



GROUP

4 MARCH 2022

Emmi annual results 2021



ANNUAL RESULTS 2021

Continued success

Konrad Graber, Chairman of the Board of Directors

Reliable and successful

Robust strategy and strong culture

- Diversified product range and country portfolio
- Differentiated and innovative brand concepts
- Agile, efficient and locally anchored organisation
- Culture of togetherness

Advancing sustainability

- Sustainability as part of Emmi's DNA
- Looking ahead to the next generation (Emmi Purpose)

Respectable result

- Group sales close to CHF 4 billion mark
- Proportional growth at level of EBIT and net profit
- Proposal for dividend increase: CHF 14.00 (PY CHF 13.00)



Setting the course for supervision and leadership



Board of Directors

- Werner Weiss *nominated*
- Hubert Muff *nominated*

Thomas Oehen (Vice-Chairman) and Franz Steiger step down at GM 2022



Group Management

- Jonas Leu, *EVP Americas*
since 1 January 2022

Matthias Kunz moves to the Extended Group Management Board after 20 years as active member and most recently EVP Americas

THE BEST
DAIRY MOMENTS
— ARE EMMI —
MOMENTS

Strategy implementation

Urs Riedener, CEO



Welcome

“In 2021, we once again demonstrated that our business model works and that our clear strategic direction is delivering results, with a broad-based product and country portfolios, innovative brands and an agile, locally anchored organisation. I’m particularly pleased that we repeated our success in this exceptional year, steadily strengthening our business and also making further progress in the area of sustainability.

To ensure that Emmi continues to grow successfully in the long term and to align our business even more clearly with future growth, we are honing our strategy on the basis of our strengths and introducing an Emmi Purpose. This embodies our passion to carefully produce high-quality dairy products and specialties with respect for nature and people, creating unique moments of pleasure for generations to come.”

Urs Riedener, CEO Emmi Group

**TOGETHER, WE CREATE
— THE BEST —
DAIRY MOMENTS
TODAY AND FOR
GENERATIONS
TO COME**

Agenda

1. Strategy implementation

Urs Riedener, CEO

2. Performance 2021

Ricarda Demarmels, CFO

3. Outlook

Urs Riedener, CEO

4. Q&A

Konrad Graber, Chairman | Urs Riedener, CEO | Ricarda Demarmels, CFO



Successful overall results for 2021

Steady progress, persistent investments in future growth

- Strong organic growth of 3.6% (PY: 1.9%)
EBIT higher at CHF 284.1 million, EBIT margin constant at 7.3% despite strong growth of input costs
- Good momentum in brand concepts, foreign markets and strategic niches
Swiss business down slightly as expected after pandemic-related growth in PY
- Targeted portfolio development and strengthening of existing market positions
Acquisition of Athenos business (USA), successful establishment & integration of Emmi Dessert USA

Lived sustainability

- Emmi sustainability model: continued broad-based progress
A.o. further integration into culture & processes, improvement in CDP climate rating

Expand and develop strengths in a targeted manner

- Honing of Emmi strategy based on established strengths, introduction of Emmi Purpose

Cautiously optimistic outlook for 2022

- Ongoing uncertainties, rising input costs and inflation

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DAIRY MOMENTS**

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Consistently reliable performance

CHF 3,911.9 million

Net sales *(previous year: CHF 3,706.1 million)*
Organic growth: 3.6%

CHF 284.1 million (+4.8%)

EBIT *(previous year adjusted¹⁾: CHF 271.2 million)*
EBIT margin: 7.3% *(previous year adjusted¹⁾: 7.3%)*

Financial strength

0.99x net debt/EBITDA
31 December 2020: 0.43x

CHF 216.7 million (+7.0%)

Net profit *(previous year adjusted¹⁾: CHF 202.6 million)*
Net profit margin: 5.5% *(previous year adjusted¹⁾: 5.5%)*

1) Adjusted for the loss on the sale of Lácteos Caprinos S.A.



Steady long-term performance

in CHF million	2021	2020 ¹⁾	2019	2018 ²⁾	2017
Net sales	3,911.9	3,706.1	3,494.0	3,457.4	3,364.3
Net sales increase in organic terms in %	3.6	1.9	2.2	2.3	0.5
EBITDA	394.7	390.9	352.9	352.8	340.7
as % of net sales	10.1	10.5	10.1	10.2	10.1
EBIT	284.1	271.2	243.2	240.7	228.3
as % of net sales	7.3	7.3	7.0	7.0	6.8
Net profit	216.7	202.6	195.0	204.2 ²⁾	187.2
as % of net sales	5.5	5.5	5.6	5.9	5.6
Headcount (full-time equivalents) as at 31.12.	9,230	8,664	7,826	6,151	6,147

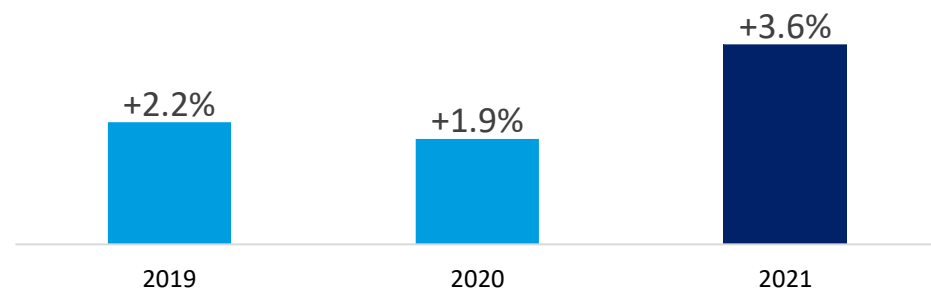
1) Adjusted for the loss on the sale of Lácteos Caprinos S.A.

2) Adjusted for the gain from the sale of the minority interest in Icelandic Milk and Skyr Corporation "siggi's"

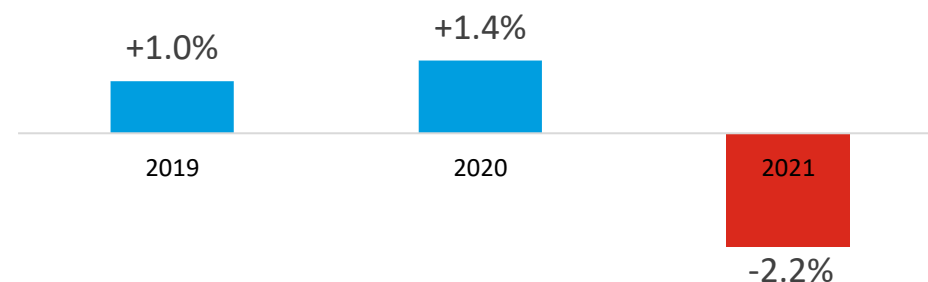


Strong international growth

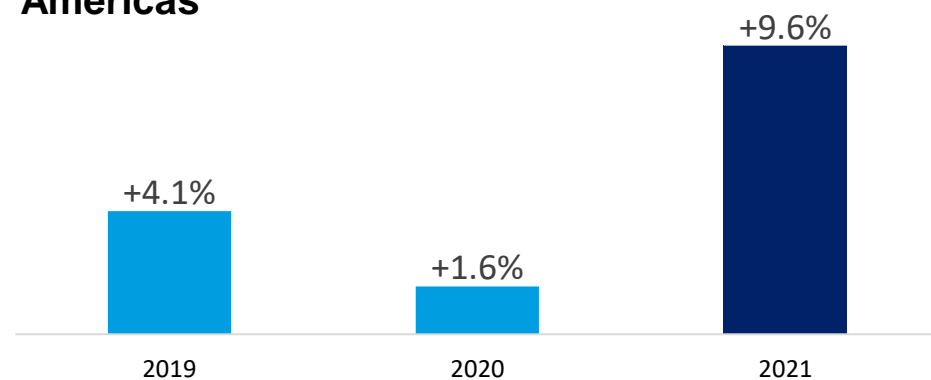
Group*



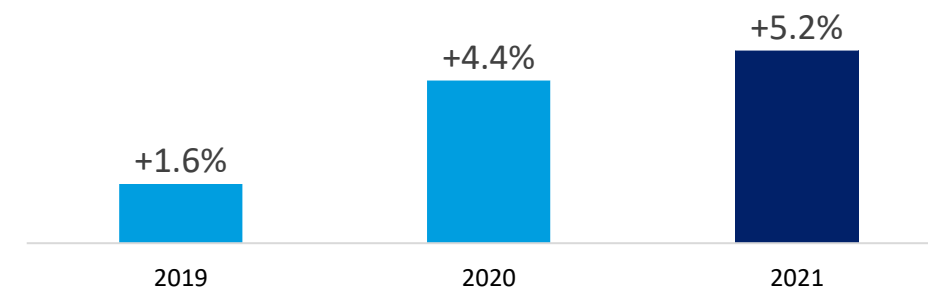
Switzerland*



Americas*



Europe*



A year of upheavals



Inflationary pressure*

DEC 2021

- USA: 7%
- EU: 5.1%
- CH: 1.5%



Input costs

- Partially significantly above long-term trend
- Raw materials & packaging
- Energy & logistics



Supply chains

- Freight and container prices at long-term high
- Volatile and restricted capacities



Covid-19

- Return to normality delayed (*Omicron*)
- Massive disruption and lockdowns



Labour market

- Limited availability especially in USA
- Negative trend in labour costs

Global Supply Chain Index



* Source: New York FED Index



* Source: The Economist Intelligence Unit - Comparative figures with previous year's period

Highlights 2021 (1/2)



Growth in Brazil

New milk powder plant as basis for further growth and strengthening of regional position



Sustainability model

Extensive approach with science-based targets (SBTi*), Vision netZERO 2050 and SDGs

**Science Based Targets initiative*



beleaf & Swissness

With Swiss oats, more regional added value and reduced ecological footprint



Quillayes Surlat

Bundling of activities and intensification of growth ambitions as no. 4 in the Chilean dairy market



Dessert expertise

Strengthening the Emmi dessert network, building of a manufacturing & innovation hub



New Emmen cheese dairy

CHF 50 million investment in a modern, resource-efficient production of Swiss cheese



Highlights 2021 (2/2)



Sustainable energy

In Emmen, solar energy supplements the woodchip heating system used since 2009.



"AOP eco-cheese" network

Solar power in Kaltbach, the Emmentaler AOP cheese dairy and increasingly also at local milk suppliers



Closing the circle

First cups with recycled content in the chiller cabinet (UK)



Five times gold

Emmi speciality cheeses triumph x5 – including the cave-aged Kaltbach cream cheese.



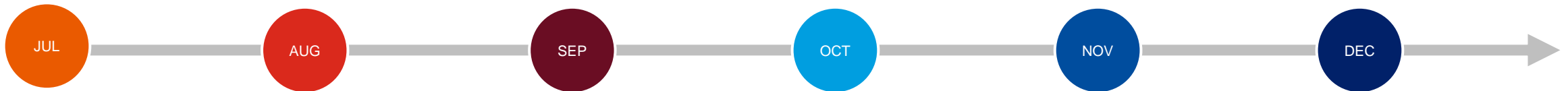
No. 1 in the US feta market

Acquisition of Athenos feta business: strengthen position in USA and in the important specialty cheese segment.



Supplier of the year

McDonald's names Emmi "Supplier of the Year 2021" with a score of an unprecedented 100%.



Innovations in growth areas



Holistic Health



Casual food



Plant-based alternatives



New coffee experiences



Food as it should be



Balanced Indulgence



New Channels & Business Models



Green power



Net sales by business division

Group net sales CHF 3,911.9 million

2020: CHF 3,706.1 million

Switzerland 42.2%

Net sales CHF 1,649.8 million

2020: CHF 1,686.2 million. / 45.5%

Americas 37.8%

Net sales CHF 1,478.7 million

2020: CHF 1,281.8 million. / 34.6%

Global Trade 3.1%

Net sales CHF 121.4 million

2020: CHF 107.4 million. / 2.9%

Europe 16.9%

Net sales CHF 662.0 million

2020: CHF 630.7 million. / 17.0%

Top 5 markets:



Switzerland



USA



Germany



Italy



Spain

Sales growth by business division



Switzerland

Organic -2.2% 2020: +1.4%

Food service share 9% (2021), FS org. -2% (vs 2020) / -35% (vs 2019)

Americas

Organic +9.6% 2020: +1.6%

FS share 19% (2021), FS org. +23% (vs 2020) / -2% (vs 2019)

Europe

Organic +5.2% 2020: +4.4%

FS share 5% (2021), FS org. +12% (vs 2020) / -18% (vs 2019)

Group

Organic +3.6% 2020: +1.9%

FS share 12% (2021), FS org. +12% (vs 2020) / -18% (vs 2019)

Global Trade

Organic +11.5% 2020: -1.9%

FS share 16% (2021), FS org. +20% (vs 2020) / -20% (vs 2019)

Net sales by product group

Cheese 30.0%

CHF 1,173.2 million

2020: CHF 1,139.3 million / 30.8%

Dairy products 29.3%

CHF 1,147.7 million

2020: CHF 1,137.9 million / 30.7%

Other products and services 4.9%

CHF 190.2 million

2020: CHF 179.4 million / 4.8%

Fresh products 26.4%

CHF 1,032.3 million

2020: CHF 892.9 million / 24.1%

Fresh cheese 5.4%

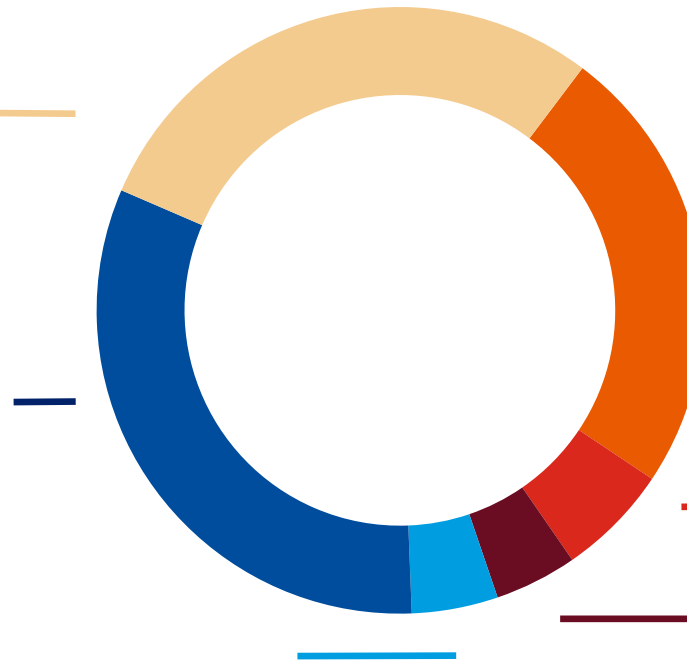
CHF 211.5 million

2020: CHF 209.4 million / 5.6%

Powder/concentrates 4.0%

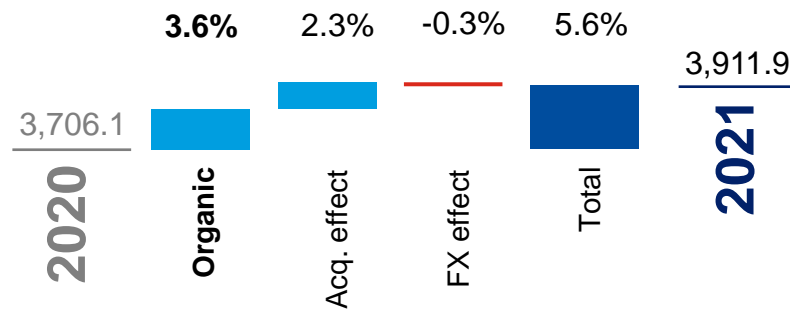
CHF 156.9 million

2020: CHF 147.2 million / 4.0%



Strong organic growth

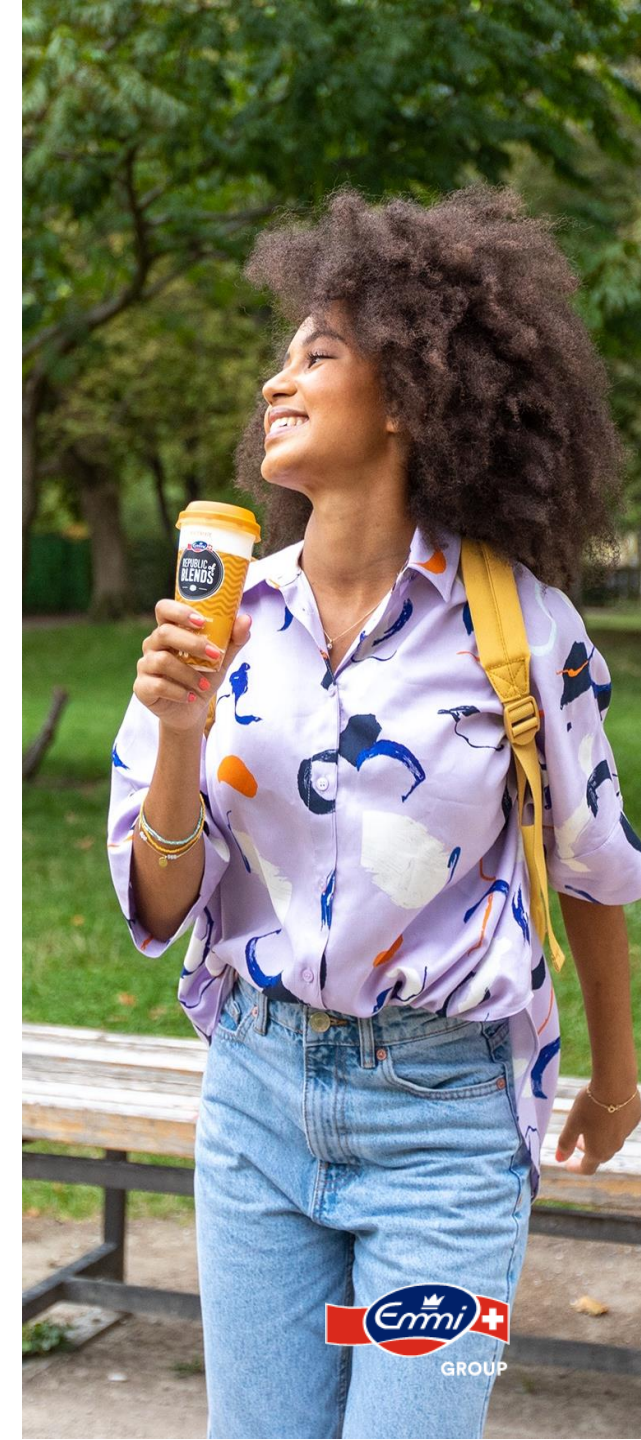
Sales internationally compensate for expected decline in Switzerland



Emmi Group net sales in CHF million

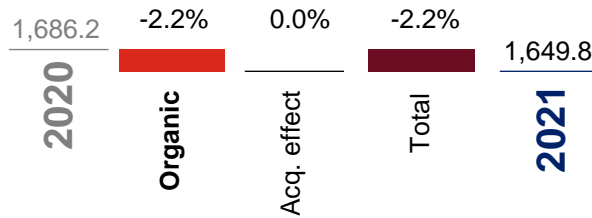
Emmi Group highlights

- Strong momentum in foreign markets and in strategic niches such as speciality desserts
- Sustained pleasing growth in brand business with Emmi Caffè Latte or Kaltbach
- Food service business in all divisions still below pre-crisis level overall, especially in Switzerland
- Switzerland with expected losses especially in retail trade after pandemic-related record sales in previous year
- Americas posts significant increase thanks to BRA, MEX and TUN growth markets and recovery of food service business
- Gains in Europe driven by dessert companies in ITA and continued momentum with Emmi Caffè Latte and Kaltbach



Strong international growth

Switzerland: decline in retail



Net sales business division Switzerland in CHF million

Dairy products

Sales CHF 668.6 million, -2.1% (org. -2.1%)

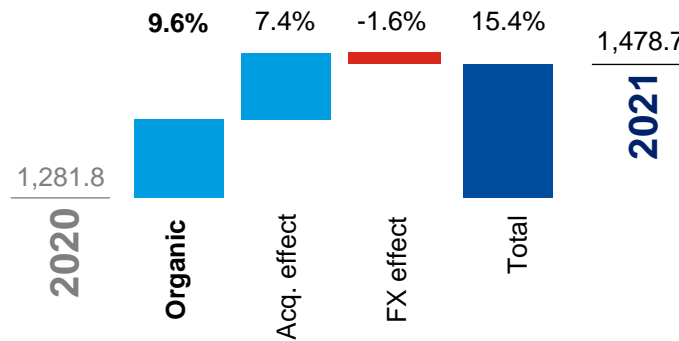
Cheese

Sales CHF 416.2 million, -4.1% (org. -4.1%)

Fresh products

Sales CHF 339.2 million, -0.6% (org. -0.6%)

Americas: momentum across the board



Net sales business division Americas in CHF million

Cheese

Sales CHF 573.3 million, +8.8% (org. +9.1%)

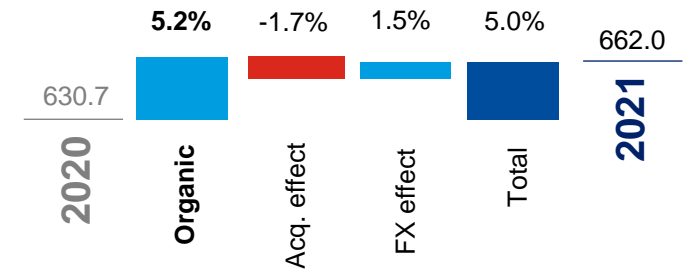
Dairy products

Sales CHF 381.8 million, +8.0% (org. +9.7%)

Fresh products

Sales CHF 329.0 million, +45.5% (org. +7.1%)

Europe: brand concepts and desserts



Net sales business division Europe in CHF million

Fresh products

Sales CHF 329.4 million, +13.7% (org. +12.6%)

Cheese

Sales CHF 128.5 million, -0.5% (org. -0.3%)

Dairy products

Sales CHF 94.8 million, -4.3% (org. -2.6%)

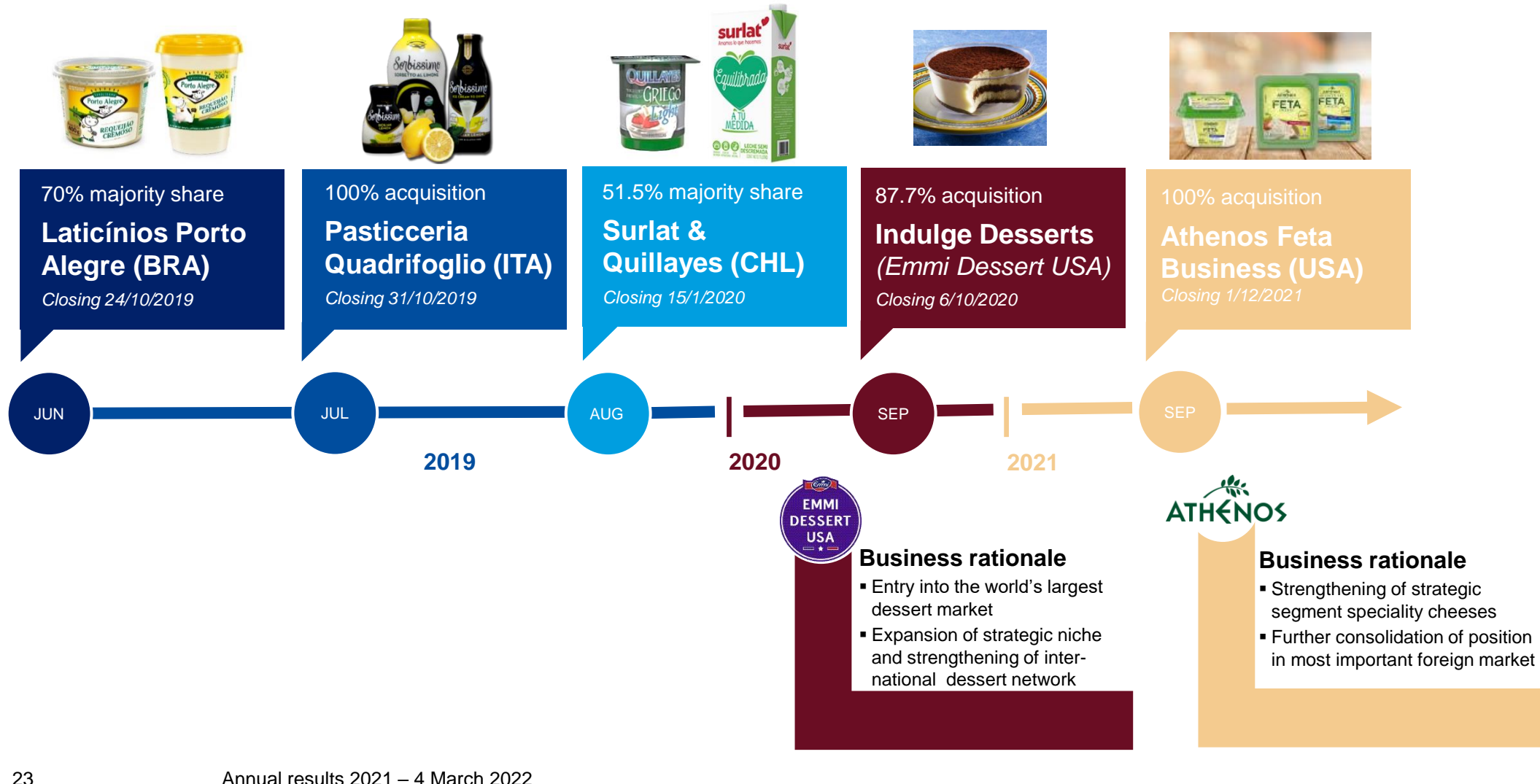
Targeted growth of profitable niche businesses



Successful and targeted internationalisation



Strategic expansion of profitable niches



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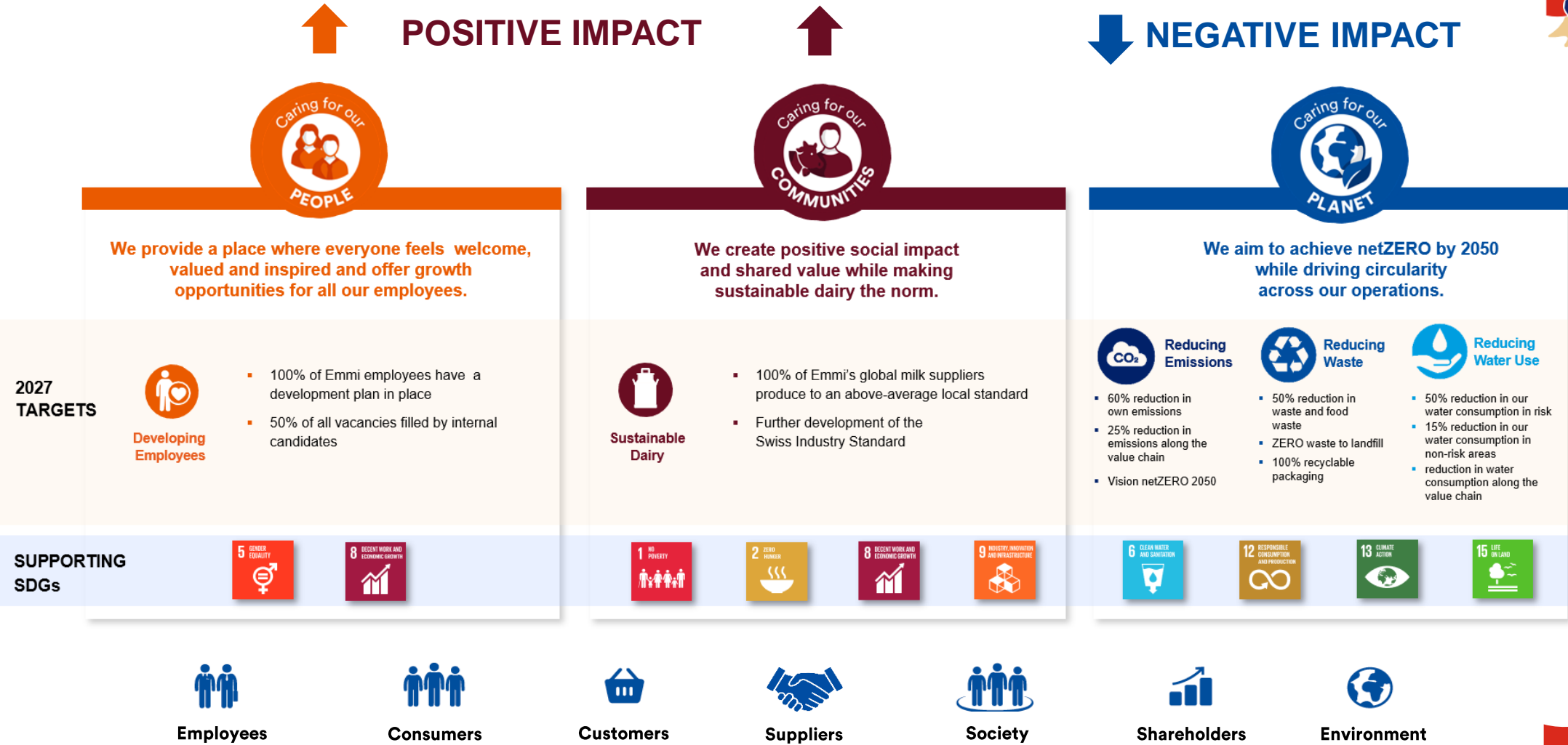
A man with glasses and a grey shirt is holding a young child in a blue and white jacket. They are both smiling and looking at a brown and white cow. The man is holding a bunch of green grass, and the child is reaching out to touch it. The background is a lush green field with some trees in the distance.

ANNUAL RESULTS 2021

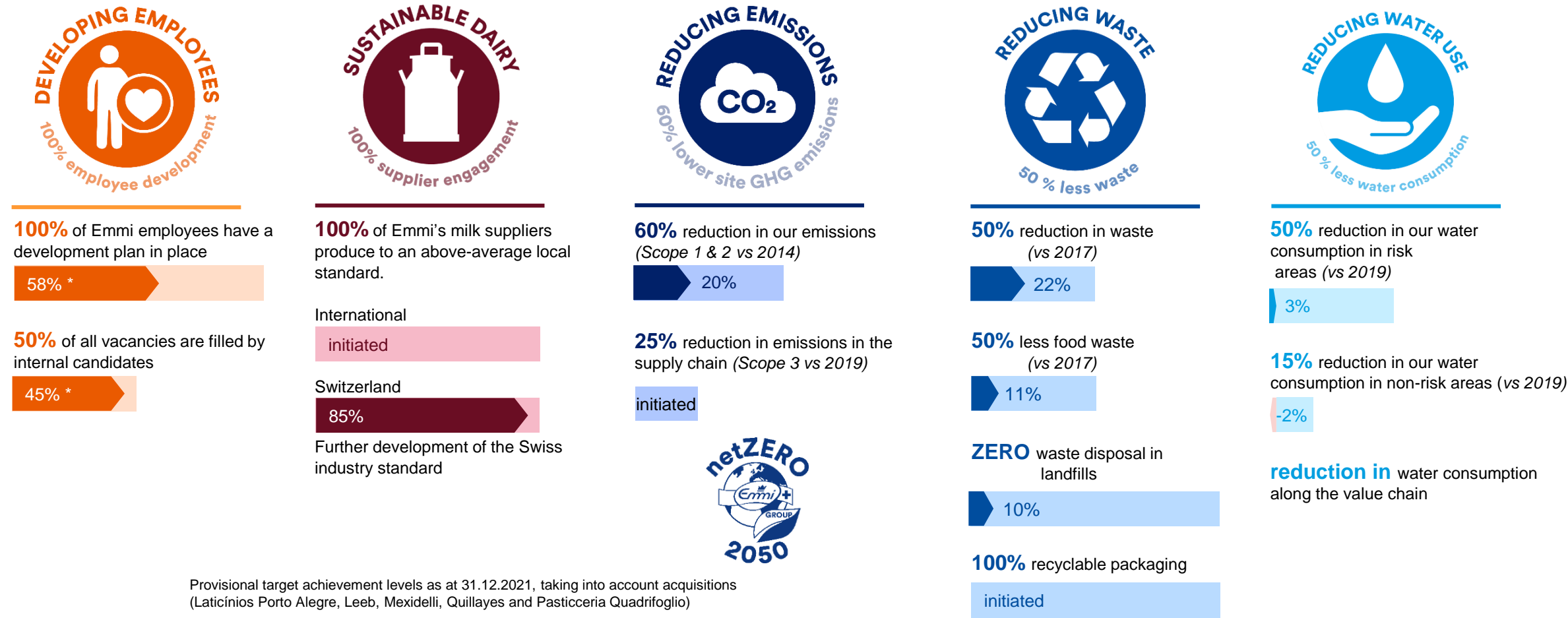
**Sustainability
as part of the business model**



Emmi sustainability model



Measure and drive progress



ANNUAL RESULTS 2021

Performance 2021

Ricarda Demarmels, CFO



Rising input costs put pressure on margins

in CHF million	2021	2020 (adjusted) ¹⁾	Δ in % / bps	2020	Δ in % / bps
Net sales	3,911.9			3,706.1	5.6
Gross profit	1,429.9			1,349.7	5.9
as % of net sales	36.6			36.4	+13 bps
Total operating expenses	-1,044.3	-963.3	8.4	-977.9	6.8
as % of net sales	26.7	26.0	+70 bps	26.3	+31 bps
EBITDA	394.7	390.9	1.0	376.3	4.9
as % of net sales	10.1	10.5	-46 bps	10.2	-6 bps
Depreciation and amortisation	-110.7			-119.7	-7.6
EBIT	284.1	271.2	4.8	256.6	10.7
as % of net sales	7.3	7.3	-5 bps	6.9	+34 bps

Slight increase in gross profit margin despite higher input costs and thanks to growth in strategic niches

1) Adjusted for the loss on the sale of Lácteos Caprinos S.A.

Acquisition effects and inflation

in CHF million	2021	2020 (adjusted) ¹⁾	Δ in % / bps	2020	Δ in % / bps
Personnel expenses	534.8			493.8	8.3
as % of net sales	13.7			13.3	+35 bps
Marketing and sales-related expenses	139.1			127.0	9.5
as % of net sales	3.6			3.4	+13 bps
Occupancy expense, maintenance & repair, leasing	81.4			76.8	5.9
as % of net sales	2.1			2.1	+1 bps
Energy, operating material and supplies	81.6			75.4	8.1
as % of net sales	2.1			2.0	+5 bps
Logistics expenses	130.3			115.5	12.8
as % of net sales	3.3			3.1	+21 bps
Other operating expenses	77.1	74.8	3.3	89.4	-13.5
as % of net sales	2.0	2.1	-5 bps	2.4	-43 bps
Total operating expenses	1,044.3	963.3	8.4	977.9	6.8
as % of net sales	26.7	26.0	+70 bps	26.3	+31 bps

1) Adjusted for the loss on the sale of Lácteos Caprinos S.A.

Increase in personnel expenses due to acquisition effects and higher labour costs in many places as a result of inflationary trends

Marketing and sales expenses increase following pandemic-related low costs in the previous year and based on deliberate investments in brand concepts

Logistics expenses increase due to globally unstable supply chains and inflation-driven cost development

Constant net profit margin

in CHF million	2021	2020 (adjusted) ¹⁾	Δ in % / bps	2020	Δ in % / bps
EBIT	284.1	271.2	4.8	256.6	10.7
Income from associates and joint ventures	3.7			-1.0	n/a
Financial result	-11.9			-13.4	-10.9
Earnings before taxes (EBT)	275.9	256.9	7.4	242.3	13.9
Income taxes	-45.2	-41.0	11.2	-40.6	11.2
average tax rate as % of EBT	16.4	16.0	+42 bps	16.8	-39 bps
Profit including minority interests	230.7	215.8	6.9	201.6	14.4
as % of net sales	5.9	5.8	+7 bps	5.4	+46 bps
Minority interests	-13.9			-13.2	5.4
Net profit	216.7	202.6	7.0	188.4	15.0
as % of net sales	5.5	5.5	+7 bps	5.1	+46 bps

1) Adjusted for the loss on the sale of Lácteos Caprinos S.A.

Better result from associates and joint ventures after primarily pandemic-related loss in the previous year

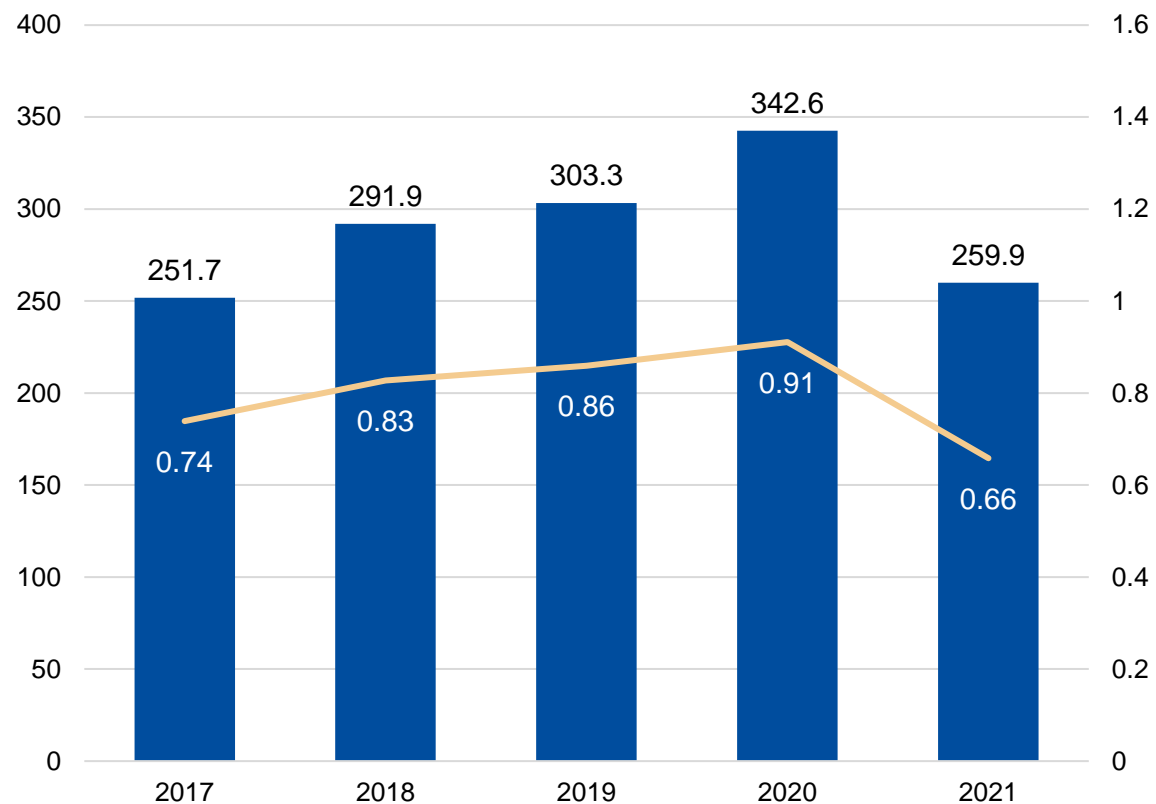
Lower net financial expenses chiefly due to a better interest and currency result

Slightly higher (adjusted) tax rate as a result of the higher share of the international business

Temporarily lower cashflow

in CHF million

as % EBITDA



Cash flow from operating activities temporarily lower due to normalisation of the exceptional year 2020 (operating cash conversion of 91%) and slight increase of net working capital as a result of pandemic-related longer supply chains

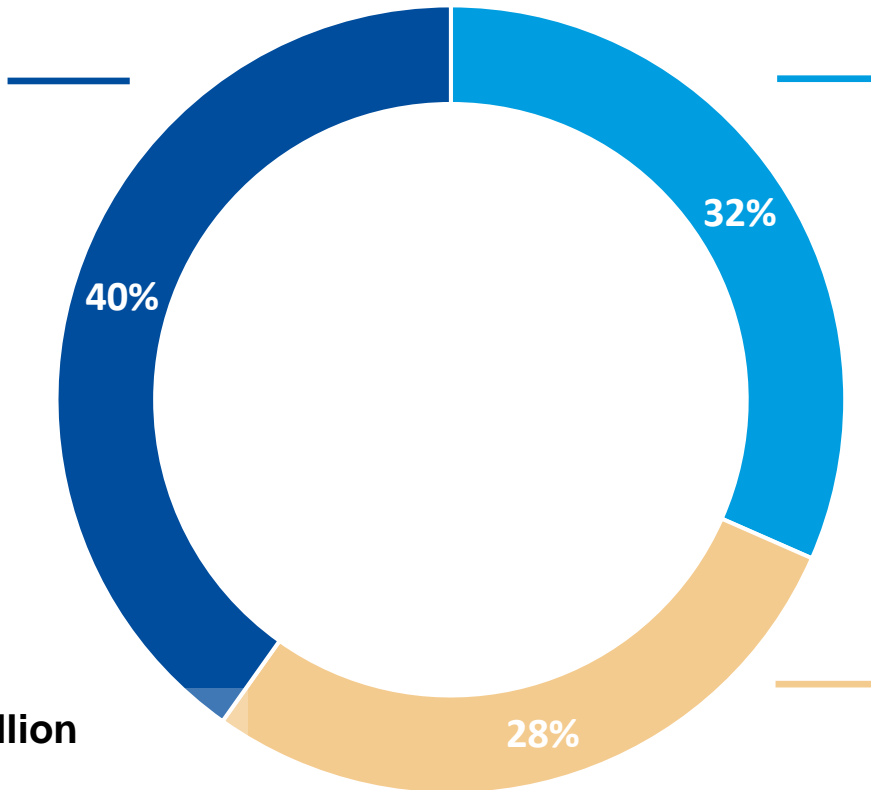
■ Cash flow from operating activities
— Operating cash conversion
(Cash flow from operating activities in relation to EBITDA)

Value creating investments in our future

Growth investments (PY 44%)

- Expansion of production at Käserei Studer (Hefenhofen, CH)
- PET bottle plant (Ostermundigen, CH)
- Goat's milk powder production (NL)

Investments 2021: CHF 152.6 million
(previous year: CHF 131.4 million)



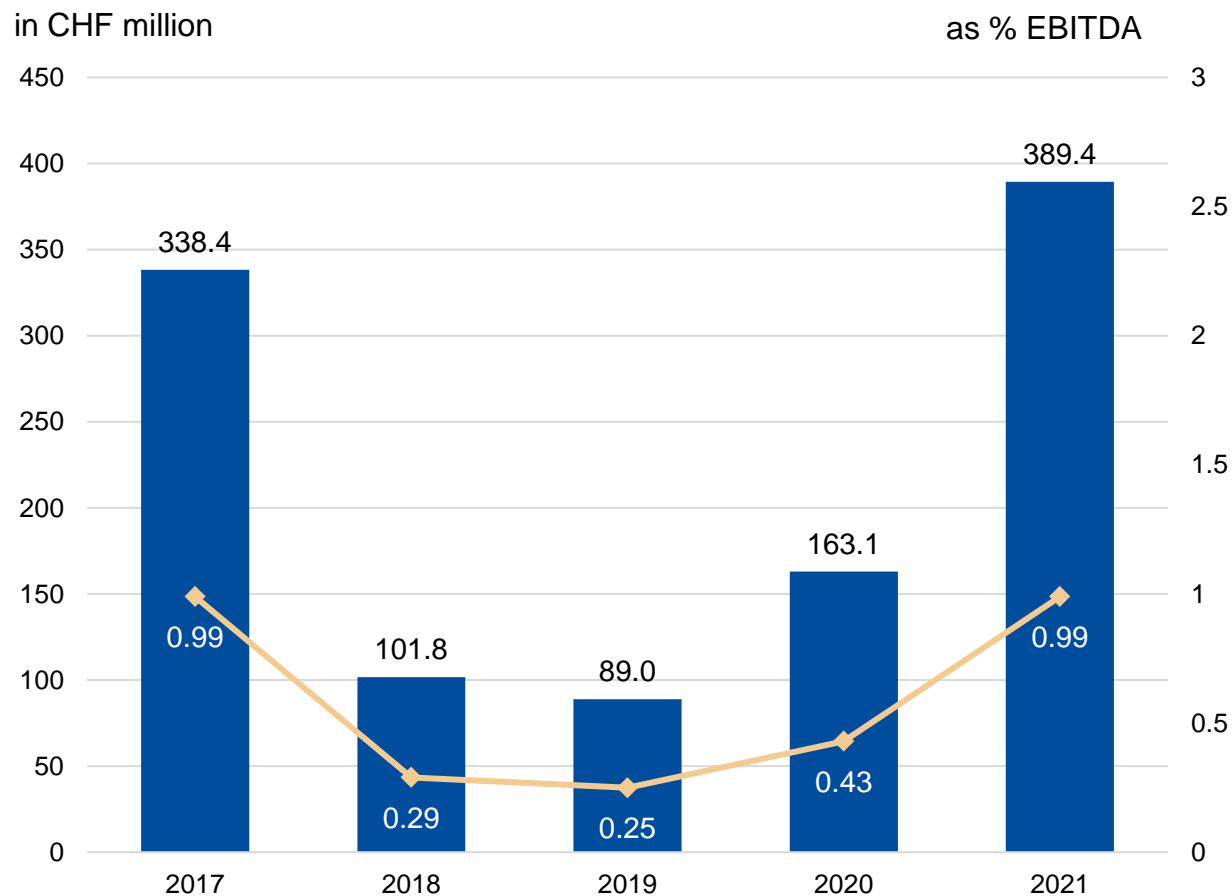
Replacement investments (PY 35%)

- New cheese dairy (Emmen, CH)
- Refurbishment of ice water plant (Emmen, CH)
- Replacement of filling and mixing plant (Suhr, CH)

Rationalisation investments (PY 21%)

- New cheese dairy (Emmen, CH)
- Packaging automation (USA)
- Automation of production of Tête de Moine rosettes (Kirchberg, CH)

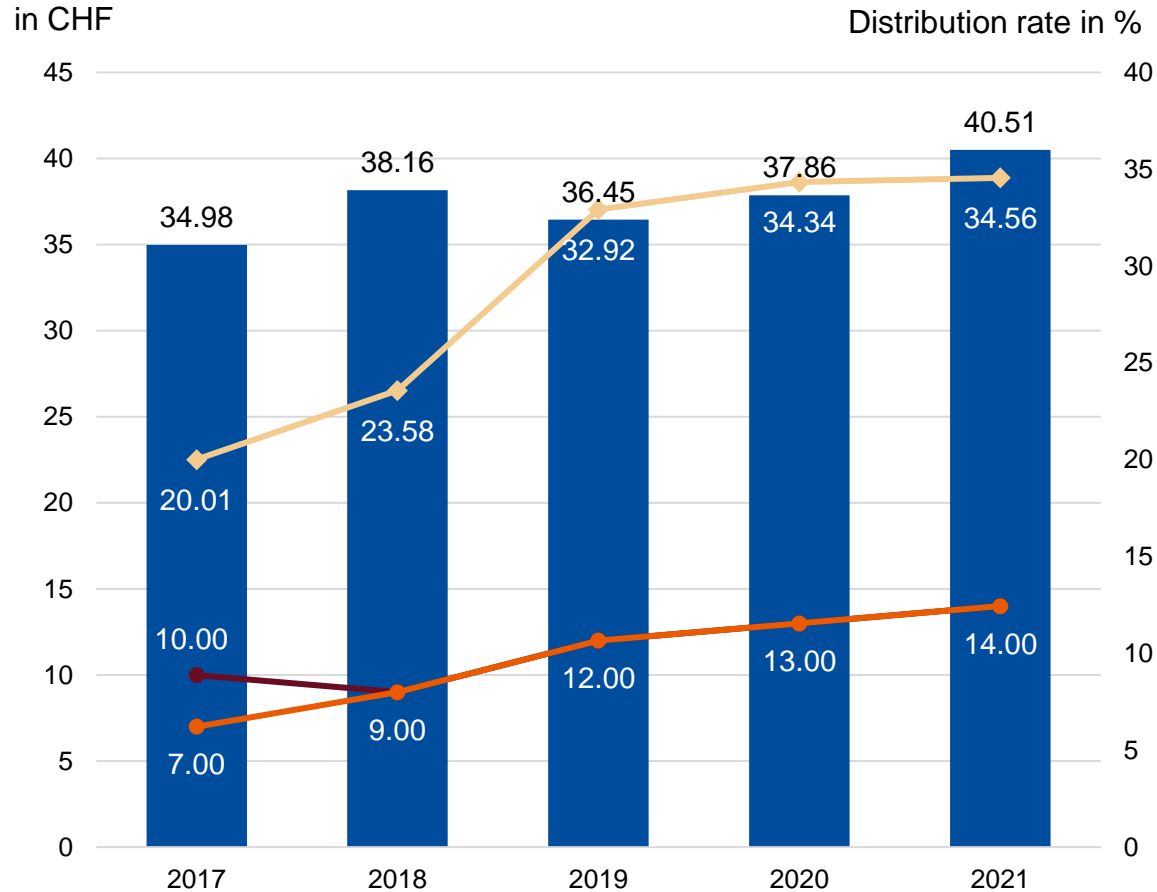
Strong balance sheet



Issue of a CHF 200 million bond to finance the acquisition of the Athenos business in the USA

Net debt
Net debt ratio
(Net debt in relation to EBITDA)

Continuous dividend increase



Proposal to the General Meeting to increase the dividend to CHF 14.00 (+7.7%, previous year: CHF 13.00)

- Adjusted EPS (previous years restated)
- Including special dividend
- Dividend
- Adjusted distribution rate in %



ANNUAL RESULTS 2021

Outlook

Urs Riedener, CEO



Shaping a successful future



Heritage

Where we come from,
what makes Emmi **unique**.



Purpose

Why Emmi exists, what we
stand for – **today and in the future**.



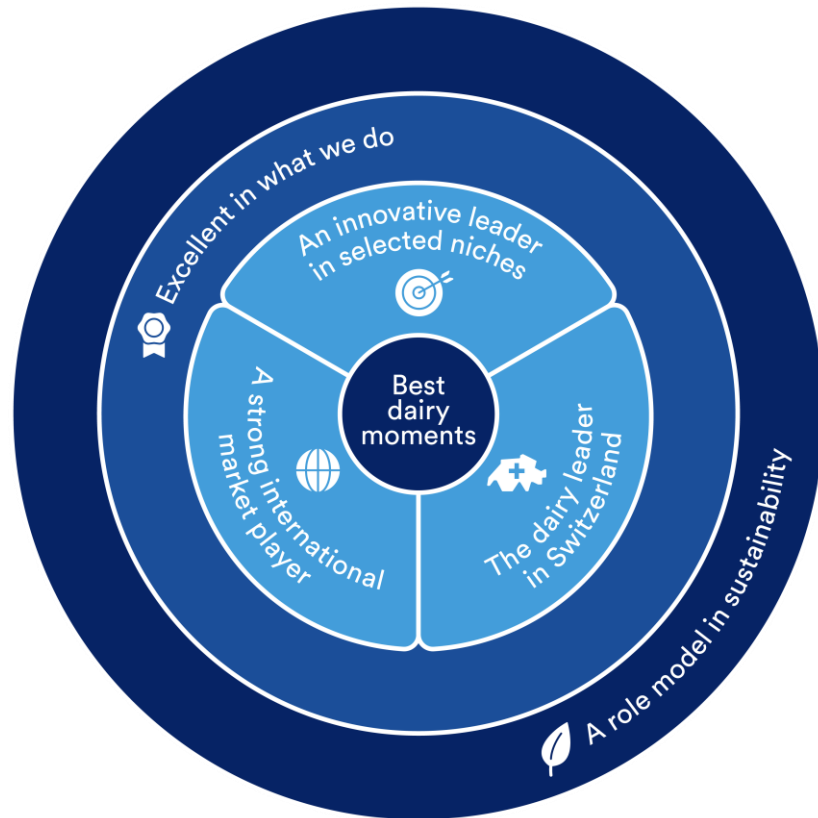
Strategy

Develop strengths in a targeted manner,
align business with **future growth**.

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Making the tried and tested even better



The dairy leader in Switzerland



A strong international market player



An innovative leader in selected niches



Excellent in what we do



A role model in sustainability



The dairy leader in Switzerland

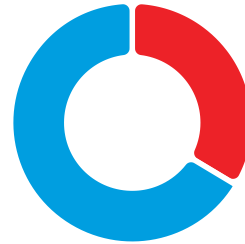


Leading brand concepts

Locally produced,
internationally established



Successful export into 60 markets



3,000 Employees





A strong international player

Focus on **strengthening our position** in those markets where we have established a stronghold or seen solid growth in recent years.





An innovative leader in selected niches

Focus on **niches** in which we already have a leading position or are striving to achieve one.



READY TO DRINK
COFFEE



SPECIALTY
CHEESE



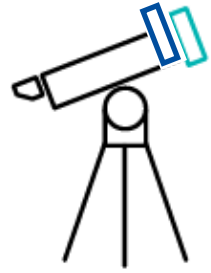
PREMIUM
CHILLED DESSERTS



PLANT-BASED



Outlook



Switzerland

- Continue to set trends with new concepts and value-creating innovations
- Further targeted expansion of presence and product range
- Maintaining cost discipline and investing in differentiation

Challenges: Rising input costs, price pressure, subdued recovery of food service & industrial customer business, shopping tourism and post-Covid normalised consumption patterns

International

- Further strengthen differentiating brand concepts, innovative strength and distribution network
- Shape profitable organic growth, drive portfolio transformation
- Maintain momentum in strategic niches, optimise channel mix

Challenges: Unstable macroeconomic outlook, inflationary pressure and rising input costs, strained labour market & logistics situation in North America, price increases for exports from Switzerland

Focal points for Emmi

- Cushion cost increases
- Further strengthen culture and Emmi network
- Maintain innovative strength
- Anchor Emmi Purpose and strategy
- Further demonstrable progress in implementing the Emmi sustainability model



Assumptions

- No substantial and sustained negative impact of geopolitical crisis on forecasted macroeconomic recovery path
- No fundamental setbacks in course of pandemic in our core markets
- Stabilisation of food service and industrial customer business in Europe incl. Switzerland
- Moderate further input cost increases



EXPECTATIONS FOR 2022 AS A WHOLE

Organic growth above medium-term forecast due to inflation

Organic growth, earnings targets

Sales Group	2.5% to 3.5%
Sales Switzerland	-1% to 0%
Sales Americas: ¹⁾	6% to 8%
Sales Europe: ¹⁾	3% to 5%
EBIT in CHF million	290 to 305
Net profit margin	5.0% to 5.5%

The figures assume a further recovery in the pandemic situation and constant exchange rates and raw milk prices.

1) Including the transfer of the companies in France from business division Americas to business division Europe effective 1 January 2022.



Unchanged medium-term forecasts

Organic growth, earnings targets

Sales Group	2% to 3%
Sales Switzerland	0% to 1%
Sales Americas	4% to 6%
Sales Europe	1% to 3%
Net profit margin	5.5% to 6.0%





ANNUAL RESULTS 2021

Q&A

Konrad Graber, Chairman | Urs Riedener, CEO | Ricarda Demarmels, CFO



Emmi investor events 2022

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Emmi half-year results 2022 Analyst call

Thursday, 18 August 2022

Emmi Capital Market Day 2022

Monday, 19 September 2022

full day – rescheduled from 6 April 2022



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**Thank you
for your attention!**