RESULTS

Greencore

For the year ended 25 September 2020

Making every day taste *better*

Disclaimer – forward looking statements

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Certain statements made in this document are forward-looking. These represent expectations for the Group's business, and involve known and unknown risks and uncertainties, many of which are beyond the Group's control. The Group has based these forward-looking statements on current expectations and projections about future events. These forward-looking statements may generally, but not always, be identified by the use of words such as 'will', 'aims', 'anticipates', 'continue', 'could', 'should', 'expects', 'is expected to', 'may', 'estimates', 'believes', 'intends', 'projects', 'targets', or the negative thereof, or similar expressions.

By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that may or may not occur in the future and reflect the Group's current expectations and assumptions as to such future events and circumstances that may not prove accurate. A number of material factors could cause actual results and developments to differ materially from those expressed or implied by forward-looking statements. You should not place undue reliance on any forward-looking statements. These forward-looking statements are made as of the date of this announcement. The Group expressly disclaims any obligation to publicly update or review these forward-looking statements other than as required by law.

Today’s agenda

Greencore

Introduction	Gary Kennedy, Chairman
FY20 Highlights	Patrick Coveney, CEO
Financial Review	Emma Hynes, CFO
Strategic Update	Patrick Coveney, CEO
Q&A	

Note: The Group uses Alternative Performance Measures ('APMs') which are non-IFRS measures to monitor the performance of its operations and of the Group as a whole. These APMs along with their definitions are provided in Appendix 1.

INTRODUCTION

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Gary Kennedy, *Chairman*

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FY20 HIGHLIGHTS

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Patrick Coveney, *CEO*

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Executive summary

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- **Delivered** against strategic, organisational and financial objectives **pre arrival of COVID-19** in March
- **Acted quickly** in H2 FY20 to keep people safe, continue feeding the UK and protect our business despite **material COVID-19 impact**
- Implemented further new **operational, debt** and **equity measures** to mitigate FY21 uncertainty and set Group up to capture **value creation** opportunities
- **Confident on medium-term** outlook, given food to go market dynamics, our channel and customer positions, and material new business landed and in negotiation
- **Stepping up our sustainability commitments**, with a more purposeful approach to how we do business

Delivered a comprehensive H2 response to an unprecedented business environment

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Keeping our people safe

- Immediate **physical protection** measures & PPE, and protocol for **vulnerable colleagues**
- **Risk assessment** and tiered **safety protocols** for all sites
- Extensive internal and external **engagement and communication**
- **Recognition payments** for colleagues

Feeding the UK

- Swift **range resets** and strong ‘build back’ through summer
- Agile **network response** to sustain customer service through disruption
- Extensive supply to **charitable** and other **community support** initiatives
- **Proactive engagement** with suppliers, customers, authorities and industry

Protecting our business

- Tightened **production footprint** & shift pattern in light of changed demand
- Proactively managed **labour costs** (furloughing, agency use, pay reductions)
- Protected **cash and balance sheet** (capex, lending group, pensions)
- Positive and **improving EBITDA** through H2

FINANCIAL REVIEW

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Emma Hynes, *CFO*

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FY20 P&L negatively impacted by COVID-19

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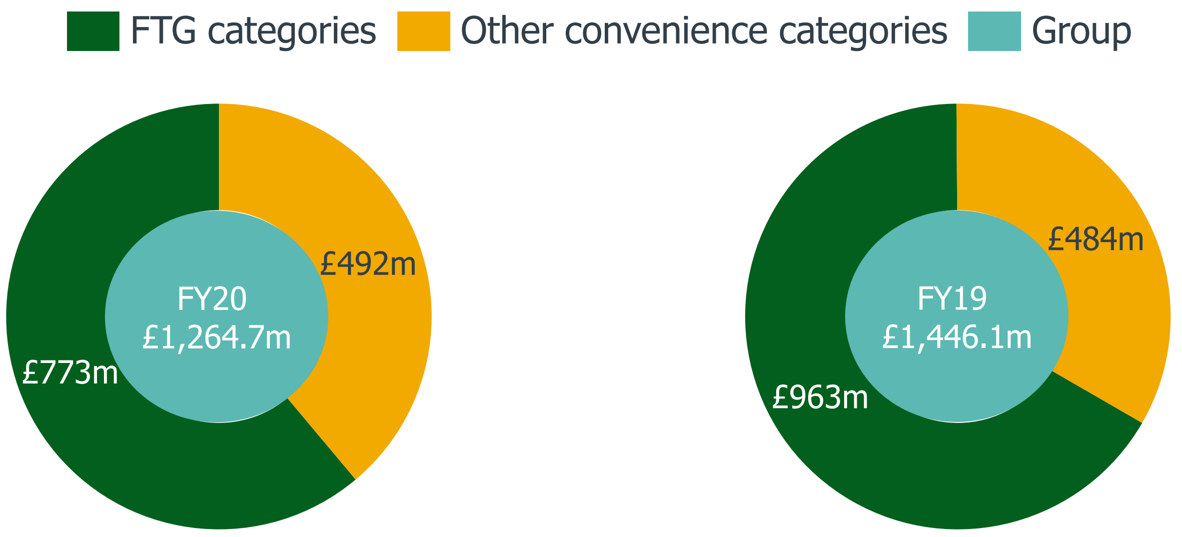
£m unless otherwise stated	FY20	FY19	Change
Group Revenue	1,264.7	1,446.1	-12.5%
Pro Forma Revenue Growth (%)			*-14.3%*
Adjusted EBITDA	85.0	142.0	
Adjusted Operating Profit	32.5	105.5	-69.2%
Adjusted Operating Margin (%)	2.6%	7.3%	-470 bps
Adjusted Profit Before Tax	17.3	92.3	-81.3%
Group Exceptional Items (after tax)	(20.5)	25.9	
Adjusted EPS (pence)	2.9	16.0	-81.9%
Basic EPS (pence)	(2.6)	19.9	
Total DPS (pence)	-	6.20	

Second half revenue weakness in food to go drove in-year decline

Revenue Growth composition



Pro Forma Revenue Growth	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY20
Group	**+1%**	**-1%**	**-36%**	**-20%**	**-14%**
Food to go categories	*+1%*	*-5%*	*-53%*	*-29%*	*-23%*
Other convenience food categories	*+1%*	*+7%*	*+2%*	*+3%*	*+3%*

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Highlights

- Pro forma revenue -14.3%
- 22.6% pro forma decline in food to go categories
  - Most severe impact in early Q3
  - Progressive recovery through Q4
- Freshtime performed well
- 3.2% pro forma growth in other convenience categories
  - Strong performance in ambient cooking sauces

Profit performance impacted by COVID-19 despite mitigating actions

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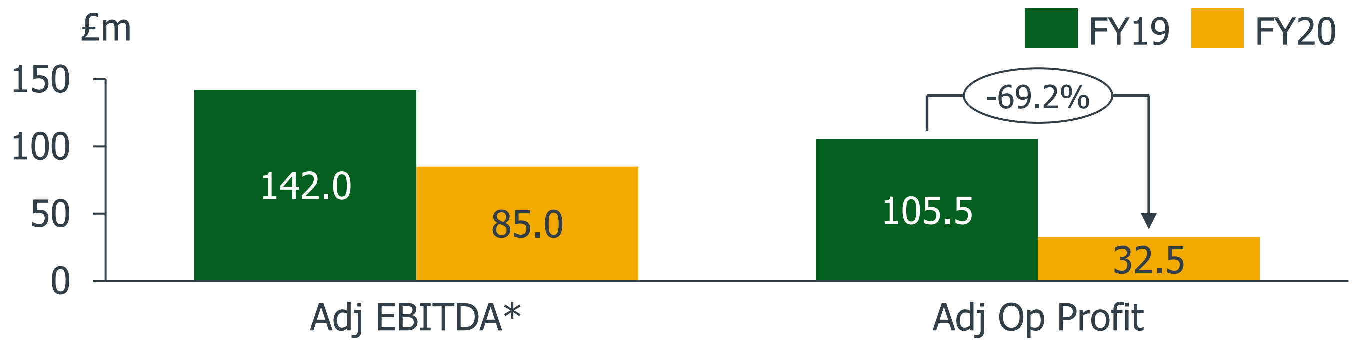
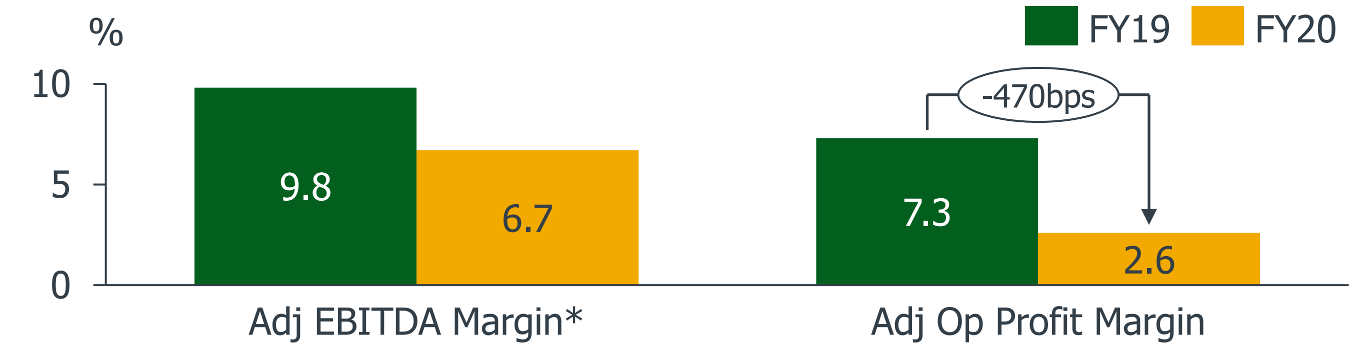
Profit performance



Margin performance



* Post impact of IFRS 16 in FY20

Highlights

- Profit outturn impacted by charging approximately £10m of COVID-19 related operating costs
- Significant profit reduction in food to go categories as demand declined following COVID-19 disruption
- Offset partly by mitigating cost measures and full year addition of Freshtime
- Improved profits in other convenience categories
- IFRS16 FY20 impacts
  - £12.9m increase in Adjusted EBITDA
  - Immaterial impact on Adjusted Operating Profit

Comprehensive set of cost, cash and capital actions delivered in H2

Agile range and network management
- Tightened production footprint in April; recommenced through early summer
- Managed temporary cessation of production in Northampton
- Optimised production shifts in light of changed demand

Proactive management of labour costs
- Utilised government furlough scheme extensively
- Flexibly managed labour force (vacancy management, flexibility in agency utilisation)
- Exercised voluntary reductions in compensation for Board, executive team and senior management
- Implemented pay freeze across the wider organisation

Effective cash and capital management
- Reduced planned FY20 capex by nearly £30m
- Suspended dividends (FY20, interim FY21)
- Secured incremental liquidity (new RCF and CCFF eligibility)
- Deferred cash contribution to UK DB pension scheme

Free cash outflow of £29.7m in FY20

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£m	FY20	FY19
Opening Net Debt (excluding lease liabilities)	**288.5**	**501.1**
Adjusted EBITDA	85.0	142.0
Working capital	(46.1)	(1.6)
Maintenance capex	(18.9)	(30.6)
Exceptional cashflows	(10.1)	(9.6)
Interest/tax	(18.9)	(20.4)
Pension	(9.4)	(16.0)
Discontinued operations / other	(11.3)	(8.9)
Free Cash Flow	**(29.7)**	**54.9**
Strategic capex	(13.0)	(13.6)
Dividends	(16.7)	(50.3)
M&A (net)	-	755.7
Tender offer	-	(509.0)
Termination of swaps	-	(12.6)
FX/Other	(2.6)	(12.5)
(Increase)/Decrease in Net Debt	**(62.0)**	**212.6**
Closing Net Debt (excluding lease liabilities)	**350.5**	**288.5**

Highlights

- Free cash outflow driven by:
  - reduced EBITDA
  - working capital outflows with falling revenues
- Prioritised automation programme for targeted investment through FY20
- Improvement in underlying cash generation in Q4, driven by revenue recovery and cashflow mitigating actions

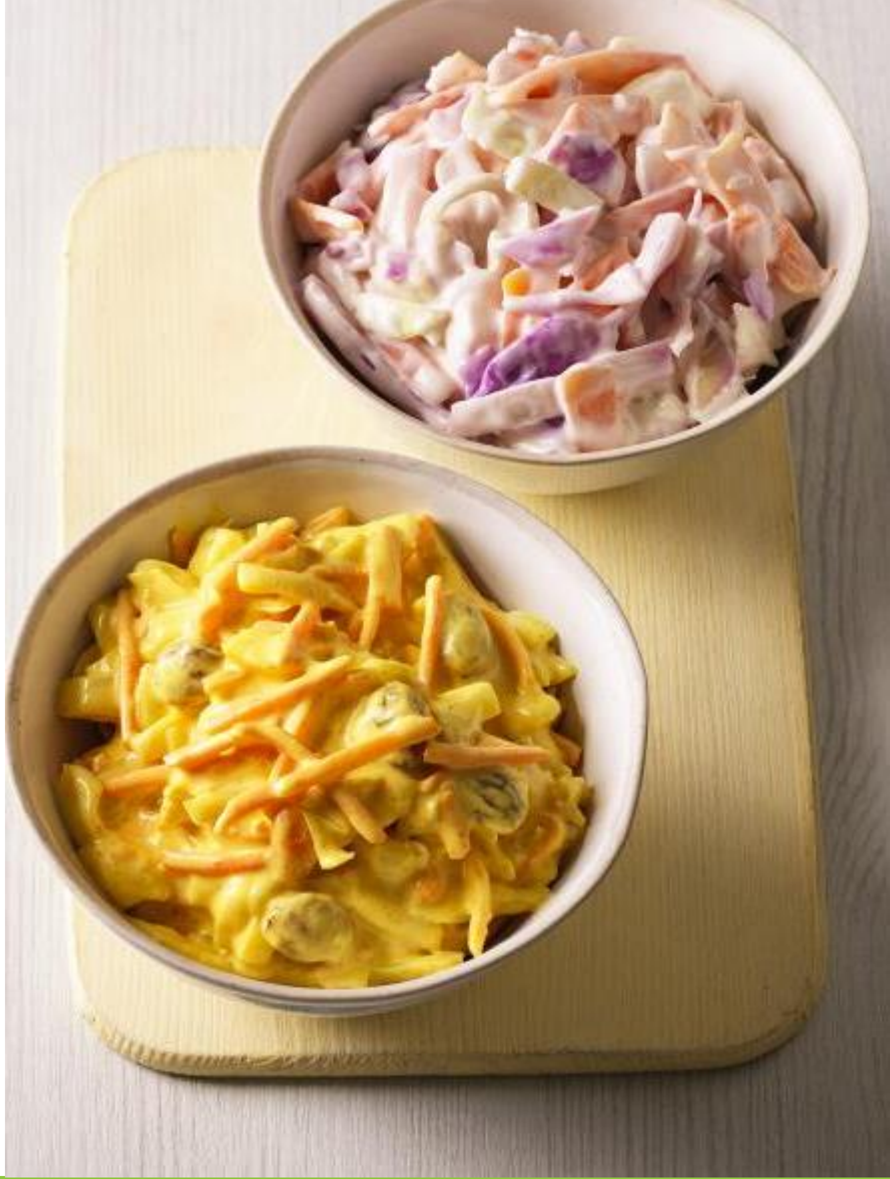
Challenging trading conditions from start of FY21

- Tiered regional restrictions introduced in October (in response to COVID-19 resurgence) hampered the summer rebound in food to go categories

- Four-week national lockdown introduced in early November further impacted food to go demand, but less severely than in March / April

Pro Forma Revenue Growth	Q3 FY20	Q4 FY20	Wk 1-5 FY21 *(pre-national lockdown)*[1]	Wk 6-7 FY21 *(inc. national lockdown)*[2]
Group	**-36%**	**-20%**	**-15%**	**-18%**
Food to go categories	*-53%*	*-29%*	*-22%*	*-26%*
Other convenience categories	*+2%*	*+3%*	*0%*	*-1%*

1 26 Sept – 30 October 2020
2 31 October – 13 November 2020



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Immediate actions to improve liquidity profile and leverage headroom

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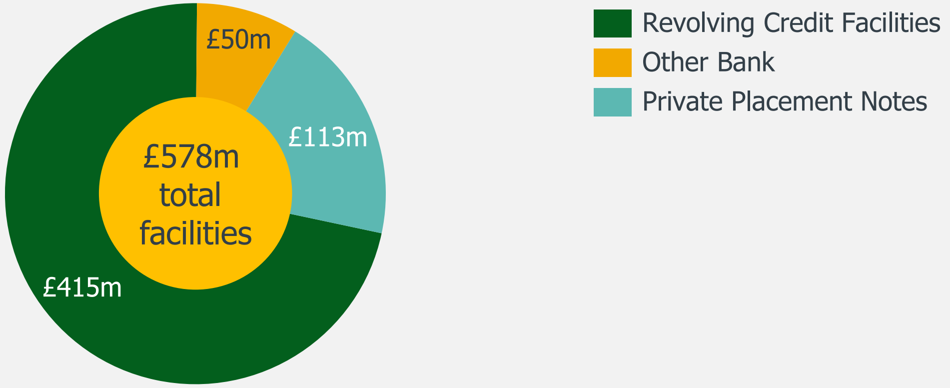
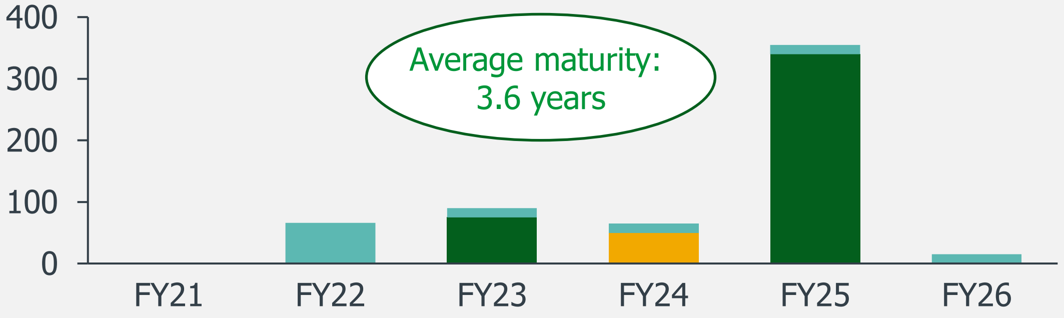
- 2-year maturity extension of £75m RCF to March 2023
- 2-year maturity extension of £50m bilateral loan to January 2024
- Amendment to March ’21 EBITDA: Interest covenant condition from 3.0x to 2.0x
- Amendment to June ’21 Net Debt: EBITDA covenant condition from 4.25x to 5.0x
- Reduced minimum liquidity requirement to £70m from £100m-£125m in cash and undrawn facilities throughout FY21
- Increased maximum Net Debt requirement to £550m to May 2021 and £500m to September 2021 from a range of £450-£550m

Debt profile, by source of funds



Debt profile, by date of maturity*



* This maturity reflects the refinancing arrangements referenced above

Successful equity placing to further mitigate FY21 uncertainty and facilitate post-COVID build back

- **80.4m shares** raised via cash box structure at a price of **£1.12 per share**, raising gross proceeds of **£90m**
- **Directors** and **senior management,** including CEO and CFO, participated alongside equity placing
- Pleased with **strong support** received from **existing and new** shareholders

STRATEGIC UPDATE

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Patrick Coveney, *CEO*

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Committed to the strategy launched in September 2019

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Growth

- Market and channel positions in food to go ensure we are **primed to return** to growth
- Continued focus on **category and channel diversification**
- **Executing new opportunities** well in time of market uncertainty

Relevance

- COVID-19 response has helped to deepen trust and build **customer relationships**
- Diverse **convenience portfolio** has ensured continued relevance for customers and consumers

Differentiation

- Enhanced colleague safety & engagement through COVID-19 embodies '**People at the Core**'
- Automation initiatives central to our **Excellence** agenda
- Dynamic '**Great Food**' agenda with >700 new SKUs launched
- **Sustainability** ambitions embedded throughout the business model

Excellence

People at the Core

Great Food

Sustainability

Recent experience builds confidence in food to go recovery as restrictions ease…

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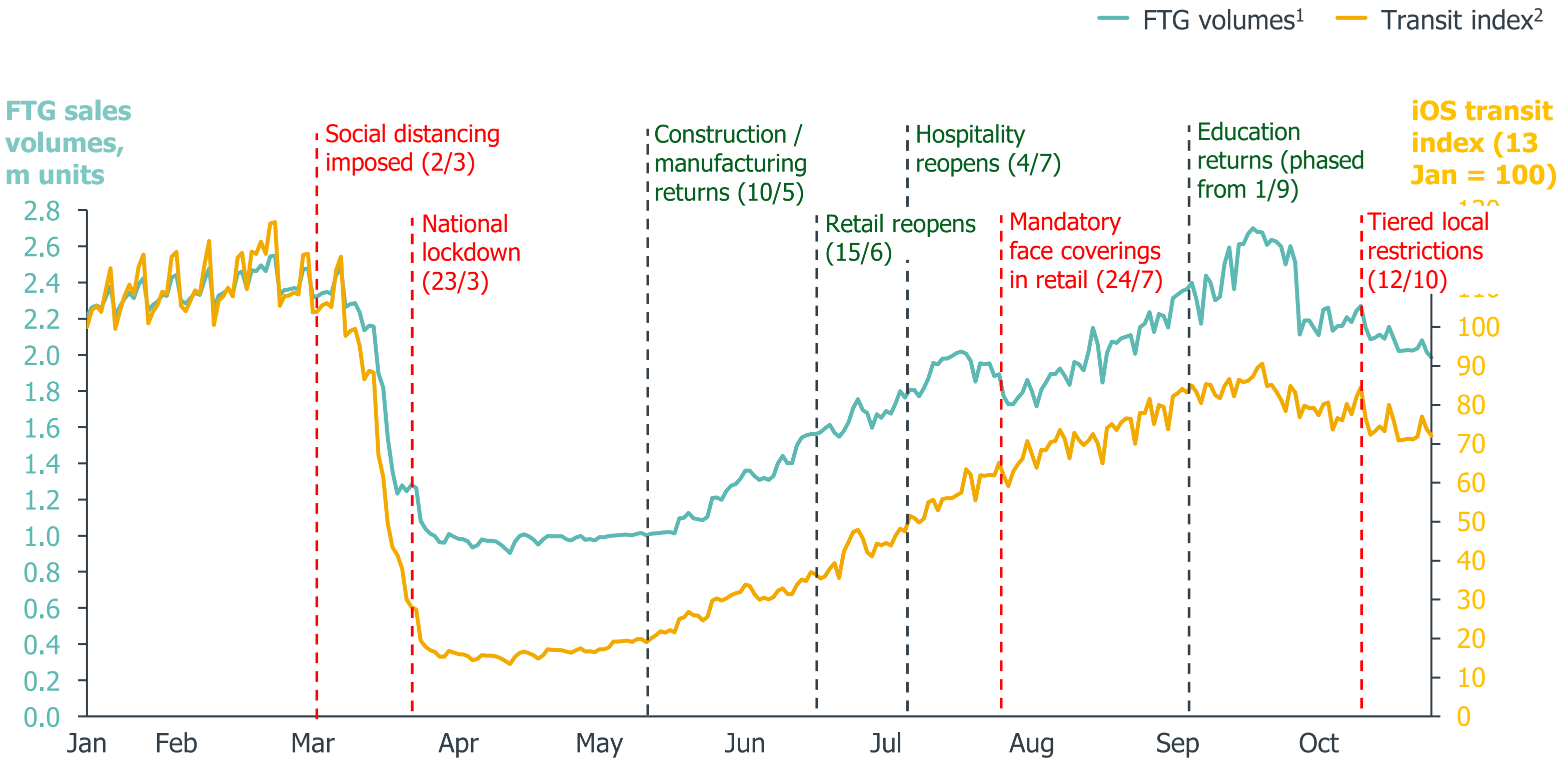
Food to go market sales vs UK transit index



- FTG and transit index strongly correlated pre-COVID
- Reassuring rebound over summer from April nadir:
  - volumes over 70% below 2019 levels[3] in April
  - volumes less than 25% below 2019 in each week of September[3]
- Recent restrictions have dampened volumes, but impact much less severe than in April

1 2020 FTG volumes – daily sales across FTG market (source IRI)
2 iOS transit data – measures movement of people via public transport (bus, subway, rail, ferry), relative to a base index on 13 Jan 2020 (source Apple; https://covid19.apple.com/mobility)
3 FTG weekly volume comparison 2020 vs 2019 (source IRI)

…with further recovery projected in Greencore channels through 2022

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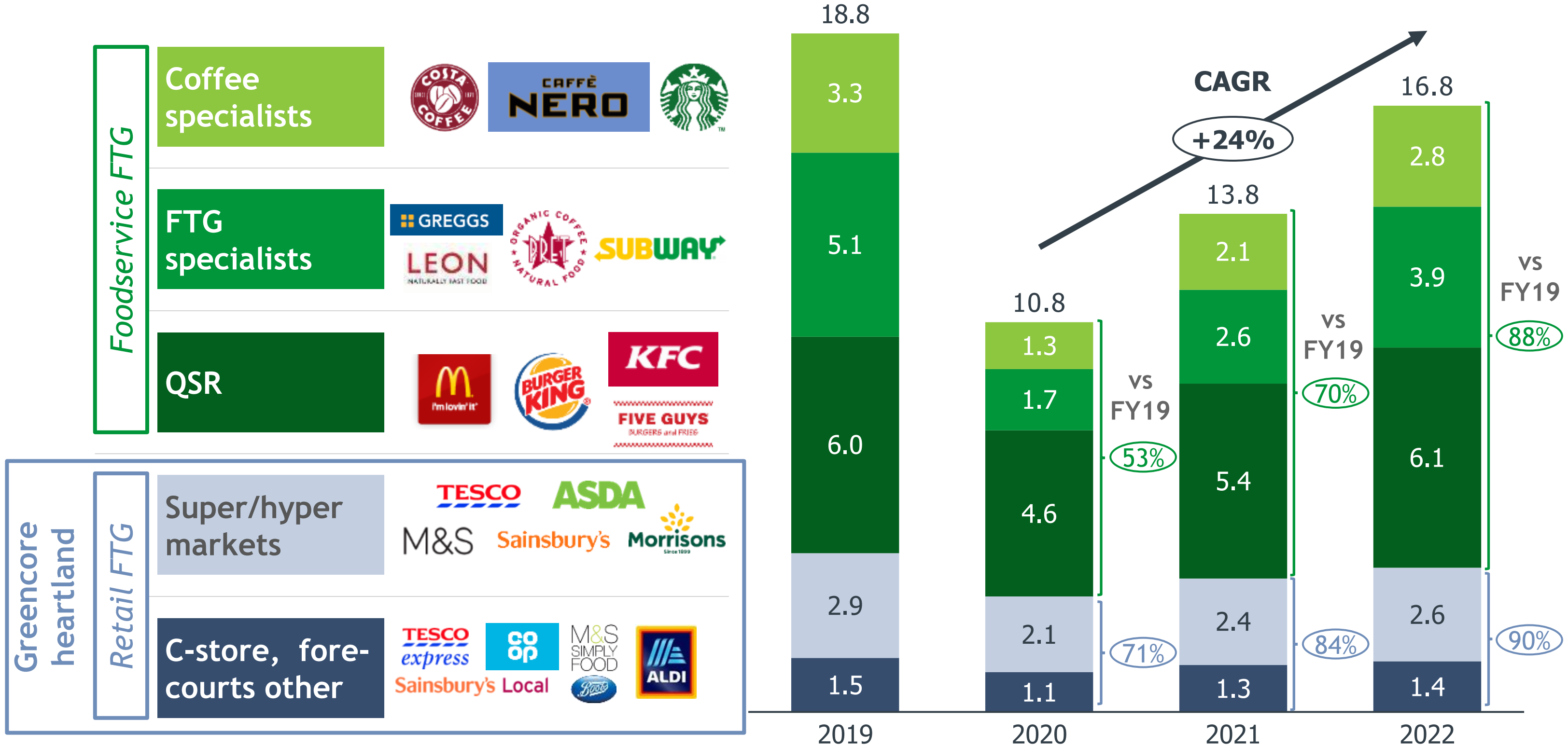
Total food to go market projections by channel, 2019-2022

Revenue, £bn



	2019	2020	2021	2022
Foodservice market share	77%	71%	73%	76%
Retail market share	23%	29%	27%	24%

Source: 'UK food to go market 2020-2022' report, IGD, September 2020

- Food to go negatively impacted by COVID but retail channels, formats and selected locations holding up 'relatively well'
- IGD predicting rebound in 2021, and achieving 90% of pre-COVID levels by 2022
- Retail FTG heartland projected to outperform, winning share from foodservice (27% in 2021 vs 23% in 2019)

Greencore and our customers well-positioned to capture share as we transition out of COVID

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Shopper insight gives ‘reason to believe’

Our customers’ format & location strategies set them up to win

Positioning Greencore to grow share across food to go

- **Sandwiches** still the **UK’s most popular lunch**, even at home
- FTG **penetration** high among **home-workers**
- **Strong volume resilience**, even in ‘cash-strapped’ times

- Critical **economic** and **traffic-driving role** of FTG
- **Store formats** and **regions well-positioned** to thrive post COVID
- Now **investing to gain share** in changing FTG landscape
- Important **role** for **technology and D2C** as penetration soars

- Broad **geographic**, **channel** and **store format coverage**
- Enhanced ranging, merchandising, availability and waste management with **existing customers**
- Expanding **category reach** via new salads, snacking and hot food propositions
- Diversifying **channel presence** and **technology-enablement**
- Ongoing **tracking of consumer sentiment** to maintain our relevance and to identify new opportunities

We have a tangible pipeline of opportunities for FY21 and beyond

New business wins already secured

- Several ex-Adelie customers already secured with >£75m of pre-COVID revenue
- Continued category extension with existing customers in salads & snacking
- Additional new business secured across ready meals

Healthy further commercial pipeline

- Grow presence with foodservice, coffee and other channels as consumer behaviours evolve
- Expand salads and snacking presence, building on Freshtime acquisition
- Capitalise on changing ready meals landscape

Value-creating productivity enhancements

- Continued investments in ambitious automation agenda
- First to market solutions have potential to enhance productivity and increase capacity of existing footprint

We are stepping up our sustainability commitments, with a more purposeful approach to how we do business

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Our sustainability ambition

"We will make every day taste better by making great food for all, that's accessible, healthy and sustainable"

Sourcing with Integrity

By *2030* we will be a business that...
will source every ingredient from a sustainable and fair supply chain

Making with Care

By *2040* we will be a business that...
will operate with net zero emissions

Feeding with Pride

By *2030* we will be a business that...
Will have increased our positive impact on society through our products and community engagement

People at the Core

People are at the Core of everything we do and our sustainability ambition is no exception. Our people strategy enables the success of each of our sustainability pillars. It humanises our strategy, uniting passion and learning to drive progress and a culture of innovation

Sustainability report published today at: makingeverydaytastebetter.com

Outlook

- Grateful for **strong support** from all stakeholders in such a challenging year
- Continued **uncertain impact of COVID-19** pandemic on FY21 trading environment
- Comprehensive set of **operational, debt** and **equity measures** in place to mitigate this uncertainty and to deliver specific value creation opportunities
- Well-positioned across customers, channels and formats to benefit from **expected recovery in food to go** categories
- Revenue build back further underpinned by **new business wins** already secured, and other opportunities arising from supplier consolidation

Q&A

APPENDIX 1

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Supplementary financial information

Making every day taste better

FY20 exceptional items

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Exceptional Items	£m
Debt restructuring and modification	(7.1)
Non-core property related charges	(8.2)
Inventory and plant and equipment impairment	(4.8)
Transaction and integration costs	(2.9)
Restructuring costs	(2.0)
Legacy US legal matters	2.2
Exceptional items (before tax)	**(22.8)**
Tax on exceptional items	2.3
Exceptional items (after tax)	**(20.5)**

IFRS16

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Measure	
Adjusted EBITDA (£m)	+12.9
Adjusted Operating Profit (£m)	Immaterial
Adjusted Profit Before Tax (£m)	-1.2
Adjusted EPS (pence)	Immaterial
Free Cash Flow (£m)	-
Net Debt (£m)	+60.7
ROIC (%)	-0.1

- On 28 September 2019 the Group adopted IFRS 16 *Leases*, the new accounting standard for leases.
- Group used the modified retrospective approach, which does not require the restatement of comparative periods.
- The changes impacted profit for the financial year by replacing operating lease costs with a depreciation and interest charge.
- Net assets are impacted by an uplift in the right-of-use assets offset by the lease obligations and after adjusting for the tax effect of the transition.

FY20 balance sheet highlights

£m	FY20	FY19
Net Debt	411.2	288.5
Net Debt (excluding lease liabilities)	350.5	288.5
Net Debt: EBITDA (x)[1]	4.4	1.8
Pension deficit (net of deferred tax)	63.8	74.8
Average Invested Capital	712.0	628.3
ROIC (%)	4.1	14.4

[1] as measured under financing agreements

Definitions of APMs

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The Group uses the following Alternative Performance Measures ('APMs') which are non-IFRS measures to monitor the performance of its operations and of the Group as a whole

Pro Forma Revenue Growth

Pro Forma Revenue Growth adjusts reported revenue to reflect the ownership of Freshtime for the full period in FY19 and excludes the impact of revenue from the exit of longer life ready meals manufacturing at the Kiveton facility in FY19. It also presents the numbers on a constant currency basis utilising FY19 FX rates on FY20 reported revenue.

Adjusted EBITDA, Adjusted Operating Profit & Adjusted Operating Margin

The Group calculates Adjusted Operating Profit as operating profit before amortisation of acquisition related intangibles and exceptional items. Adjusted EBITDA is calculated as Adjusted Operating Profit plus deprecation and amortisation of intangibles assets. Adjusted Operating Margin is calculated as Adjusted Operating Profit divided by reported revenue.

Adjusted Profit Before Tax

The Group calculates Adjusted PBT as profit before taxation, excluding tax on share of profit of associate and before exceptional items, pension finance items, amortisation of acquisition related intangibles, FX on inter-company and certain external balances and the movement in the fair value of all derivative financial instruments and related debt adjustments.

Adjusted Earnings and Adjusted Earnings Per Share ('EPS')

Adjusted Earnings is calculated as Profit attributable to equity holders (as shown on the Group Income Statement) adjusted to exclude exceptional items (net of tax), the effect of foreign exchange (FX) on inter-company and external balances where hedge accounting is not applied, the movement in the fair value of all derivative financial instruments and related debt adjustments, the amortisation of acquisition related intangible assets (net of tax) and the interest expense relating to legacy defined benefit pension liabilities (net of tax).

Adjusted EPS is calculated by dividing Adjusted Earnings by the weighted average number of Ordinary Shares in issue during the year, excluding Ordinary Shares purchased by Greencore and held in trust in respect of the Annual Bonus Plan and the Performance Share Plan. Adjusted EPS described as an APM here is Adjusted Basic EPS.

Definitions of APMs (continued)

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Capital Expenditure

The Group defines Maintenance Capital Expenditure as the expenditure required for the purpose of sustaining the operating capacity and asset base of the Group, and of complying with applicable laws and regulations. It includes continuous improvement projects of less than £1m that will generate additional returns for the Group.

The Group defines Strategic Capital Expenditure as the expenditure required for the purpose of facilitating growth and developing and enhancing relationships with existing and new customers. It includes continuous improvement projects of greater than £1m that will generate additional returns for the Group. Strategic Capital Expenditure is generally expansionary expenditure creating additional capacity beyond what is necessary to maintain the Group's current competitive position and enables the Group to service new customers and/or contracts or to enter into new categories and/or new manufacturing competencies.

Free Cash Flow and Free Cash Flow Conversion

The Group calculates the Free Cash Flow as the net cash inflow/outflow from operating and investing activities before Strategic Capital Expenditure, repayment of lease liabilities, acquisition and disposal of undertakings, disposal of investment property and adjusting for dividends paid to non controlling interests.

The Group calculates Free Cash Flow Conversion as Free Cash Flow divided by Adjusted EBITDA.

Net Debt and Net Debt Excluding Lease Liabilities

Net Debt is used by the Group to measure overall cash generation of the Group and to identify cash available to reduce borrowings. Net Debt comprises current and non-current borrowings less net cash and cash equivalents.

Net Debt excluding Lease Liabilities is a measure used by the Group to measure Net Debt excluding the impact of IFRS 16 Leases. Net Debt excluding Lease Liabilities is used for the purpose of calculating leverage under the Group's financing agreements.

Return on Invested Capital ('ROIC')

The Group calculates ROIC as Net Adjusted Operating Profit After Tax ('NOPAT') divided by average invested capital for continuing operations. NOPAT is calculated as Adjusted Operating Profit plus share of profit of associates before tax, less tax at the effective rate in the Income Statement.

Invested capital is calculated as net assets (total assets less total liabilities) excluding Net Debt, the carrying value of derivatives not designated as fair value hedges, and retirement benefit obligations (net of deferred tax assets). Average invested capital is calculated by adding the invested capital from the opening and closing Statement of Financial Position and dividing by two.

IR calendar & contacts

Greencore

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AGM & Q1 Trading Update	26 January 2021
H1 21 Results	25 May 2021
Q3 Trading Update	27 July 2021
FY21 Period End	24 September 2021
FY21 Results	30 November 2021