

1 October 2021

Greencore Group plc

FY21 Q4 and Full Year Trading Update

Greencore Group plc ("Greencore" or the "Group"), a leading manufacturer of convenience foods in the UK, today issues a trading update for Q4 and the full year ended 24 September 2021, ahead of the publication of its full year results on 30 November 2021.

HIGHLIGHTS^{1,2,3}

- There has been further improvement in revenue, profitability, and cash flow momentum during Q4, supported by a continued increase in demand for food to go categories and strong execution on new business wins
- Revenue trends continued to recover through Q4, with Group pro forma revenue 27% above Q4 20 levels and 1% above equivalent pre-COVID levels in Q4 19. For the full year, the Group anticipates a reported revenue outturn of approximately £1,320m
- The Group expects to generate an FY21 Adjusted Operating Profit outturn towards the upper end of previous guidance of between £36m and £40m
- The Group also expects Net Debt (excluding lease liabilities) at year end to be below £190m, an improvement on previous guidance of below £240m. Strong free cash generation continued in the final quarter. Working capital inflows were supported by increased volumes and from the timing benefit of an early year end date. There was an adjustment to the phasing of some capital expenditure projects into early FY22, and the disposal of an investment property for approximately £7m was also completed. Net Debt:EBITDA, as measured under financing agreements, is expected to be below 2.2x
- Good progress was made on the Group's sustainability objectives, in particular the launch of fully recyclable, plastic free sandwich skillet trials for customers in September 2021

OUTLOOK

- The Group is encouraged by the progress seen in the final quarter of FY21
- While the well documented supply chain and labour challenges persist across the UK food industry, the Group is working closely with customers and suppliers to mitigate the impact and to deliver strong operational service levels
- The Group is also engaging intensively with customers to recover input cost and other inflation

	FY21 Pro Forma Revenue Growth ^{1,2}			
	Versus FY20		Versus FY19	
	Q4	FY	Q4	FY
Group	+27%	+6%	+1%	-9%
Food to go categories	+37%	+9%	-2%	-16%
Other convenience food categories	+8%	+2%	+10%	+4%

Commenting on the performance, Patrick Coveney, Chief Executive Officer, said:

“We are pleased with the further improvement in our business in the fourth quarter, in particular the increase in demand across the business and our strong underlying cash generation. I am also excited by the progress we have made in the past quarter on our sustainability journey including the launch of the first fully recyclable, plastic free sandwich skillet.

None of our progress would have been possible without the energy and dedication of our teams and colleagues who, as throughout the COVID pandemic, continue to do a fantastic job. Greencore has a strong position in the dynamic UK convenience food market and, looking forward, we remain confident in our medium-term prospects.”

¹ Unaudited

² Pro forma references throughout this Trading Update are on a constant currency basis. Reported revenue is the IFRS measure of revenue generated during the period. Pro forma revenue adjusts reported revenue to reflect the disposal of Premier Molasses Company Limited (Premier Molasses) in Q1 2021. The adjustment excludes from reported revenue, the revenue generated by Premier Molasses for FY20 and the revenue generated in FY21 up to the date of its disposal

³ Adjusted Operating Profit is calculated as operating profit before amortisation of acquisition related intangibles and exceptional items

For further information, please contact:

Patrick Coveney	Chief Executive Officer	Tel: +353 (0) 1 486 3313
Emma Hynes	Chief Financial Officer	Tel: +353 (0) 1 486 3307
Jack Gorman	Head of Investor Relations	Tel: +353 (0) 1 486 3308
Rob Greening/ Nick Hayns/ Sam Austrums	Powerscourt	Tel: +44 (0) 20 7250 1446
Billy Murphy or Louise Walsh	Drury Communications	Tel: +353 (0) 1 260 5000

About Greencore

We are a leading manufacturer of convenience food in the UK and our purpose is to make every day taste better. We supply foodservice, grocery and other retailers, including all of the major UK supermarkets. We have strong market positions in a range of categories including sandwiches, salads, sushi, chilled ready meals, chilled soups and sauces, chilled quiche, ambient sauces and pickles, and frozen Yorkshire Puddings.

In FY20 we manufactured 619m sandwiches and other food to go products, 116m chilled prepared meals, and 264m bottles of cooking sauces, pickles and condiments. We carry out more than 10,000 direct to store deliveries each day. We have 16 world-class manufacturing sites in the UK, with industry-leading technology and supply chain capabilities. We generated revenues of £1.3bn in FY20 and employ approximately 12,200 people. We are headquartered in Dublin, Ireland.

For further information go to www.greencore.com or follow Greencore on social media.

The financial information relating to Greencore in this Trading Update is based on information sourced from unaudited management accounts. The financial information has been published for the purposes of updating investors on financial performance for the periods referenced. The statutory financial statements for the year ended 24 September 2021 have not been prepared by management or reported on by the statutory auditor. The annual results of Greencore for FY21 will be published on 30 November 2021.

Certain statements made in this Trading Update 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 Trading Update. The Group expressly disclaims any obligation to publicly update or review these forward-looking statements other than as required by law.