



Nestlé Good food, Good life



**2022**  
**Three-month sales**  
Investor call

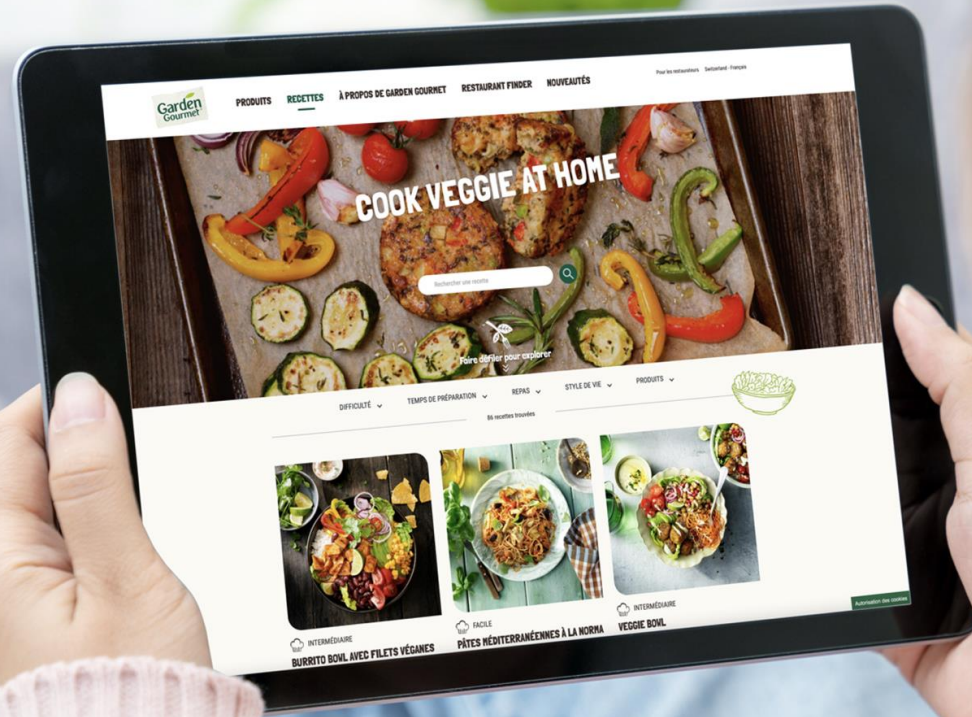
# Disclaimer

This presentation contains forward looking statements which reflect Management's current views and estimates. The forward looking statements involve certain risks and uncertainties that could cause actual results to differ materially from those contained in the forward looking statements. Potential risks and uncertainties include such factors as general economic conditions, foreign exchange fluctuations, competitive product and pricing pressures and regulatory developments.





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# 2022 Three-month sales

Mark Schneider, CEO

# Key messages

- **Strong organic sales growth of 7.6%**
  - Increased pricing and resilient RIG
  - Broad-based growth and market share gains across most geographies and categories
  - Continued momentum in retail sales, with a further recovery in out-of-home channels
- **Supporting humanitarian relief in Ukraine and providing assistance to refugees**
- **Acquired majority stake in Orgain, a leader in plant-based nutrition**
- **Full-year 2022 guidance confirmed**

# 2022 guidance confirmed

- **Organic sales growth around 5%**
- **Underlying trading operating profit margin between 17.0% and 17.5%**
- **Underlying earnings per share in constant currency and capital efficiency expected to increase**

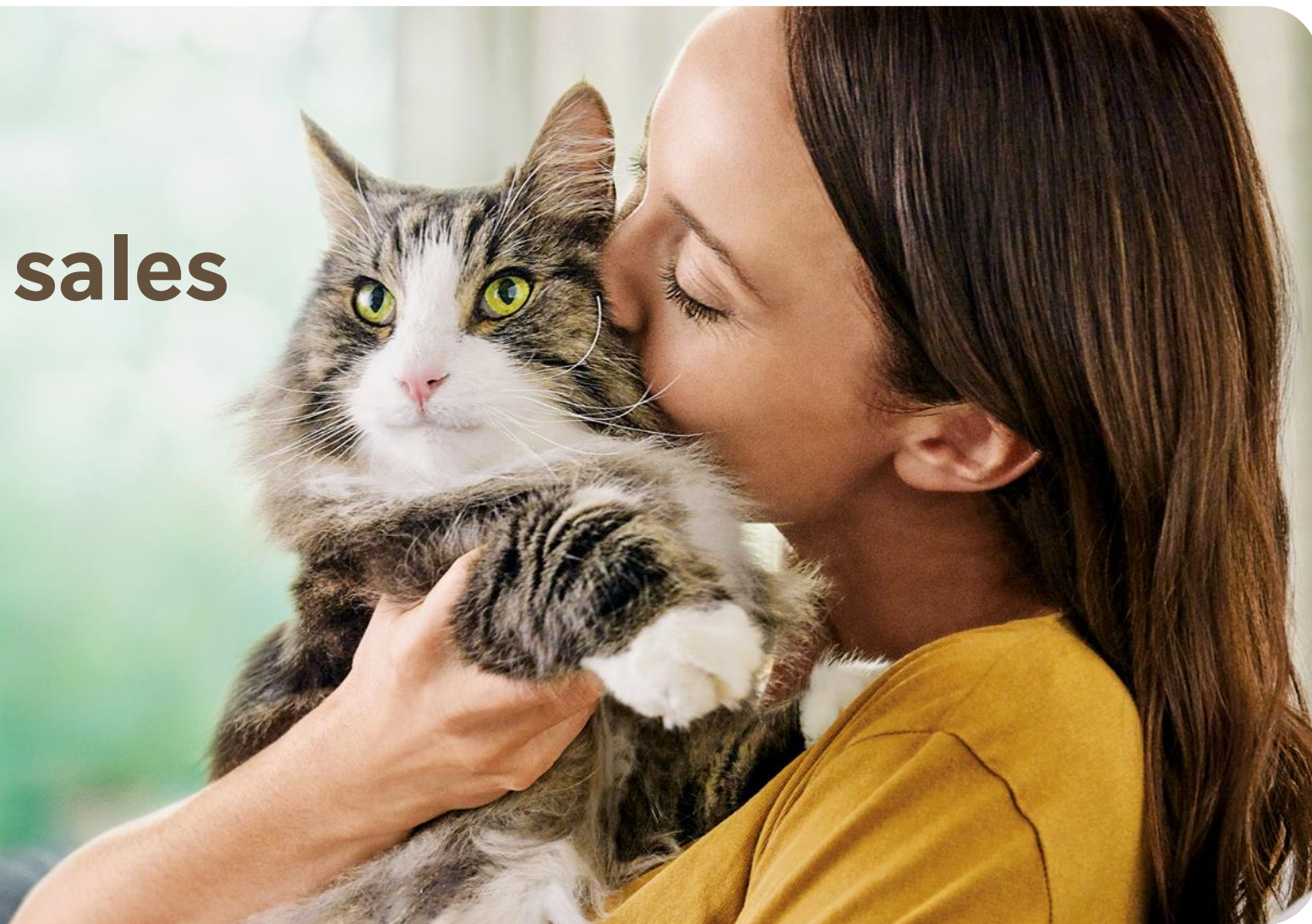




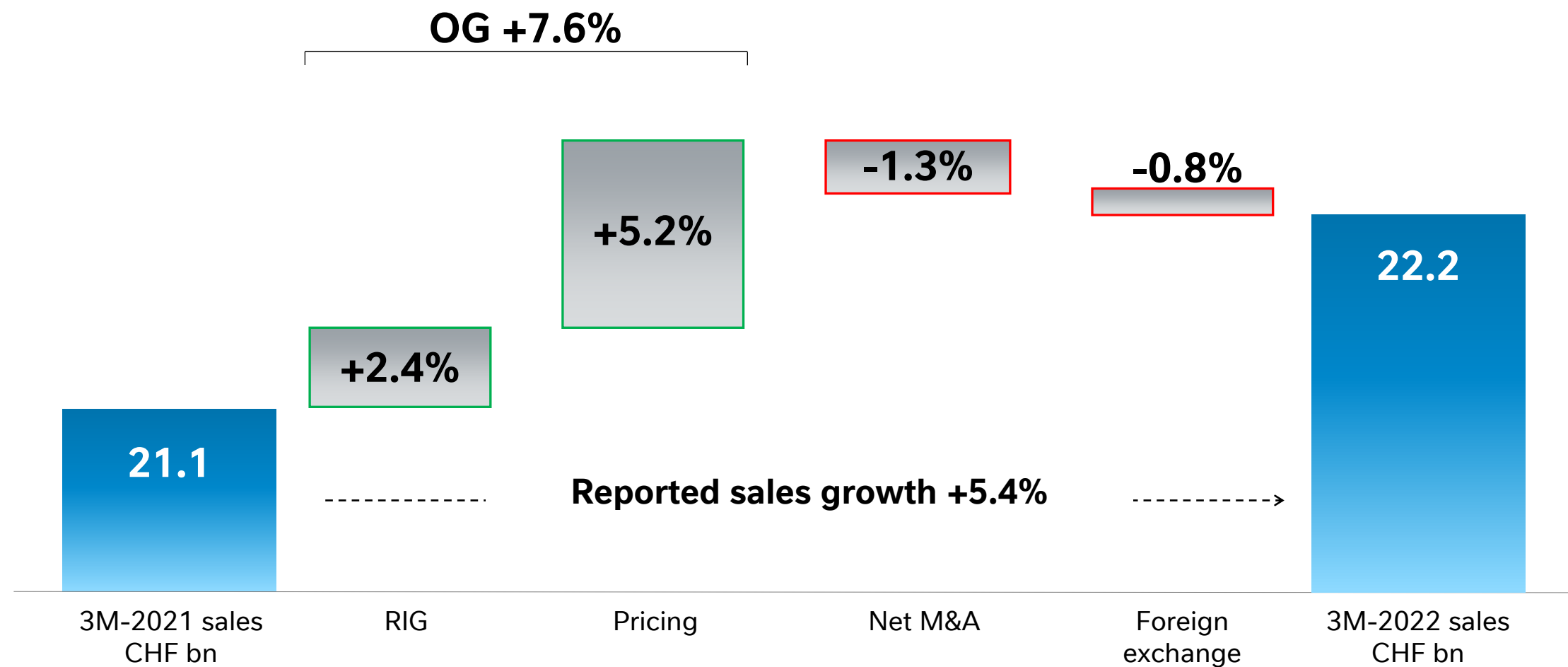
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# 2022 Three-month sales

François-Xavier Roger, CFO



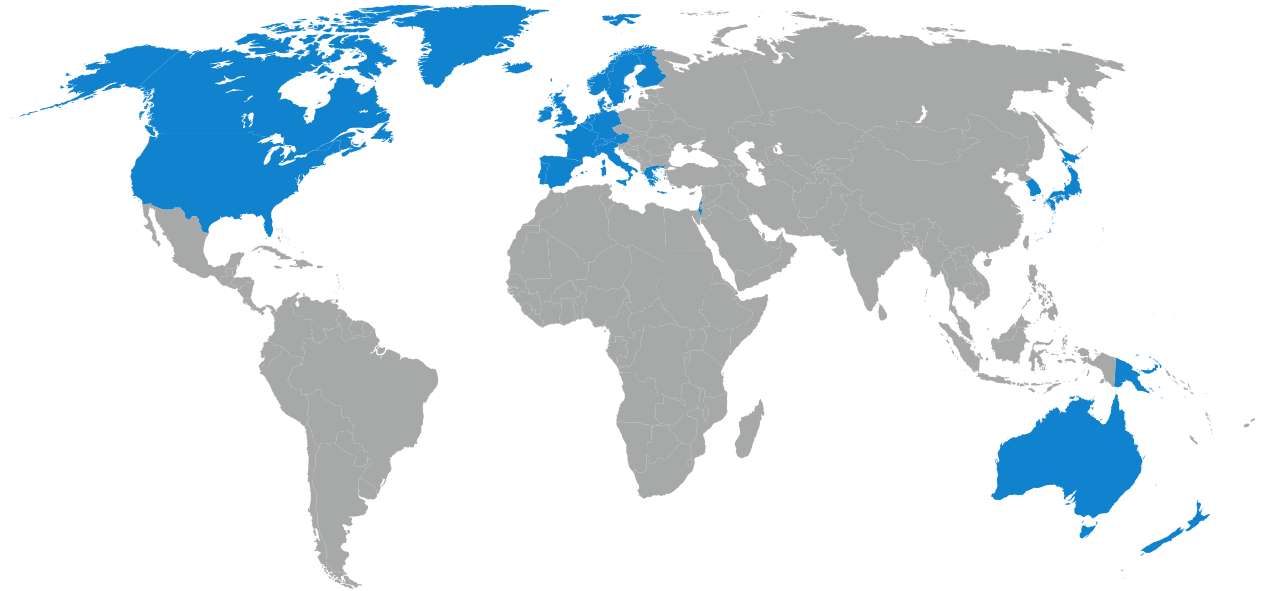
# Three-month sales growth



RIG, pricing and organic growth figures exclude the Russia region, with a corresponding impact on the M&A and foreign exchange lines

# Strong growth across developed and emerging markets

	Developed	Emerging
<b>Sales</b> (in CHF) % of Group sales	<b>12.7 bn</b> 57%	9.5 bn 43%
RIG	1.5%	3.8%
Pricing	5.3%	5.0%
OG	6.7%	8.8%

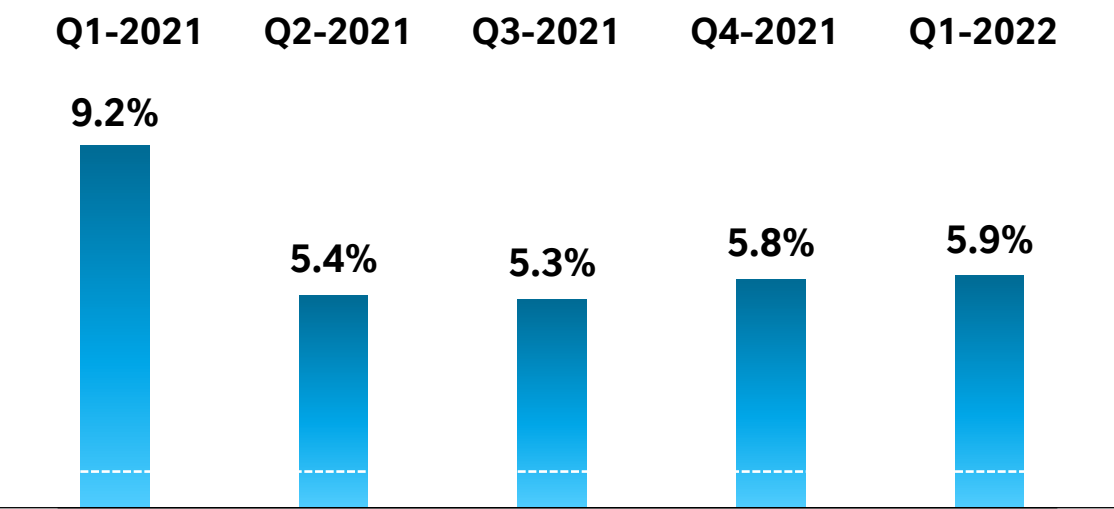




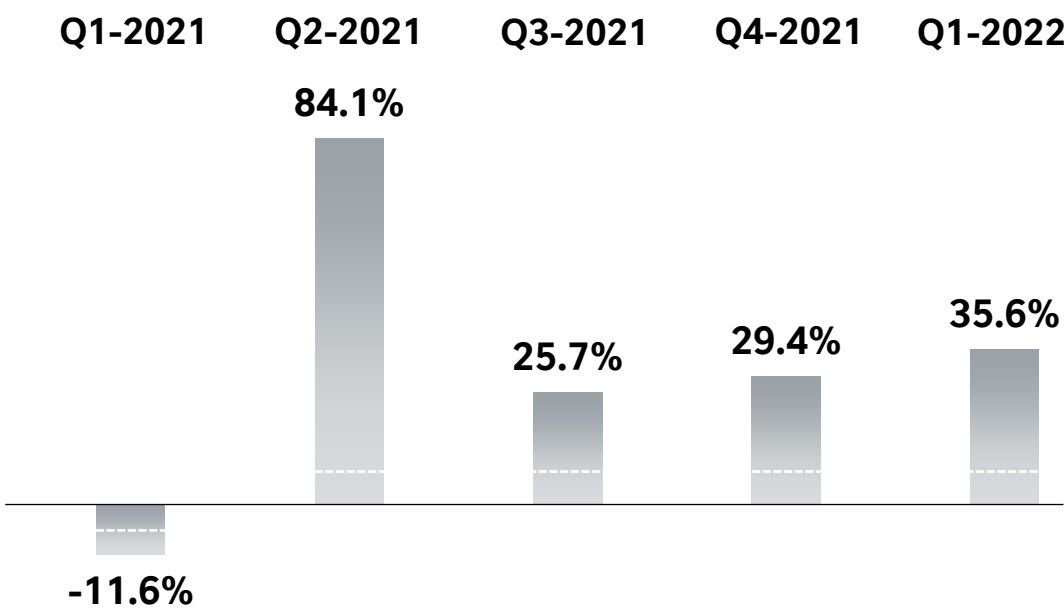
# Strong momentum in retail and further recovery in out-of-home

Organic sales growth %

## Retail

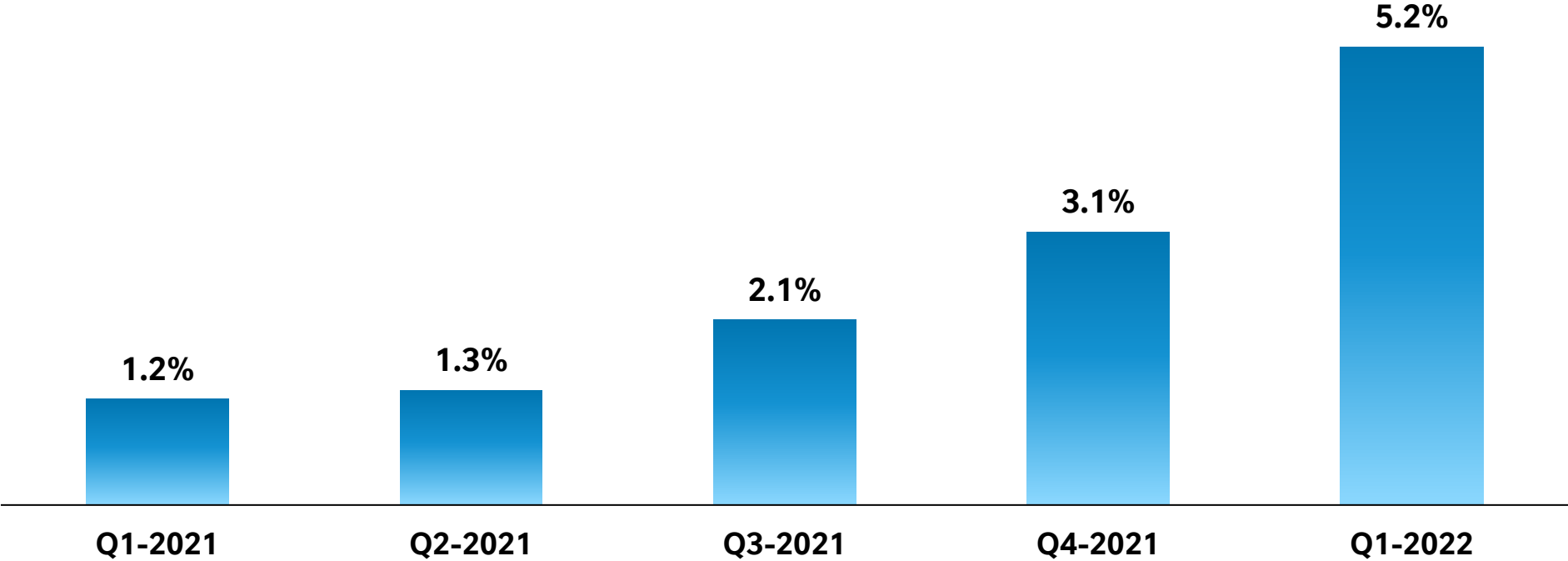


## Out-of-home\*

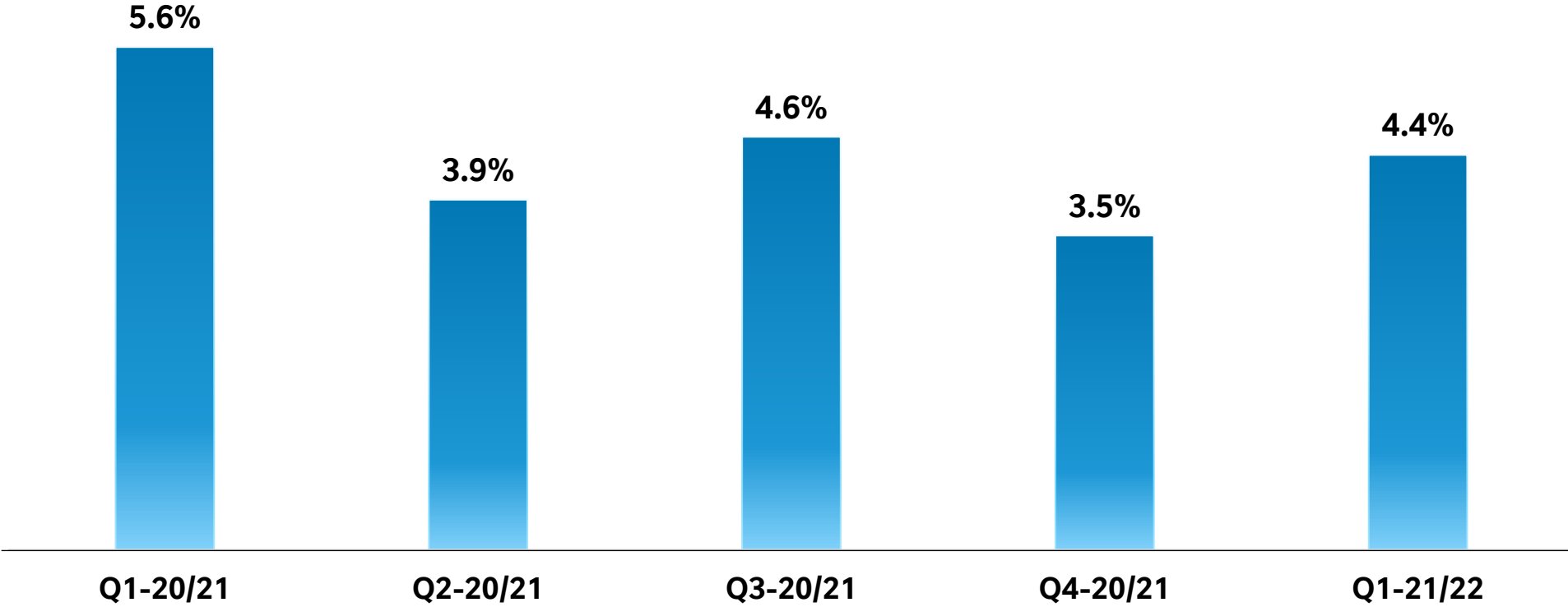


\* Includes Nestlé Professional, foodservice activities of Nespresso, Starbucks products and water, travel retail and Blue Bottle

# Increased pricing reflects significant cost inflation



# 2-year average real internal growth (RIG)\*



\* 2-year average used to adjust for COVID-19-related volatility



# Zone North America

<b>Sales</b>	<b>CHF 5.8 bn</b>
Real internal growth	<b>1.4%</b>
Pricing	<b>8.5%</b>
<b>Organic growth</b>	<b>9.9%</b>

- Strong organic growth, supported by increased pricing
- Sustained e-commerce momentum, further recovery in out-of-home and broad-based market share gains
- Growth led by *Purina* PetCare, Nestlé Professional, coffee and creamers



# Zone Europe

<b>Sales</b>	<b>CHF 4.6 bn</b>
Real internal growth	<b>2.8%</b>
Pricing	<b>4.1%</b>
<b>Organic growth</b>	<b>6.9%</b>

- Strong organic growth supported by increased pricing and solid RIG
- Sustained e-commerce momentum and further recovery in out-of-home channels
- Nestlé Professional, *Purina* PetCare and infant nutrition were the main contributors to growth



# Zone Asia, Oceania and Africa

<b>Sales</b>	<b>CHF 4.6 bn</b>
Real internal growth	<b>1.7%</b>
Pricing	<b>4.3%</b>
<b>Organic growth</b>	<b>6.0%</b>

- Solid organic growth, with increased pricing across most geographies and positive RIG
- Growth led by South Asia and Sub-Saharan Africa
- Culinary, coffee and Nestlé Professional were the key growth contributors, with market share gains in most categories





# Zone Latin America

Sales	CHF 2.7 bn
Real internal growth	4.7%
Pricing	7.7%
Organic growth	12.5%

- Continued double-digit organic growth, with increased pricing and strong RIG
- Broad-based growth across most geographies, with strong execution and continued e-commerce momentum
- Growth was led by confectionery, Purina PetCare and coffee



# Zone Greater China

Sales	CHF 1.4 bn
Real internal growth	3.8%
Pricing	-0.5%
Organic growth	3.4%

- Low single-digit organic growth, driven by RIG
- Growth supported by innovation, with market share gains in culinary, ready-to-drink coffee and confectionery
- Strong sales developments in most categories were partly offset by a sales decline in infant nutrition





# Nespresso

<b>Sales</b>	<b>CHF 1.6 bn</b>
Real internal growth	<b>0.2%</b>
Pricing	<b>3.1%</b>
<b>Organic growth</b>	<b>3.3%</b>

- Solid organic growth, following strong double-digit growth in the first quarter of 2021
- Growth supported by continued momentum for the Vertuo system and a recovery in out-of-home channels
- North America saw double-digit growth with share gains. Europe reported a sales decrease. Sales in Other regions grew at a double-digit rate





# Nestlé Health Science

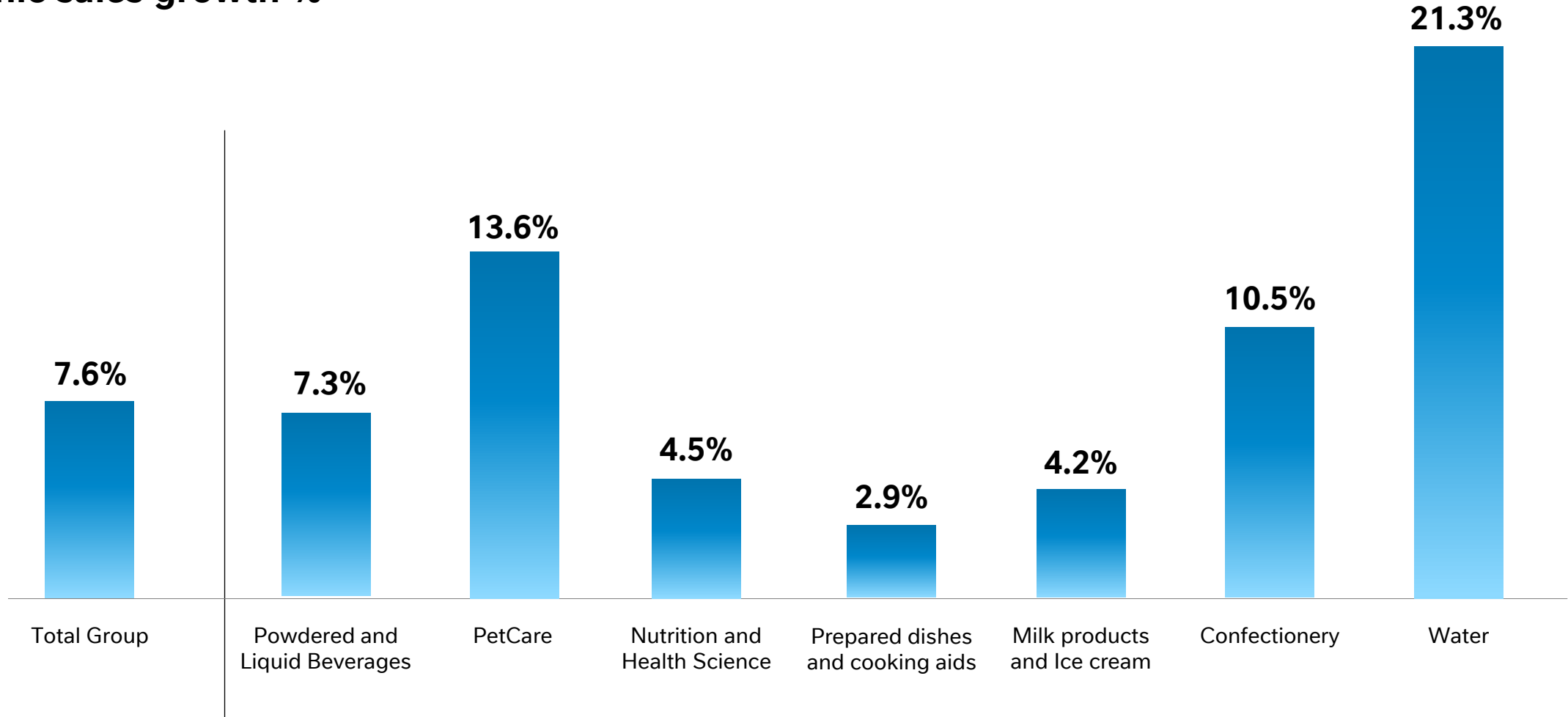
<b>Sales</b>	<b>CHF 1.4 bn</b>
Real internal growth	<b>4.3%</b>
Pricing	<b>1.3%</b>
<b>Organic growth</b>	<b>5.6%</b>

- Robust organic growth, building on two consecutive years of double-digit growth
- Low single-digit growth in consumer care, with a strong contribution from healthy-aging products
- Double-digit growth in medical nutrition, led by pediatric products



# Broad-based growth across categories

Organic sales growth %





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# 2022 Three-month sales Q&A





# Supporting slides



# 3M-2022 Operating segments – topline summary

	3M-2022 sales						Reported
	Sales (CHF m)	RIG %	Pricing %	OG %	Net M&A %	F/X %	sales growth %
Zone North America	5 800	1.4	8.5	9.9	-13.6	2.2	-1.5
Zone Europe	4 633	2.8	4.1	6.9	0.6	-5.4	2.2
Zone AOA	4 633	1.7	4.3	6.0	-0.1	-2.8	3.0
Zone Latin America	2 697	4.7	7.7	12.5	0.1	1.8	14.4
Zone GC	1 361	3.8	-0.5	3.4	0.0	4.2	7.6
Nespresso	1 602	0.2	3.1	3.3	0.6	-2.0	2.0
Nestlé Health Science	1 449	4.3	1.3	5.6	50.1	0.2	55.8
Other Businesses	63	30.7	3.6	34.3	0.0	-0.6	33.6
<b>Total Group</b>	<b>22 238</b>	<b>2.4</b>	<b>5.2</b>	<b>7.6</b>	<b>-1.3</b>	<b>-0.8</b>	<b>5.4</b>

# 3M-2022 Products – topline summary

	3M-2022 sales			
	Sales (CHF m)	RIG %	Pricing %	OG %
Powdered and liquid beverages	6 063	2.4	4.9	7.3
Water	790	14.1	7.2	21.3
Milk products and Ice cream	2 709	-1.4	5.6	4.2
Nutrition and Health Science	3 596	2.5	2.0	4.5
Prepared dishes and cooking aids	3 098	-3.5	6.4	2.9
Confectionery	1 873	7.5	3.0	10.5
Petcare	4 109	5.8	7.7	13.6
<b>Total group</b>	<b>22 238</b>	<b>2.4</b>	<b>5.2</b>	<b>7.6</b>



# 3M-2022 historical eight quarters

Period	RIG %	Pricing %	OG %
Q2-2020	0.5	0.8	1.3
Q3-2020	4.8	0.1	4.9
Q4-2020	3.0	0.9	3.9
Q1-2021	6.4	1.2	7.7
Q2-2021	7.3	1.3	8.6
Q3-2021	4.4	2.1	6.5
Q4-2021	4.0	3.1	7.2
Q1-2022	2.4	5.2	7.6



# 3M-2022 currency overview

			Weighted average rate		
			3M-2021	3M-2022	Variation in %
US Dollar	1	USD	0.906	0.924	2.0
Euro	1	EUR	1.091	1.036	-5.0
Chinese Yuan Renminbi	100	CNY	13.922	14.538	4.4
Brazilian Real	100	BRL	16.546	17.780	7.5
Philippine Peso	100	PHP	1.873	1.792	-4.3
UK Pound Sterling	1	GBP	1.249	1.239	-0.8
Mexican Peso	100	MXN	4.447	4.501	1.2
Canadian Dollar	1	CAD	0.715	0.730	2.0
Japanese Yen	100	JPY	0.854	0.794	-7.0
Australian Dollar	1	AUD	0.700	0.669	-4.3
Russian Ruble	100	RUB	1.218	1.066	-12.5

# Abbreviations

- **OG**                      Organic growth
- **RIG**                     Real internal growth
- **AOA**                    Asia, Oceania, and Africa

