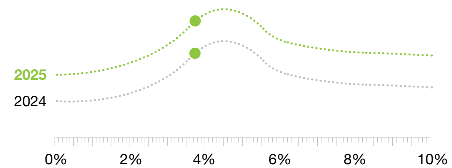
Bidfood United Kingdom

This year, British markets were characterised by intense competition amid low consumer confidence and sluggish economic growth. With inflation and interest rates high, the hospitality sector continued to experience significant pressure. Despite these challenges, Bidfood UK delivered strong growth and improved margins, with revenue increasing by 5,6% and trading profit rising by 20,6%.

Bidcorp strategy in action



Find Bidcorp's strategy explained on page 13 of this report.

UK operations

Bidfood UK

Fresh UK

Caterfood Buying Group

Click link to individual websites for further information.

Bidfood UK – segmental capital highlights

			% change	2025	2024
FC	Revenue	(R'billion)	5,6	**67,5**	63,9
	Trading profit	(R'billion)	20,6	**2,5**	2,1
	Gross margin			**24,0%**	22,5%
IC	Employees	(#)	0,4	**8 026**	7 996
	% female			**22%**	23%
	Payroll investment	(R'billion)	12,4	**8,9**	7,9
	Training investment	(R'million)	(9,0)	**17,9**	19,7
SRC	Suppliers	(#)	6,6	**6 147**	5 764
	Customers	(#)	(1,6)	**64 183**	65 194
	Donations	(R'million)	(74,0)	**0,1**	0,4
MC	Depot size	(sqm)	8,2	**286 211**	264 637
	Vehicles	(#)	17,1	**2 286**	1 952
	Capital investment	(R'million)	31,1	**2 204**	1 681
IC	Ecommerce platform sales	(% of div rev)		**75%**	70%
	Non-domestic suppliers			**5%**	5%
	Own Brand	(% of div rev)		**23%**	24%
NC	Total carbon emissions*	(tCO_2e)	8,0	**83 173**	77 022
	Carbon emissions efficiency (CEE) ratio (Target* =0.90)			**1.25**	1,20
	Change in emissions since 2024, target – 25%			**4%**	n/a

* *There were no changes to F2024 emissions.*

** *F2025 carbon emissions scope 1 and scope 2 are subject to a PwC limited assurance review, the results of which will be published in the 2025 Sustainability Report.*

Growth through acquisitions

Turner Price
wef July 2024

Acquisitions post-yearend

Sailbrand Huddersfield
wef July 2025

Hodgson Fish
wef July 2025

Leadership reviews
Value creation
OPERATIONAL REVIEWS

Bidfood United Kingdom continued

Bidfood UK

CEO: Andrew Selley

bidfood.co.uk

UK CEO Andrew Selley unpacks a year of solid advances under tough conditions

F2025 was a year of pleasing all-round progress for Bidfood UK, one of growth, gains in market share, and margin improvement.

Our F2025 results were achieved in an environment in which market volumes overall were depressed by an economy marked by uncertainty and minimal growth. Contrary to earlier expectations, both food and non-food inflation remained stubbornly high for most of the year, as did interest rates. In Q1, a wet summer further dampened consumer spend.

Growing profits and margins

In home currency, Bidfood UK's trading profits and sales were up. Gross profits rose sharply, and costs were well contained as wage bills grew faster than inflation. The much-anticipated national insurance and living wage increases, in April, were largely recovered following successful pricing and margin reviews.

Gross margins showed a steady and meaningful improvement with a number of (mostly incremental) strategic improvement initiatives gaining traction throughout the year. Our customer margin remained healthy and even improved slightly on F2024. The Turner Price acquisition, completed in July 2024, exceeded expectations and made a solid contribution to turnover and profits.

Performance by division

The wholesale foodservice business – representing 80% of our operations – notched up a record performance, achieving a sizeable rise in profitability on higher revenue. Wholesale managed to grow its freetrade customer base and secured a very pleasing number of new, profitable national accounts as additional categories helped to spur growth.

With most of its customers in the hospitality sector, Bidfresh was affected by the tough trading conditions that prevailed for most of the year. The division witnessed a slight decrease in revenue but delivered an excellent trading margin. Bidfresh ended the year strongly, benefiting from hospitality's traditional spring and summer upturn.

The Caterfood Buying Group grew profits, boosted by a strong performance from Turner Price. Elsewhere, volumes were mostly depressed, affected by the same lacklustre performance of the independent trade.

Manufacturing performed reasonably well in a tough market. Simply Food Solutions improved as it focused on securing new business. Yarde Farm returned robust growth and improved profitability. Northern Bloc focused on new business to boost volumes.

Several digital and software projects were executed to support improved operating efficiencies. Getting closer to our customers using online tools was a major priority, while IT security was beefed up.

Lifting margins

With our focus on improving our margins, steady progress was made this year on replacing less profitable contracts gained in the aftermath of the COVID pandemic with more profitable ones. This entailed focusing on the "right" customers (both freetrade and national), supplying more Own Brand products, and growing our share of customers' baskets.

In the UK, national customers account for 65% of the foodservice market, so we need exposure to this category to be a meaningful player. Yet in all areas of the business, we have been focused on winning new, more profitable categories, and changing the mix of customers to ones who buy more of our Own Brand range.

BidcorpUK

Bidcorp Manufacturing | Bidfood Inspired by you | Bidfresh | CATERFOOD

25 YEARS

25 years of success

Bidcorp UK, the parent company which includes Bidfood, Bidfresh, Bidcorp Manufacturing and Caterfood Buying Group, is celebrating 25 years of trading since being acquired by its South African parent company, Bidcorp.

Andrew Selley commented: "When I look over the past 25 years, I am delighted to see how far we've come to become the thriving, prosperous and inclusive business we are today. While each of our companies has its own individual story, it's our shared journey that brings us all together."

A large group of our Caterfood Buying Group team recently completed the "3 Peaks Challenge" to raise funds for Magic Breakfast UK which provides free school breakfasts to help make sure that no child is too hungry to learn.

Bidfood United Kingdom continued

Focused cost management

Expenses were well controlled, although employment costs continued to rise above inflation as unemployment shrank and salary increases reflected growing labour shortages. We also rewarded our outstanding teams for the solid gains achieved in the year. We are not, by any means, alone among our peers in being affected by heightened people costs (a 10% minimum wage increase added to pressure on payrolls) and competition for foodservice warehousing, delivery skills, and various professional skills. We are continually looking to recruit talent that fits with our ethos and to upskill our employees.

Our people are what sets us apart from our competitors – and delight our customers, day in and day out. So, it was pleasing that, this year, our annual staff survey returned an employee engagement score of 85% – up 5% on that of two years previously.

In recent years, we have invested extensively in building out Bidfood UK's wholesale capacity. Much of this investment will take some time to achieve efficiencies and scale, and reflect in our income statement. It will, however, help us not only to get closer to our customers but also to defray the sizeable costs associated with our traditionally very centralised operating model. At the same time, it means that we get closer to our suppliers, in support of achieving our sustainability goals.

Sustainability at our core

The **Bidfood UK 2024 sustainability report** was published at the end of the calendar year, updating and reporting progress against our ambition to be a *"positive force for change"* in our sector.

Our report highlights how we have achieved a remarkable 92% reduction in food waste sent to landfill over the past six years, and a significant increase in volumes of food being distributed to charities. The report also details how we have introduced an innovative carbon footprint tool to calculate the environmental impact of individual foods during menu planning, facilitating better data collection, and dialogue with our suppliers and customers.

This year, we became the first UK foodservice wholesaler to adopt a science-based emissions reduction target of net zero by 2045.

We refreshed and relaunched our "sustainability coordinator programme", which involves employees across our network working in "people and planet teams" to improve sustainability at a local level. We continue to progress with our project to assign carbon footprints to our range while progressing our ability to more accurately quantify and manage our scope 3 emissions.

We received wide, third-party recognition of our work to follow sustainability best practice. The Roundtable on Sustainable Palm Oil gave us a rating of 9,7 (F2024: 8,3) on its shared responsibility scorecard when the industry average is just 4,6. We were also recognised by our peers, being named "Sustainable Wholesaler of the year".

We actively engaged with government on food policy and standards, campaigning for initiatives such as the extension of free school meals. We also led discussions on key trends in the foodservice industry, with an emphasis on sustainable and healthy choices for consumers.

Bidfood UK is an important foodservice player in the UK market, owning and managing an impressive footprint of strategically positioned warehouses, achieving national coverage through our extensive fleet. We are beginning to reap the benefits of recent, heightened investment into our facilities, fleet, plant and equipment, IT systems, and most importantly, our people, enabling a more diversified customer profile, cost efficiencies, and a greater, more decentralised service capability.

Regardless of the direction of the economy over the next few years I can state with confidence that we are well-positioned for growth and profit improvement.

Exciting growth ahead: Bidfresh expands

Bidfresh acquired Hodgson Fish and Sailbrand, effective July 2025, strengthening our position as one of the UK's leading fish and seafood wholesale distributors. Hodgson Fish, a fourth-generation supplier dating back to 1916 in Hartlepool, and Sailbrand, founded in 1980 and now delivering seafood, poultry, meats, and deli products across the north of England, bring rich heritage and expertise. Both companies will continue to operate independently ensuring continuity for their customers while benefiting from Bidfresh's support.

Daily Fish will be moving to a brand new site in September 2025. The new depot offers a total capacity of 2,500 m^2 (an increase of 930 m^2) with a full fit-out to support our growth. It will also feature a customer experience centre, upgraded facilities for colleagues, and sustainable energy solutions, including solar panels with an estimated generation capacity of 8,080 kWh per year.