Our vision and mission

our vision: to be the best foodservice provider

our mission: to deliver service excellence, make life easier and help customers grow
Our values

“take pride in what you do, no matter what you do”

“work together to make great things happen”

“take brave steps to deliver extraordinary results”
What makes up Bidfood in the UK
Wholesale Depots Business Mix

Product Mix

- Frozen: 34%
- Non Food: 7%
- Snacking: 7%
- Wines, Beers and Spirits: 2%
- Chilled: 11%
- Catering: 0%
- Ambient: 33%
- Fresh Produce: 2%
- Fresh Meat: 4%
Own Brand Volume Mix – last 24 months for Wholesale Depots
Year on Year Sales Mix

- National: 64.2% (-3.3%)
- Independent: 23.9% (+2.3%)
- UDM: 11.8% (+1.1%)
Wholesale Depots Business Mix

Sector Mix

- Education: 18%
- Quick Service: 17%
- Healthcare: 14%
- Restaurants: 5%
- Accommodation: 10%
- Work Place: 6%
- Public Sector: 6%
- Leisure and Recreation: 5%
- Other: 16%
- Pubs and Clubs: 3%
Key Business Objectives

- Simplification
- Free Trade Growth
- Cash Margin Growth
  - Purchasing
  - National Margin Improvement
  - Own Brand Growth
  - Acquisition
Simplification

- Structurally
- Technology
- Communication
- Engagement
Simplification - Engagement

**Your Team’s Engagement Score:** 71%

**TOP 3 MOST IMPROVED QUESTIONS:**

- **Q26.** I am kept up to date on any changes occurring in our company.  
  +4

- **Q20.** My GM / Director is aware of the issues I face in my job.  
  +4

- **Q32.** I believe that action will be taken on the results of this survey.  
  +3

**TOP 3 HIGHEST SCORING QUESTIONS:**

- **Q1.** I believe that my role contributes to the success of our company.  
  89%

- **Q3.** It has been clearly explained to me what I need to do to deliver great service in my job.  
  85%

- **Q2.** The way my role affects our external customer experience has been clearly explained to me.  
  83%

**COMPARED TO BENCHMARK**

- **Q37.** I am proud to work for our company.  
  75%  +15

- **Q38.** I would be happy to recommend our company as a good place to work.  
  68%  +11

- **Q39.** I would like to still be working for our company in 12 months time.  
  78%  +2

- **Q42.** Working in our company makes me want to do the best work I can.  
  73%  +5
Freetrade growth & mix

Wholesale Depots Freetrade growth

- P1: 2.2%
- P2: 3.0%
- P3: 3.4%
- P4: 6.9%
- P5: 6.8%
- P6: 10.1%
- P7: 3.2%
- P8: 3.3%
- P9: 16.9%
Freetrade growth & mix

Wholesale Depots Freetrade Volume mix %

15/16
- Independent: 67.6%
- UDM: 10.7%
- National: 21.7%

16/17
- Independent: 64.2%
- UDM: 11.8%
- National: 23.9%
Cash Margin Growth - Purchasing

• Purchasing to leverage margin growth through BPC and sharing best practice

• Purchasing and category management to protect margin through periods of inflation…

  • Inflationary increases attempted in FY17

    • 4000 SKU’s, £50m of increases, 4.5% increment if all achieved

• Inflationary increases accepted in FY17

  • 3500 SKU’s, £36.5m of increases, 3.1% actual,

  • Extra £3.2m of benefit by deferring and extra cash benefit by buying in

• Inflationary increases passed on in FY17

  • 92%, some at greater level, plus buy in, plus negotiated trade-offs
Cash Margin Growth – National Account Margin Growth

<table>
<thead>
<tr>
<th>Year</th>
<th>Margin</th>
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<tr>
<td>12/13</td>
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<td>15/16</td>
<td>1.59</td>
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<tr>
<td>16/17</td>
<td>1.63</td>
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</tbody>
</table>
Cash Margin Growth – Own Brand Growth

YTD growth of 10.5%

YOY Total Own Brand sales growth - Wholesale Depots

P1 P2 P3 P4 P5 P6 P7 P8 P9
Cash Margin Growth - Acquisition
Service Excellence

- Service Excellence is the glue of the business
- ‘If you’re not serving the customer, make sure your serving someone who is’
- Common goal that will deliver consistent growth and profit
- It has to be measurable
- It’s a long term project
Uncertain Future
Uncertain Future – Needs Decisive Action

We have full coverage of categories, geographies and sectors and yet still a relatively low market share

This is an excellent base to build from
Uncertain Future – Needs Decisive Action

“Uncertainty creates opportunity, and opportunity creates prosperity”

We are not relying on, or leaving anything to chance!

D = Direction
I = Investment
C = Commitment
E = Engagement
- A solid year so far, but with considerable fluctuations in month to month trading
- The fresh business is significantly more volatile than the traditional business
- We should temper our expectations of consistent short term growth, but are confident of consistent long term growth
The key elements that we need to focus on are volume growth, margin management and maintaining a trader mentality.

The team have battled – successfully – with high salmon pricing, a very volatile produce season, and some less than favourable customer contracts.

Independent share of trade grows nicely from 51% to 56%.
The seafood businesses have struggled with the salmon pricing impacting sales and margin
Oliver Kay has performed well despite the produce volatility, and Noones has settled in nicely
Campbells continues to improve in meat and produce
Hensons and Rustic Cheese have shown solid progress
- Williams of Flint has also settled in well
- Knights meats has some areas to improve
- Overall a great customer proposition, increasingly well received
- Completely aligned with our strategic focus on ‘foodie’, freetrade customers
- Trading will always bring some ups and downs but general direction of travel is upwards