



26 February 2018

Hilton Food Group plc

Western Australia and Victoria Joint Venture Facilities for Woolworths Group LTD.

Hilton Food Group plc (“Hilton”) and Woolworths Group LTD today announce the agreement to restructure their Australian meat processing joint venture. This agreement includes long term contracts for Hilton Foods Australia (“HFA”) to supply Woolworths Supermarkets with packaged and value-added meat products.

Hilton will begin full operational control of the Bunbury and Truganina plants from 1 July 2018. At the end of a transitional period of two years, Hilton Foods Australia will acquire the relevant plant assets for a book value expected to be AU\$85m, for either cash or equity consideration (in the form of a minority equity stake in HFA). During this transitional period, HFA will commission a new meat processing plant in Queensland.

This extension to the current partnership between the two companies will enable Hilton to continue to service Woolworths with best in class quality, availability and innovative meat products across Woolworth’s expansive store network under these long term 15-year contracts.

Robert Watson OBE, Chief Executive of Hilton commented: “We look forward to welcoming the Woolworths employees in Bunbury and Truganina to our team. We have been working closely with Woolworths for five years and we have a deep understanding and respect for each other. Our long term partnership with Woolworths is growing and this is the next phase of an even stronger relationship. The long term contract between us displays the mutual trust we have in our partnership and Hilton looks forward to working with the Woolworths team to strengthen further our world class meat offer in Australia.”

Pat McEntee, Woolworths Director of Meat said: “Woolworths is pleased with the value the current joint venture has created within its meat supply chain and is excited to extend the partnership with Hilton to deliver affordable, innovative and convenient protein choices for its customers.”

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Hilton Food Group in Australia - Current Status

Hilton announced on 10th January 2013 that it was to enter into a joint venture agreement with Woolworths LTD through a 50 per cent interest in a new company, Woolworths Meats Co Pty, to operate the Bunbury Meat Centre in Bunbury, Western Australia. On the 20th August 2013, it further announced that it was to proceed with plans to construct a new meat processing facility in Victoria, Australia. These plants have been operating for some time now as part of the Woolworths Meat Co, with all the operating assets currently owned by Woolworths.

On 6th December 2016, Hilton announced plans to construct a new meat processing facility in Queensland, to supply Woolworths. The facility will be owned by Hilton Foods Australia, its 100% owned Australian operating company. The facility is currently under construction.