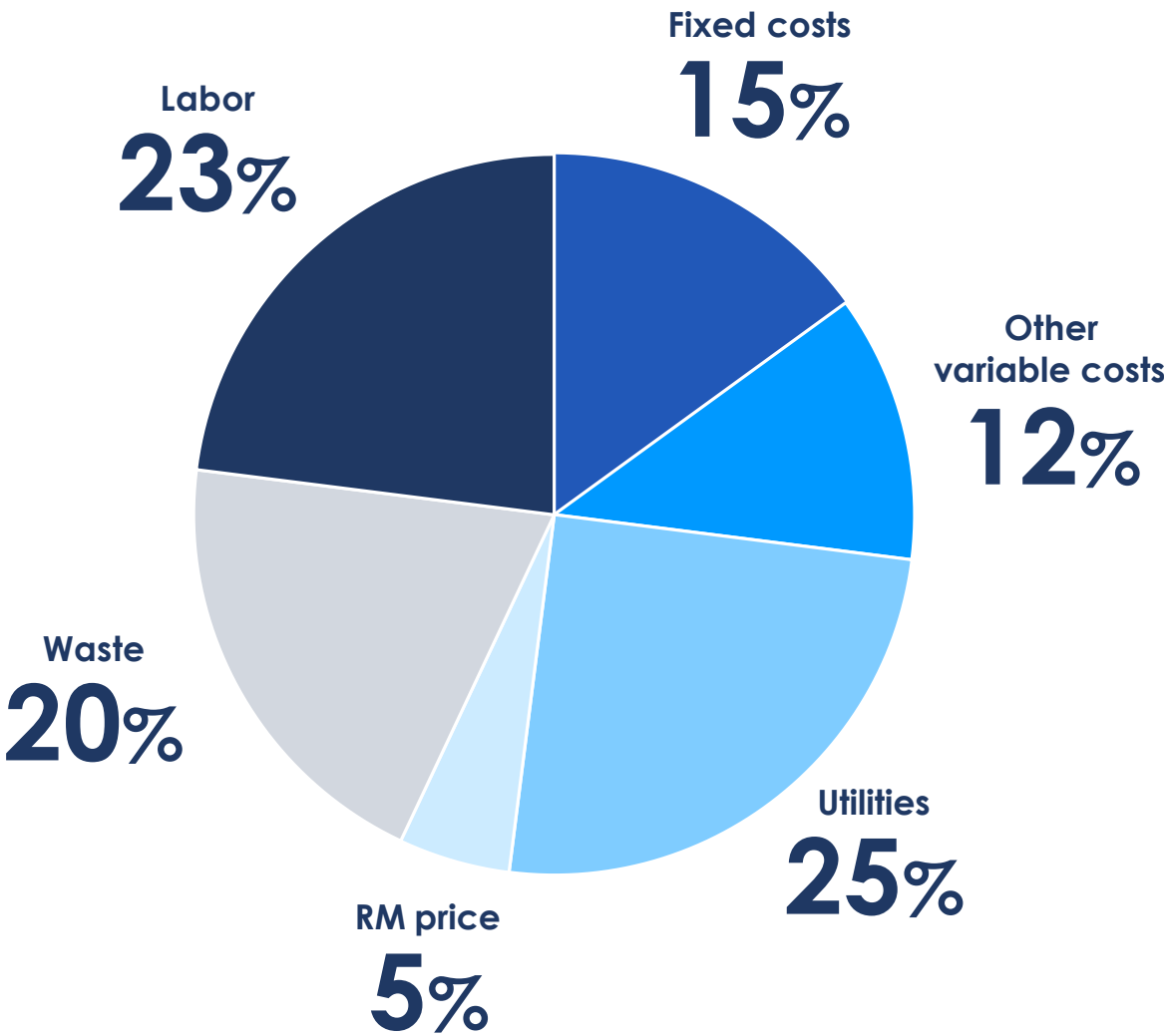


# Manufacturing Savings will come from a Variety of Sources, Providing Cash for Reinvestment

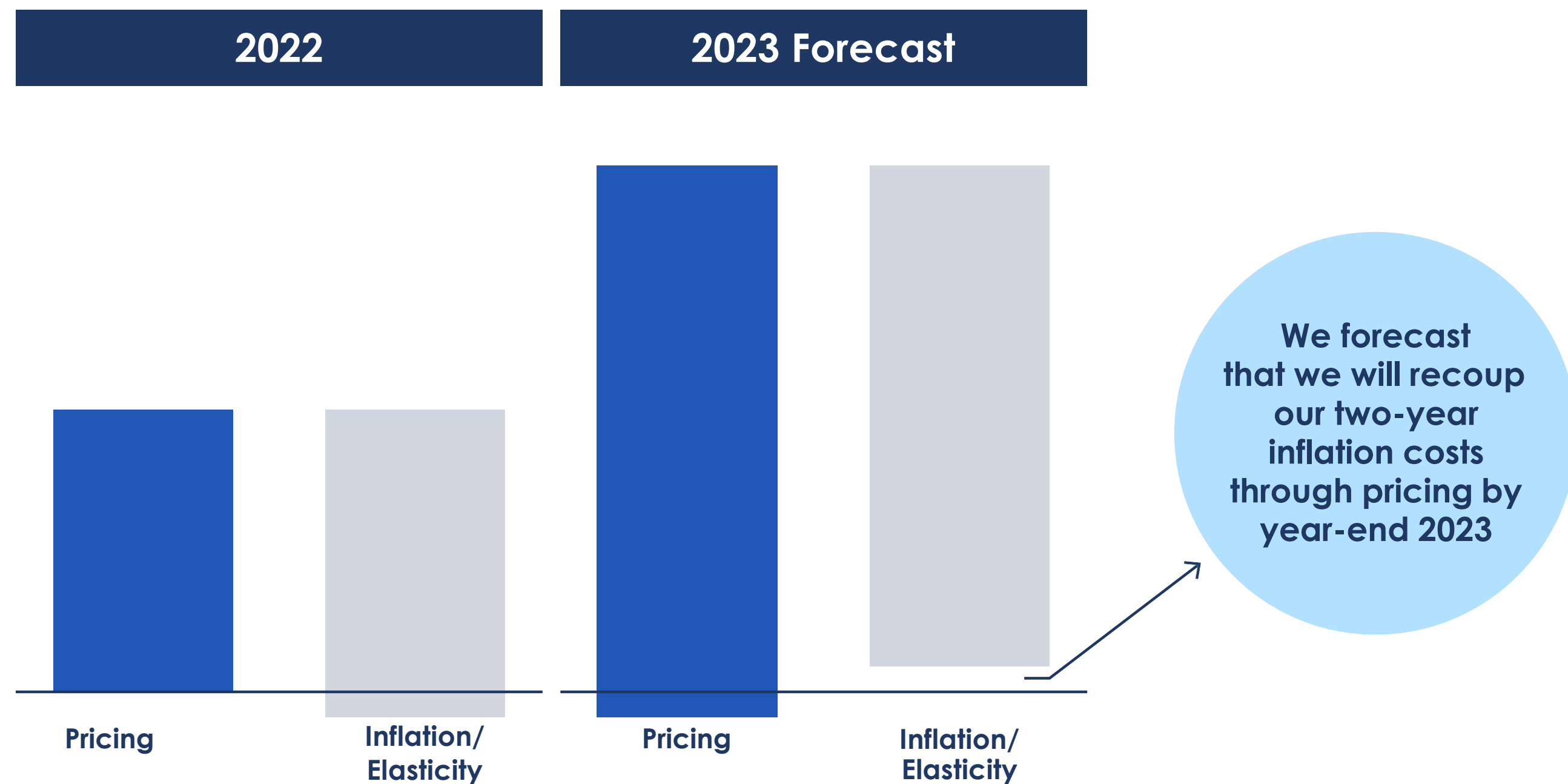
Nomad Foods  
Manufacturing Savings Evolution



Nomad Foods  
Sources of Savings, 2023



# Pricing will Focus on Recouping our Costs and Funding Investment and Innovation





# **Our Revenue Growth Management (RGM) Program Will Maximize Sales Growth by Applying Disciplined Analytics**

**We will protect and grow our brands versus private  
label through improving RGM execution**

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**We have a clear process map to build & execute our plan to deliver  
optimized sales value versus volume, fueling sustainable share & profit growth**

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**Our long-term RGM plans will create balanced, sustainable organic  
growth, ensuring we can further invest in our strategic capabilities**



# Financial Perspective

**Samy Zekhout**

Chief Financial Officer



# We Achieved Another Strong Year of Growth in 2022

**+13%**

Revenue  
Growth

**+8%**

Adjusted EBITDA  
Growth

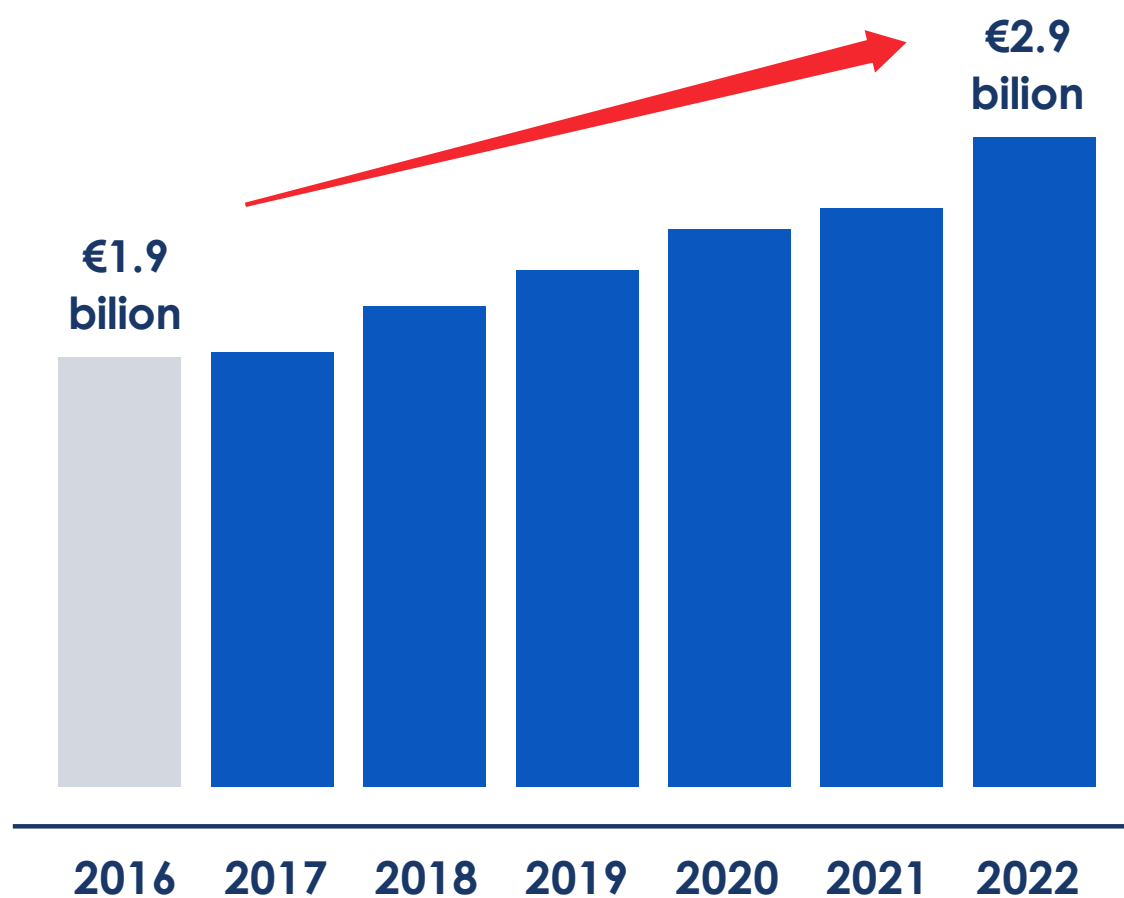
**+8%**

Adjusted EPS  
Growth

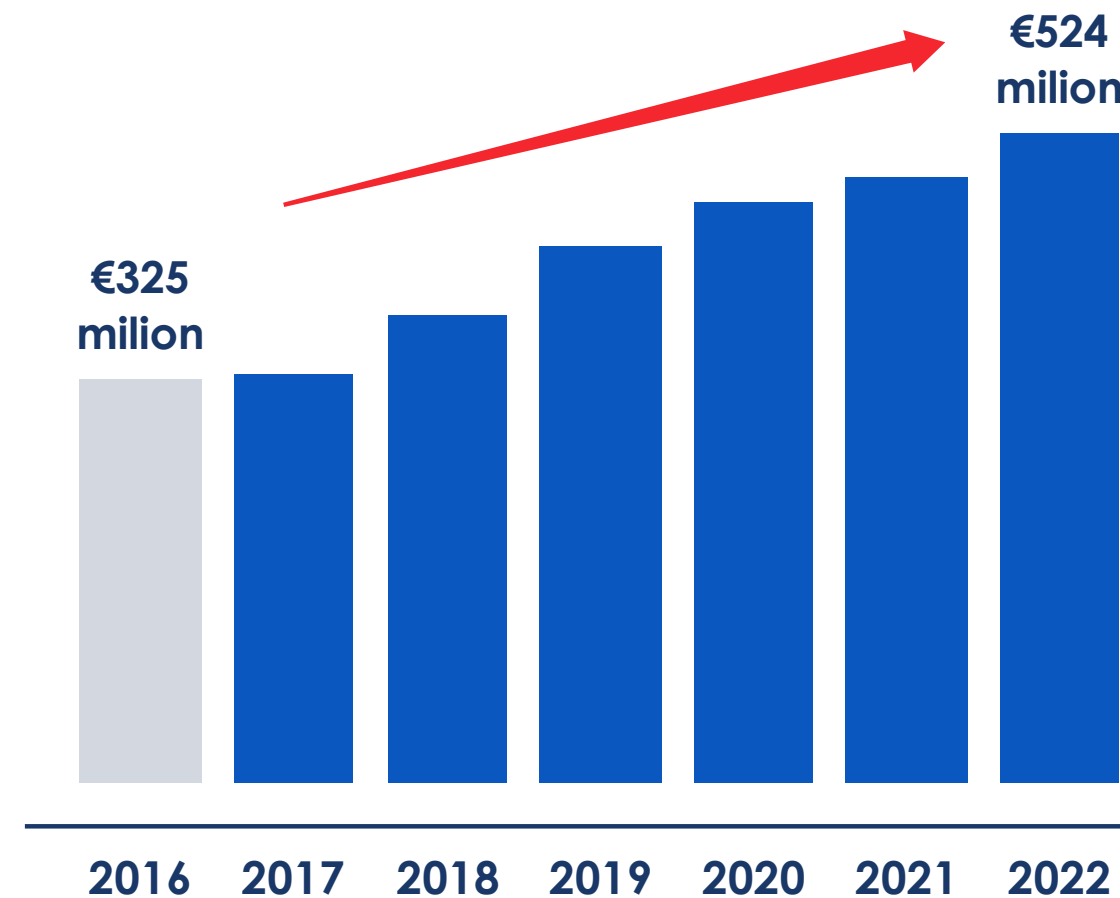


# 2022 Marks the Sixth Consecutive Year of Record Financial Performance

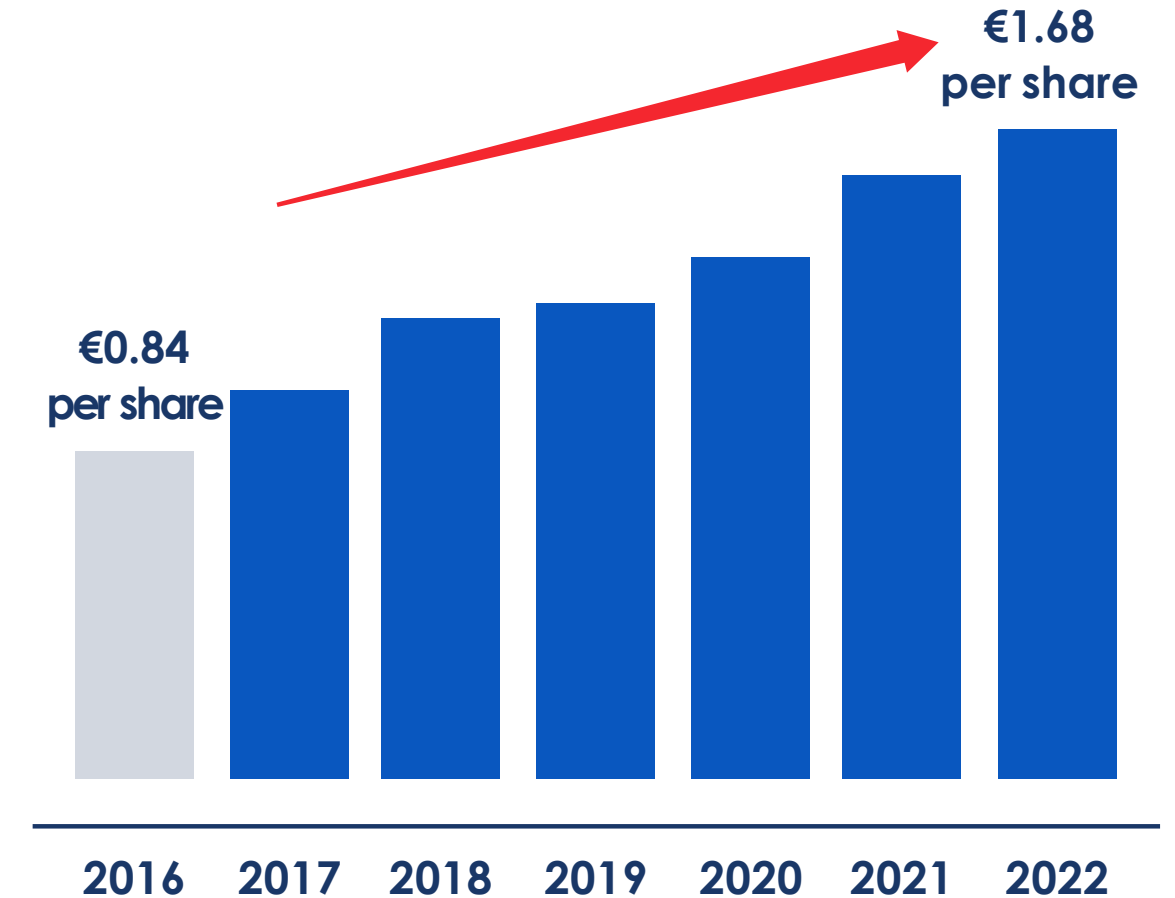
Revenues  
7% CAGR



Adjusted EBITDA  
8% CAGR



Adjusted EPS  
12% CAGR







# Growth Levers

## Organic Growth

FROZEN  
CATEGORY  
GROWTH

TARGETED  
CAPITAL  
INVESTMENT

MARKET  
SHARE  
EXPANSION

STRONG  
CASH  
GENERATION



## Accretive Capital Deployment

M&A

Share  
Repurchases

**Approximately €2.2 Billion of Capital Deployed Towards  
Share Repurchase and Acquisitions Since 2017**



# Establishing 2023 Guidance

## Total Revenue

**Mid-single digit**  
growth

## Cash Flow Conversion

**90-95%**

## Adjusted EPS

**€1.50-€1.55**

**\$1.61-\$1.66\***

\*2023 EPS guidance range converted to USD, the currency in which Nomad Foods shares trade, for illustrative purposes and based on USD/EUR FX rate of 1.07 as of February 17<sup>th</sup>, 2023

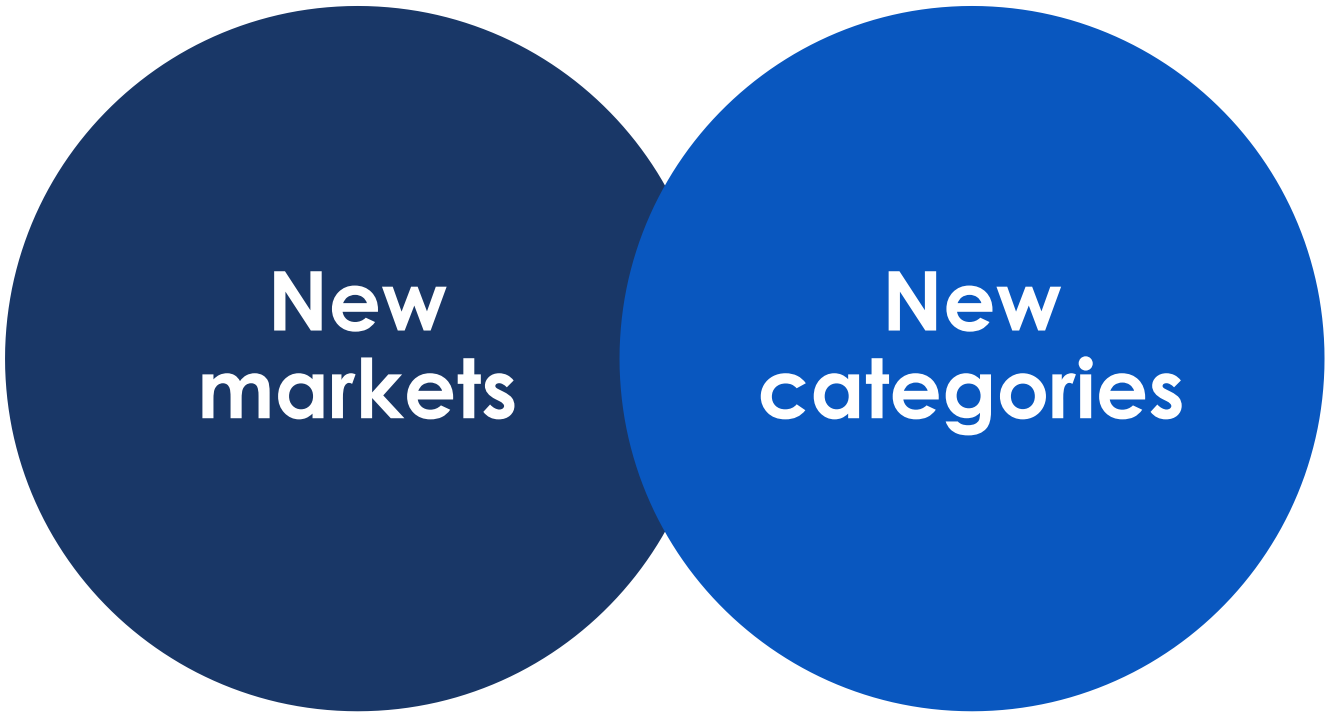


# To Meet Our Long-term Goals, We Will Execute the Following Strategies:

Excel in our “Must Win Battles”



Look for Accretive Acquisitions



Leverage Revenue  
Growth Management



Protect Product Supply



Innovate for Affordability



Accelerate Green Cuisine



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**Thank you.**

**Nomad Foods**



# Questions?

Nomad Foods