



24th August 2017

Hilton Food Group plc

Hilton Signs Fresh Food Contract with Tesco Central Europe

Hilton Food Group plc (“Hilton”), the specialist retail meat packing business supplying major international food retailers in Europe and Australia, is pleased to announce it has signed a long term supply agreement with Tesco Central Europe (“Tesco”) to produce fresh food. This development supports Hilton’s strategy of providing key retail partners globally with a diversified food offer.

The five year agreement will involve building a state of the art factory in Poland, to produce items such as sandwiches, pizza, ready meals and soups; this requires an investment of c.6m euros in plant and equipment, as well as the construction of the factory itself for which we are planning a sale and leaseback. It is expected that production will begin in the first quarter of 2019.

Hilton and Tesco have also agreed to sign a further five year long term supply agreement for Hilton to continue servicing Tesco’s Central European stores with pre-packed meat.

Commenting on the agreement, Hilton Chief Executive Robert Watson OBE, said:

“We have a long and successful history of working with Tesco, one of the world’s biggest retailers. This agreement represents an opportunity to enter a growing food segment of the market. We look forward to seeing the positive effect our tried and tested business model will have on this relationship, which will be supported by our flexible and versatile approach to meeting local requirements. We continue to look for further opportunities for geographic expansion.”

Matt Simister, Tesco Central Europe CEO, added:

“I’m delighted that we are extending our deep Group-wide partnership with Hilton to bring new manufacturing investment and capability to Poland. Our collective experience and expertise will bring new, innovative and high quality fresh and convenient products to our customers in Central Europe”.

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Notes to Editors

About Hilton

Hilton Foods is Europe’s leading specialist fresh meat retail packing company supplying major retailers including Tesco, Ahold, ICA, Coop Danmark and Sonae in Europe and Woolworths in Australia. Hilton had sales of £1.2 billion in 2016 and employs around 3,000 people across its sites.

Each of Hilton's central meat packing plants are operated on a dedicated basis for Hilton customers. Hilton's business model has been adapted to meet local requirements with customers in each country.

This announcement contains inside information which is disclosed in accordance with the Market Abuse Regulation.

About Tesco

Tesco is one of the world's leading retailers with 460,000 colleagues, serving millions of customers every week, from over 6,800 stores in countries across the UK and Ireland, Central Europe, and Asia and online.

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