THIS CIRCULAR AND THE ACCOMPANYING FORM OF PROXY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent professional financial adviser immediately (being, in the case of Shareholders in Ireland, an organisation or firm authorised or exempted under the Investment Intermediaries Act, 1995 of Ireland (as amended) or the European Communities (Markets in Financial Instruments) Regulations (Nos. 1 to 3) 2007 or, in the case of Shareholders in the UK, an adviser authorised pursuant to the Financial Services and Markets Act 2000, or from another appropriately authorised independent financial adviser if you are in a territory outside Ireland or the UK).

If you sell or have sold or otherwise transferred your entire holding of Ordinary Shares, please send this Circular, together with the accompanying Form of Proxy, as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. If you sell or have sold or otherwise transferred only part of your holding of Ordinary Shares, you should retain this Circular and the accompanying Form of Proxy and immediately consult the stockbroker, bank or other agent through whom the sale or transfer was effected.

This Circular does not constitute a prospectus or a prospectus equivalent document. Nothing in this Circular should be interpreted as an offer of securities or a term or condition of the Rights Issue. Shareholders should read the Prospectus for information about the Rights Issue before deciding whether or not to take any investment decision in relation to the Nil Paid Rights, the Fully Paid Rights or the New Greencore Shares referred to in this document. Shareholders should not subscribe for or acquire any Nil Paid Rights, Fully Paid Rights or New Greencore Shares except on the basis of the information, and the terms and conditions of the Rights Issue, contained in the Prospectus. This Circular cannot be relied on for any investment contract or decision.

GREENCORE GROUP PLC

(incorporated and registered in Ireland under the Irish Companies Act with registered number 170116)

Proposed Acquisition of CB-Peacock Holdings Inc. by Greencore Group plc

Proposed 9 for 13 Rights Issue of 287,203,887 New Greencore Shares at 153 pence per New Greencore Share to raise approximately £439.4 million

and

Notice of Extraordinary General Meeting

This Circular should be read as a whole. Your attention is drawn to the letter from the Chairman of Greencore, which is set out on pages 12 to 26 of this Circular and which contains the unanimous recommendations of the Directors that you vote in favour of the Resolutions to be proposed at the Extraordinary General Meeting referred to below. Your attention is also drawn in particular to the risk factors sets out in Part III (*Risk Factors*) of this Circular.

Notice of an Extraordinary General Meeting of Greencore, to be held at The Westin Dublin Hotel, College Green, Westmoreland Street, Dublin, D02 HR67, Ireland at 11.00 a.m. on 7 December 2016 is set out at the end of this Circular. A Form of Proxy for use by Shareholders in connection with the Extraordinary General Meeting is enclosed, other than for Shareholders who have opted for the electronic communications service, who will receive an email notification rather than a Form of Proxy. To be valid, Forms of Proxy, completed in accordance with the instructions printed thereon, must be received at Greencore's registrar, Computershare Investor Services (Ireland) Limited, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin, D18 Y2X6, Ireland as soon as possible but in any event by no later than 11.00 a.m. on 5 December 2016.

Electronic proxy appointment is available for the Extraordinary General Meeting. This facility enables a shareholder to lodge his/her proxy by logging on to the website of Greencore's Registrar at www.eproxyappointment.com. Shareholders will need their Control Number, unique PIN number and shareholder reference number. Alternatively, for those who hold Ordinary Shares in CREST, a shareholder may appoint a proxy by completing and transmitting a CREST Proxy Instruction to Computershare Investor Services (Ireland) Limited (CREST Agent ID 3RA50). In each case, shareholders must complete the process by **no later than 11.00 a.m. on 5 December 2016** (or, in the case of an adjournment, no later than 48 hours before the time fixed for holding the adjourned meeting). The completion and return of a Form of Proxy (including an electronic proxy appointment notification or a CREST Proxy Instruction) will not preclude Shareholders from attending and voting in person at the Extraordinary General Meeting or any adjournment thereof, should they wish to do so.

The distribution of this Circular into any jurisdiction outside Ireland and the United Kingdom may be restricted by law and therefore persons into whose possession this Circular comes should inform themselves about and observe such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws or regulations in such jurisdictions.

This Circular is a shareholder circular and is being sent to you solely for your information in connection with the Resolutions to be proposed at the Extraordinary General Meeting. The contents of this Circular should not be construed as legal, business, financial, tax, investment or other professional advice.

A Prospectus relating to the Acquisition, the Rights Issue and Admission prepared in accordance with the Prospectus Rules and Irish Prospectus Law has been published on Greencore's website on or around the date of this Circular. This document should be read in conjunction with the Prospectus.

Each of Greenhill & Co. International LLP ("**Greenhill**") (which is authorised and regulated by the FCA in the UK) acting as sole financial adviser and Joint Sponsor, HSBC Bank plc ("**HSBC**") (which is authorised by the Prudential Regulation Authority (the "**PRA**") and regulated by the PRA and the FCA in the UK) acting as Joint Sponsor, Joint Global Co-ordinator, Joint Bookrunner and Lead Underwriter, Goodbody Stockbrokers UC ("**Goodbody**") (which is regulated in Ireland by the Central Bank of Ireland, and in the UK is subject to limited regulation by the FCA) acting as Joint Global Co-ordinator, Joint Bookrunner, Corporate Broker and Underwriter, Jefferies International Limited ("**Jefferies**") (which is authorised and regulated by the FCA in the UK) acting as Joint Bookrunner, Corporate Broker and Underwriter and Coöperatieve Rabobank U.A. ("**Rabobank**") (which is authorised and regulated by the Dutch Central Bank (*De Nederlandsche Bank*) and the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*), and in the United Kingdom is authorised by the PRA and subject to limited regulation by the FCA and the PRA) acting as Lead Manager and Underwriter is acting exclusively for Greencore and no one else in connection with this Circular, the Prospectus, the Acquisition, the Rights Issue and/or Admission (as relevant) and will not regard any other person (whether or not a recipient of this Circular) as their respective clients in relation to this Circular, the Prospectus, the Acquisition, the Rights Issue or Admission save for any responsibility which may arise under FSMA or the regulatory regime established thereunder (or, in the case of Goodbody, the responsibilities and liabilities, if any, which may be imposed by the Central Bank or any applicable Irish law), and accordingly will not be responsible to anyone other than Greencore for providing the protections afforded to respective clients of Greenhill, HSBC, Rabobank, Jefferies and Goodbody as applicable, or for providing advice in connection with the Acquisition, the Rights Issue, Admission, the contents of this Circular, the Prospectus or any other transaction, arrangement or other matter referred to in this Circular as relevant.

Apart from the responsibilities and liabilities, if any, which may be imposed on Greenhill, HSBC, Goodbody, Jefferies or Rabobank under FSMA or the regulatory regime established thereunder (or in the case of Goodbody, the responsibilities and liabilities, if any, which may be imposed by the Central Bank or any applicable Irish law): (i) none of Greenhill, HSBC, Goodbody, Jefferies or Rabobank or any persons associated or affiliated with any of the foregoing accepts any responsibility whatsoever and makes no warranty or representation, express or implied, in relation to the contents of this Circular, including its accuracy, completeness or verification or regarding the legality of any investment in the Nil Paid Rights, the Fully Paid Rights or the New Greencore Shares by any person under the laws applicable to such person or for any other statement made or purported to be made by it, or on its behalf, in connection with Greencore, the Nil Paid Rights, the Fully Paid Rights, the Ordinary Shares, the Acquisition, the Rights Issue and/or Admission; and (ii) each of Greenhill, HSBC, Goodbody, Jefferies and Rabobank accordingly disclaims, to the fullest extent permitted by law, all and any liability whether arising in tort, contract or otherwise (save as referred to above) which they might otherwise be found to have in respect of this Circular or any such statement.

No person has been authorised to give any information or make any representations other than those contained in this Circular and, if given or made, such representations must not be relied on as having been so authorised.

The delivery of this Circular shall not, under any circumstances, create any implication that there has been no change to the affairs of Greencore since the date of this Circular or that the information is correct as of any subsequent date.

The Nil Paid Rights, the Fully Paid Rights, the Provisional Allotment Letters and the New Greencore Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the "**US Securities Act**") or under any securities laws of any state or other jurisdiction of the United States and accordingly may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, within the United States, except pursuant to registration under the US Securities Act or an applicable exemption from, or transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There will be no public offer of Nil Paid Rights, Fully Paid Rights or New Greencore Shares in the United States.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Shareholders should take note of the dates and times set forth in the schedule below in connection with the Rights Issue and the Acquisition. These dates and times are indicative only and assume that the requisite regulatory clearances have been obtained and the other Conditions to Completion have been satisfied before the date estimated for Completion. Accordingly, these dates and/or times may be changed by Greencore in consultation with the Joint Bookrunners, in which event details of the new times and dates will be notified to the UKLA, the London Stock Exchange and by an announcement on a Regulatory Information Service to Qualifying Shareholders.

Each of the times and dates in the following table is indicative only and may be subject to change. Except where otherwise indicated, references to a time of day are to Irish time.

	Time and Date
Announcement of the Acquisition and Rights Issue	14 November 2016
Publication of the Prospectus and posting of this Circular (which includes the Notice of General Meeting) and the Form of Proxy	14 November 2016
Publication of Greencore 2016 Annual Report and related supplemental prospectus	5 December 2016
Latest time and date for receipt of the Form of Proxy (or electronic/CREST proxy appointment)	11.00 a.m. on 5 December 2016
Record date for entitlement under the Rights Issue for Qualifying Shareholders	6.00 p.m. on 5 December 2016
Record date for eligibility to vote at the EGM	6.00 p.m. on 5 December 2016
Greencore EGM	**11.00 a.m. on 7 December 2016**
Announcement of results of Greencore EGM	3.00 p.m. on 7 December 2016
Dispatch of Provisional Allotment Letters (to Qualifying Non-CREST Shareholders only)[1]	7 December 2016
Existing Greencore Shares marked "ex" by the London Stock Exchange	8.00 a.m. on 8 December 2016
Admission of, and dealings (for normal settlement) commence in, New Greencore Shares, nil paid, on the London Stock Exchange	**8.00 a.m. on 8 December 2016**
Start of subscription period	8.00 a.m. on 8 December 2016
Nil paid Rights credited to stock accounts in CREST (Qualifying CREST Shareholders only)	As soon as practicable after 8.00 a.m. on 8 December 2016
Nil Paid Rights and Fully Paid Rights enabled in CREST	As soon as practicable after 8.00 a.m. on 8 December 2016
Recommended latest time for requesting withdrawal of Nil Paid Rights and Fully Paid Rights from CREST (i.e. if your Nil Paid Rights and Fully Paid Rights are in CREST and you wish to convert them to certificated form)	4.30 p.m. on 15 December 2016

1 Subject to certain restrictions relating to Overseas Shareholders.

	Time and Date
Latest time for depositing renounced Provisional Allotment Letters, nil or fully paid, into CREST or for dematerialising Nil Paid Rights or Fully Paid Rights into a CREST stock account (i.e. if your Nil Paid Rights and Fully Paid Rights are represented by a Provisional Allotment Letter and you wish to convert them to uncertificated form	3.00 p.m. on 16 December 2016
Latest time and date for splitting Provisional Allotment Letters, nil or fully paid	3.00 p.m. on 19 December 2016
Latest time and date for acceptance, payment in full and registration of renunciation of Provisional Allotment Letters	**11.00 a.m. on 21 December 2016**
Results of Rights Issue to be announced through a Regulatory Information Service	By 8.00 a.m. on 22 December 2016
Dealings in New Greencore Shares, fully paid, commence on the London Stock Exchange	**8.00 a.m. on 22 December 2016**
New Greencore Shares in uncertificated form credited to CREST accounts	As soon as practicable after 8.00 a.m. on 22 December 2016
Completion of Acquisition	**30 December 2016**
Dispatch of definitive share certificates for the New Greencore Shares in certificated form	By no later than 5 January 2017

Greencore will make appropriate announcements to a Regulatory Information Service promptly after the Greencore EGM giving details of the results thereof and on Admission giving details of the number of New Greencore Shares that have been issued.

INDICATIVE SHARE CAPITAL AND RIGHTS ISSUE STATISTICS[2]

Rights Issue Price per New Greencore Share	153 pence
Basis of Rights Issue	9 New Greencore Shares for every 13 Existing Greencore Shares
Number of Ordinary Shares in issue at the Latest Practicable Date	414,850,059
Number of New Greencore Shares to be provisionally allotted pursuant to the Rights Issue	287,203,887
Number of Ordinary Shares in issue immediately following the completion of the Rights Issue[3]	702,053,946
New Greencore Shares as a percentage of the Enlarged Share Capital[3]	40.9%
Estimated gross proceeds of the Rights Issue	£439.4 million
Estimated Rights Issue Expenses	£12.8 million
Estimated net proceeds of the Rights Issue receivable by Greencore after deduction of estimated Rights Issue Expenses	£426.6 million

As at the date of this Circular, Greencore holds no Treasury Shares.

2 Fractional entitlements to New Greencore Shares will not be allotted and, where necessary, entitlements will be rounded down to the nearest whole number of New Greencore Shares.

3 On the assumption that no further Ordinary Shares are issued from the date of this Circular until completion of the Rights Issue other than the New Greencore Shares.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Language of the Circular

The language of this Circular is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

Presentation of financial information

The Greencore Group's financial year ends on (and the Combined Group's financial year will end on) the last Friday in September. Greencore prepares its consolidated financial statements in accordance with IFRS, as issued by the IASB and adopted in the EU, and its reporting currency will continue to be pounds sterling. The Combined Group's consolidated primary financial statements will continue to be prepared in accordance with IFRS after Completion.

Peacock financial information, unless otherwise stated, has been extracted from Peacock's unaudited consolidated financial statements for the 12 months ended 25 September 2016 and from the audited consolidated financial statements for the financial years ended 27 December 2015, 28 December 2014 and 29 December 2013 as set out in Part IV (*Historical Financial Information*). The information is audited unless otherwise stated or unless it is financial information in respect of Peacock for the 12 months ended 25 September 2016, which is unaudited, is prepared in accordance with IFRS as issued by the IASB and adopted in the EU and conforms with Greencore's accounting policies at the date of this Circular. Peacock's financial year ends on the 52nd Sunday following the prior financial year end. Peacock's unaudited financial statements for the 52 week period ended 25 September 2016 includes the 52 weeks ended on 25 September 2016 and, as a result, also includes approximately 13 weeks of financial information that is also included in Peacock's audited consolidated financial statements for the financial year ended 27 December 2015.

Non-IFRS financial measures – Peacock

Peacock uses the following non-IFRS measures to evaluate the performance of its operations: Operating Profit, Adjusted EBITDA and Adjusted Cash Flow. These supplemental measures are not measures of performance or liquidity under IFRS and should not be considered by investors in isolation, as a measure of profit, as a substitute for, or as an indicator of, operating performance as determined in accordance with IFRS.

The non-IFRS financial measures referenced above and described in more detail below are included in this document as a supplemental disclosure because the Directors believe that these measures provide useful historical financial information to investors, help investors evaluate the performance of the underlying business and are measures commonly used by certain investors and securities analysts for evaluating performance.

Peacock's definition, presentation or calculation of each of the non-IFRS financial measures may be different from definitions, presentations and calculations used by other companies and therefore comparability may be limited. Investors should therefore exercise caution in comparing non-IFRS financial measures reported by Peacock to similar measures of other companies.

Operating Profit and Adjusted EBITDA

The Peacock Group calculates Operating Profit as net profit/(loss) for the period before taxation expense/(benefit), finance (income)/costs, amortisation of acquisition related intangibles and exceptional items.

The Peacock Group calculates Adjusted EBITDA as Operating Profit excluding depreciation and amortisation, other than amortisation related to intangibles.

The following table sets forth a reconciliation of net profit (loss) to Operating Profit and Adjusted EBITDA for the periods indicated for Peacock.

	12 Months Ended		*Financial Year Ended*		
	25 September 2016 Unaudited $m	*27 September 2015 Unaudited $m*	*27 December 2015 Audited $m*	*28 December 2014 Audited $m*	*29 December 2013 Audited $m*
Net profit/(loss) for the period	37.4	(12.1)	17.2	(29.8)	(20.5)
Taxation expense/(benefit)	2.7	(3.9)	1.4	(10.5)	(7.3)
Finance (income)/costs	(4.5)	38.7	5.9	40.3	37.4
Amortisation of acquisition related intangibles	11.7	8.8	9.7	8.2	8.2
Exceptional items[1]	1.8	1.8	1.8	11.1	2.1
Operating Profit	49.1	33.3	36.0	19.3	19.9
Depreciation and amortisation[2]	23.0	19.5	20.9	18.1	13.4
Adjusted EBITDA	72.1	52.8	56.9	37.4	33.3

1 Exceptional items are as follows:

	12 Months Ended		*Financial Year Ended*		
	25 September 2016 Unaudited $m	*27 September 2015 Unaudited $m*	*27 December 2015 Audited $m*	*28 December 2014 Audited $m*	*29 December 2013 Audited $m*
Acquisition related fees[a]	–	1.8	1.8	–	–
New facility start-up costs[b]	1.3	–	–	0.6	2.0
One-off severance costs[c]	–	–	–	0.4	0.1
Onerous lease[d]	0.4	–	–	–	–
Legal fees[e]	0.1	–	–	–	–
Extinguishment of debt[f]	–	–	–	10.1	–
Exceptional items	1.8	1.8	1.8	11.1	2.1

a Includes advisory, accounting & legal fees incurred as part of the L&L acquisition in July 2015.

b The new facility start-up costs in 2013 and 2014 reflect run rate adjustments for costs above budget for the Tyson® business in 2013 and 2014, which related to moving into the new Romeoville facility. The new facility's start-up costs in the 2016 financial year relate to the relocation of L&L's facility to a new California facility to increase capacity and better serve existing customer and future growth plans.

c Reflects severance costs associated with the Peacock Group's previous Chief Executive Officer in 2013 and the previous Chief Financial Officer in 2014.

d Onerous lease cost in 2016 relate to the expense associated with a vacant property.

e Reflects legal fees associated with the Acquisition.

f The Peacock Group refinanced its revolving credit facility and term loans with new lenders at lower interest rates with more favourable terms in 2014. The proceeds from this refinancing were primarily used to refinance Peacock's previous credit facility. The refinancing resulted in a $10.1 million charge for the extinguishment of debt in 2014, consisting of a $6.3 million prepayment penalty for the early repayment of the loan plus a non-cash loss on extinguishment charge of $3.8 million relating to the write-off of the unamortised deferred financing costs.

2 Excludes amortisation of acquisition related intangibles. Amortisation, other than amortisation of acquisition related intangibles is nil for the 12 months ended 25 September 2016, and the 2015, 2014 and 2013 financial years.

Adjusted Cash Flow

The Peacock Group calculates Adjusted Cash Flow as net cash inflow from operating activities before tax paid/(received), interest paid and cash outflow related to exceptional items, less cash outflow from investing activities excluding cash inflow/(outflow) from acquisitions and disposals.

The following table sets forth the calculation of Adjusted Cash Flow for the periods indicated for Peacock.

	12 Months Ended		*Financial Year Ended*		
	25 September 2016	*27 September 2015*	*27 December 2015*	*28 December 2014*	*29 December 2013*
	Unaudited	*Unaudited*	*Audited*	*Audited*	*Audited*
	$m	*$m*	*$m*	*$m*	*$m*
Net cash inflows from operations	41.5	39.0	35.1	24.1	17.3
Interest paid	20.9	14.4	16.4	6.6	22.1
Cash outflow related to exceptional items[1]	1.8	1.8	1.8	11.1	2.1
Cash outflow from investing activities	(15.8)	(153.9)	(152.5)	(16.3)	(54.6)
Cash (inflow)/outflow from acquisitions and disposals	(1.3)	137.6	136.2	-	(0.1)
Adjusted Cash Flow	47.1	38.9	37.0	25.5	(13.2)

1 Exceptional items are as outlined above in "*Operating Profit and Adjusted EBITDA*".

Rounding

Certain figures contained in this Circular, including financial, statistical and operating information, have been subject to rounding adjustments. Accordingly, in certain instances, the totals of data presented in this Circular may vary slightly from the actual arithmetic totals of such data and the sum of the numbers in a column or a row in tables contained in this Circular may not conform exactly to the total figure given for that column or row.

Currencies

In this Circular, references to "**US dollar**", "**USD**" and "**$**" are to the lawful currency of the US, references to "**pound sterling**", "**GBP**" and "**£**" are to the lawful currency of the UK and references to "**euro**", or "**EUR**" and "**€**" are to the lawful currency of Ireland and to such other member states of the EU that have adopted euro as their currency.

Forward-Looking Statements

This Circular contains statements about the Greencore Group, the Peacock Group and the Combined Group that are or may be forward-looking statements. All statements other than statements of historical facts included in this Circular may be forward-looking statements. Without limitation, any statements preceded or followed by or that include the words "**targets**", "**should**", "**continue**", "**plans**", "**believes**", "**expects**", "**aims**", "**intends**", "**will**", "**may**", "**anticipates**", "**estimates**", "**projects**" or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include all matters that are not historical facts and statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, future capital-raising activities, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of the Greencore Group's, the Peacock Group's or the Combined Group's operations and potential synergies resulting from the Acquisition; and (iii) the effects of government regulation on the Greencore Group's, the Peacock Group's or the Combined Group's business.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances that are difficult to predict and outside of the Greencore Group's, the Peacock Group's or the Combined Group's ability to control. Forward-looking statements are not guarantees of future performance and the actual results of the Greencore Group's, the Peacock Group's or the Combined Group's operations and the development of the markets and the industry in which the Greencore Group, the Peacock Group or the Combined Group operates, may differ materially from those described in, or suggested by, the forward-looking statements contained in this Circular. In addition, even if the Greencore Group's, the Peacock Group's or the Combined Group's business results of operations, financial position and/or

prospects, and the development of the markets and the industry in which the Greencore Group, the Peacock Group or the Combined Group operates, are consistent with the forward-looking statements contained in this Circular, those results of developments may not be indicative of results or developments in subsequent periods. A number of factors could cause results and developments of the Greencore Group, the Peacock Group or the Combined Group to differ materially from those expressed or implied by the forward-looking statements including, without limitation:

- the performance of the Peacock Group's and, following the Acquisition, the Combined Group's customers may be adversely impacted by changing retail and industry structure, which in turn may affect the Greencore Group's and, following the Acquisition, the Combined Group's performance;
- the Peacock Group operates in, and following the Acquisition, the Combined Group will operate in highly competitive markets, often with customers having an ability to switch to alternative suppliers on short notice, and there can be no assurance that, following the Acquisition, the Combined Group will be able to compete effectively;
- demand for the Combined Group's products may be affected by changes in consumer behaviour and demand and changes in consumer legislation;
- the Peacock Group's and, following the Acquisition, the Combined Group's success may depend on their customers' brands, reputations and relationships;
- the Peacock Group and, following the Acquisition, the Combined Group is dependent on the supply and affordability of labour in the US and is therefore at risk from changes in minimum wage and living wage legislation and immigration law and approaches to the enforcement thereof in the countries in which it operates;
- the Peacock Group's and, following the Acquisition, the Combined Group's success depends on the continued contributions of its executive officers and senior management, both individually and as a group;
- failure by the Peacock Group, the Combined Group or third-party suppliers to comply with food safety or other regulations or customer requirements may adversely affect the business of the Greencore Group and, following the Acquisition, the Combined Group; furthermore, the Combined Group (as is currently the case for the Greencore Group) is at risk from significant and rapid changes in the legal systems, regulatory controls, and customs and practices in the countries in which they operate;
- the Combined Group will be exposed to greater exchange rate risk;
- the Combined Group could be adversely affected by changes in current tax law or practice in Ireland, the UK and the US;
- the anticipated benefits of the Acquisition may not be realised and the integration of the businesses of the Peacock Group and the Greencore Group will create a number of challenges;
- following the Acquisition, an impairment of goodwill or other intangible assets would adversely affect the Greencore Group's business and financial condition; and
- other factors discussed in Part III (*Risk Factors*).

The forward-looking statements therein speak only at the date of this Circular and Shareholders are cautioned not to place undue reliance on such forward-looking statements. Save as required by the EU Prospectus Regulation, the Prospectus Rules, Irish prospectus law, MAR, the Market Abuse Rules, the Transparency Regulations, the Disclosure Guidance and Transparency Rules and the Listing Rules, the Admission and Disclosure Standards of the London Stock Exchange or by law, Greencore undertakes no obligation to update these forward-looking statements and will not publicly release any revisions it may make to these forward-looking statements that may occur due to any change in its or the Combined Group's expectations or to reflect events or circumstances after the date of this Circular. Shareholders should note

that the contents of these paragraphs relating to forward-looking statements are not intended to qualify the statements made as to sufficiency of working capital in this Circular.

Calculation of total issued ordinary shares

Unless otherwise stated, all references to total issued Ordinary Shares in this Circular are calculated based on the issued ordinary share capital of Greencore as of the Latest Practicable Date, which consists of 414,850,059 Ordinary Shares.

No incorporation of website information

Information on or accessible through Greencore's corporate website, www.greencore.com and through Peacock's corporate website, www.peacockfoods.com, does not form part of and is not incorporated into this Circular.

Certain defined terms

Certain terms used in this Circular, including capitalised terms and certain technical and other items, are defined and explained in Part VIII (*Definitions*).

Available information

If, at any time, Greencore is neither subject to Section 13 or Section 15(d) of the Exchange Act, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, the Greencore Group will furnish, upon request, to any holder or beneficial holder of the Nil Paid Right, the Fully Paid Rights or the New Greencore Shares, or any holder or beneficial holder of the Nil Paid Rights, the Fully Paid Rights or the New Greencore Shares, or any prospective purchaser designated by any such holder or beneficial owner, the information required to be delivered pursuant to Rule 144A(d)(4) under the US Securities Act. In such cases, the Greencore Group will also furnish to each such owner all notice of general Shareholders; meetings and other reports and communications that the Greencore Group generally makes available to the Shareholders.

Publication of Greencore's 2016 Annual Report

It is anticipated that Greencore's 2016 Annual Report shall be released on or around 5 December 2016 and a supplementary prospectus shall be published on or around that date.

PART I

LETTER FROM THE CHAIRMAN

GREENCORE GROUP PLC

(incorporated in Ireland with limited liability with registered number 170116)

Directors	*Registered office*
Gary Kennedy	No 2 Northwood Avenue
Patrick Coveney	Northwood Business Park
Eoin Tonge	Santry
Sly Bailey	Dublin
Heather Ann McSharry	D09 X5N9
John Moloney	Ireland
Eric Nicoli	
John Warren	

14 November 2016

To the holders of Ordinary Shares and the Special Shareholder.

Dear Shareholder,

Proposed Acquisition of Peacock by Greencore Group plc

Proposed 9 for 13 Rights Issue of 287,203,887 New Greencore Shares at 153 pence per New Greencore Share to raise approximately £439.4 million

Notice of Extraordinary General Meeting

1. Introduction

On 14 November 2016, Greencore announced that it had reached agreement to acquire Peacock, the US convenience food group, based in Geneva, Illinois for cash consideration calculated by reference to an enterprise value of $747.5 million (£594.3 million at 1.2577 exchange rate). Peacock manufactures convenience food products for leading food brands.

Greencore also announced that it intended to raise approximately £439.4 million by way of the Rights Issue described in this Circular, with expected net proceeds of the Rights Issue of £426.6 million. The net proceeds of the Rights Issue are intended to be applied towards funding part of the purchase price for the Acquisition and related expenses. The balance of the purchase price for Peacock will be funded through new debt of up to $250 million pursuant to the Facilities Agreement (which comprises a new facility of $250 million and a facility of £300 million to refinance existing Greencore Group facilities).

The Acquisition is of sufficient size relative to the Greencore Group to constitute a class 1 transaction for the purposes of the Listing Rules and the Acquisition is therefore conditional, among other things, upon the approval of Shareholders. The Rights Issue is also conditional upon, among other things, the passing of the Transaction Resolutions. Accordingly, the Greencore EGM is to be held at 11.00 a.m. on 7 December 2016 at The Westin Dublin Hotel, College Green, Westmoreland Street, Dublin, D02 HR67, Ireland for the purposes of approving the Acquisition and the Transaction Resolutions that are required in order to implement the Rights Issue. An explanation of the Transaction Resolutions to be proposed at the EGM is set out in paragraph 13 (*Shareholder Voting and Extraordinary General Meeting*) of this Part I.

The notice of the EGM and the Resolutions to be proposed and considered at the Extraordinary General Meeting are set out at page 148 of this Circular.

The purpose of this Circular is to: (i) explain the background to and reasons for the Acquisition and the Rights Issue; (ii) explain why the Board considers the Acquisition and the Rights Issue to be in the best interests of Shareholders as a whole; and (iii) convene an EGM to seek Shareholder approval for the Acquisition and the Rights Issue.

2. Background to and reasons for the Acquisition

Greencore's vision is to be a fast-growing, international convenience food leader. Over the financial years ended 28 September 2012 to 30 September 2016, Greencore has made significant progress against this vision by pursuing four strategic imperatives. First, Greencore has deepened its leadership of the high-growth food to go category. The UK food to go market grew at 5.6% during the year ended 1 October 2016, compared to growth of 2.3% for the UK food market as a whole during the same period.[4] Over the last five years to 30 September 2016, the business has organically grown its share of sandwiches in the UK grocery channel from 36% to almost 60%[5] on a run-rate basis, while growing net revenue in the US by almost four times through both organic business wins and selected acquisitions over the same period. Second, Greencore holds strong market positions (number 2) in own-label supply of Italian ready meals, quiche, chilled soup, own label cooking sauce and deli salads in the UK.[6] Third, Greencore has developed a strong set of relationships with leading customers, as evidenced by the increase in its net revenue across each of its six largest customers, and the extension of its largest contracts from an average of 1-2 years in length to approximately 3-5 years over the period from 2014 to 2016.[7] Lastly, Greencore has invested significantly in developing both the capacity and capability to win new business in the UK and the US, enabling the growth outlined above and allowing Greencore to outpace the market in both countries.

Over the financial years ended 28 September 2012 to 30 September 2016, Greencore has delivered an exceptionally strong financial performance, with convenience food revenues growing by 31.5%, and a track record of double digit Adjusted EPS growth (with compound annual growth rate (CAGR) of 11.1%).

Since entering the market in 2008, Greencore has built its US business through a combination of strategic, bolt-on acquisitions (MarketFare and H.C. Schau in 2012, and Lettieri's LLC in 2014) and investment in new capacity, expanding its facility in Jacksonville, Florida to produce frozen products, and building new, state-of-the-art facilities in Quonset, Rhode Island and Seattle, Washington. Greencore's US business now supplies a range of convenience food products to US customers, particularly in the convenience and coffee shops channels. The Directors believe Greencore's US division is well positioned for future growth, with seven well-invested facilities with significant potential for expansion, a balance of fresh and frozen product formats, and strong relationships with two leading national customers.

Peacock is a fast-growing convenience food manufacturer, with a particular focus on sandwiches and chilled meals. It had approximately $1 billion of revenue in the US in the 12 months ended 25 September 2016 ($861 million in the 12 months ended 27 September 2015). Peacock manufactures convenience food products for leading brands in fast-growing categories, in particular for Jimmy Dean®, the leading brand in frozen breakfast sandwiches; Kraft Lunchables®, the leading brand in kids' chilled meal kits, and for Dole®, the leading brand in the salad kit category. Peacock has long standing relationships (which extend over 25 years in some cases) with its largest customers, which include Tyson®, KraftHeinz®, Dole®, Kellogg's®, Gerber®, General Mills® and Apio®. Collectively these customers accounted for approximately 70% of Peacock's revenue in 12 months ended 25 September 2016.[8] These customers are supplied from large, well-invested facilities in the US with a balance of capabilities across frozen, chilled and ambient manufacturing and excellent standards of food safety. Specifically, Peacock has seven manufacturing facilities, with five in Illinois, one in California, one in Ohio, and a head office in Geneva, Illinois. Peacock has particularly strong manufacturing capabilities in automation, project engineering and packaging, as well as expertise in building enduring relationships with leading customers, managing a large number of front line employees,

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4 Source: Nielsen Total Coverage, 52 weeks to 1 October 2016.

5 Source: Nielsen Grocery Multiples 4 weeks ended December 2011 and 4 weeks ended August 2016.

6 Source: Nielsen Marketshare Report, September 2016.

7 Source: Internal unaudited Greencore management information.

8 Source: Peacock internal unaudited management data.

understanding regulatory requirements and maintaining high standards of food safety. It is led by an accomplished leadership team, with an average of 25+ years' experience in the food industry.

Peacock's business has performed well over the last three years, significantly increasing its revenues with current customers and extending its manufacturing capabilities. Peacock has also delivered a strong financial performance, growing revenue and Adjusted EBITDA from $517.2 million and $33.3 million, respectively, in the financial year ended 29 December 2013 to $993.1 million and $72.1 million, respectively, in the 12 months ended 25 September 2016.

As well as being an attractive business in its own right, the Directors believe that the Acquisition has the potential to transform Greencore's business in the US by significantly increasing its scale, increasing its exposure to leading brands in fast-growing categories, extending its presence in new channels and with new customers, building Greencore's manufacturing footprint and widening its geographic reach, broadening its capabilities, enhancing its management talent and growing its potential for profitability.

Strength of Peacock's business

The Directors believe that the attractiveness of Peacock's business is underpinned by the following key factors:

- *Leading brands in growing categories:* Peacock has built an attractive portfolio that is positioned for growth in three ways. First, the business operates in fast-growing categories, specifically frozen breakfast sandwiches, kids' chilled meal kits and salad kits, all of which are growing faster than the total food market in the US[9] and which account for approximately 64% of Peacock's revenue for the 12 months ended 25 September 2016.[10] Second, as described above, Peacock manufactures on behalf of leading brands in these categories. Third, the business benefits from the underlying trend towards outsourced manufacturing amongst CPG manufacturers in the US.
- *Excellent customer relationships:* Peacock's business is focused on a number of key long-term, collaborative customer relationships with leading US CPG brand owners. Over the last three years, Peacock has both grown sales to its largest customers and successfully extended several of its contractual arrangements.[11] Peacock has expanded its contract with KraftHeinz® and is expected to increase its supply to KraftHeinz® beginning in 2017 as a result. Peacock has strong relationships with many of its large customers and has supply contracts in place for between 40% and 100% of their manufacturing requirements.
- *Large, well-invested facilities:* Peacock has engaged in a major capital expenditure programme since January 2013 to create modern and efficient manufacturing facilities which have high utilisation, significant scale in key products and excellent standards in food safety. Peacock also has significant space available to add new manufacturing lines within its existing facilities. Peacock's customers typically support Peacock's capital expenditure programme through co-investment. Features of capital coinvestment agreements include capital reimbursement payments, minimum financial guarantees and early contract termination payments. These features provide Peacock with greater financial visibility when evaluating investment decisions.
- *Strong capabilities:* Peacock has strong manufacturing capabilities in the automation of key production processes, project engineering and use of a wide range of packaging types. It also has capabilities in building strong relationships with key customers, managing a large number of front line employees, understanding regulatory requirements and maintaining high standards of food safety.
- *Strong management team:* Peacock has an accomplished and talented management team with an average of 25+ years' experience in the food industry.
- *Track record of strong profit growth:* Peacock has a strong track record of growth, with Adjusted EBITDA having grown from $33.3 million in the financial year ended 29 December 2013 to

9 Source: Nielson Growth and Market Share Report, April 2016.

10 Source: Nielson Growth and Market Share Report, April 2016.

11 Source: Internal unaudited Peacock management data.

$72.1 million in the 12 months ended 25 September 2016. Peacock grew its Adjusted EBITDA at a compound annual growth rate of 30.7% during the 29 December 2013 to 27 December 2015 period.[12]

- *Strong cash flow:* Peacock has a strong record of cash generation given its Adjusted EBITDA Growth, its approach to investing behind growth products with customers, and its low working capital requirements. Peacock's Adjusted Cash Flow was $47.1 million in the 12 months ended 25 September 2016, representing growth of 21.1% in comparison to the prior 12 month period.
- *Outlook for long-term revenue growth:* the Directors believe that Peacock has a strong outlook for revenue growth driven by the fast-growing categories it operates in, the strength of the leading brands it serves, the underlying trend towards outsourcing amongst leading CPG players in the US, as well as Peacock's ability to serve existing customers in new categories and its potential to win business with new customers.[13]

Excellent strategic fit between Greencore and Peacock

The Directors believe that the Acquisition and its combination with Greencore's US business will transform Greencore's presence in the US. Specifically, the Directors believe the Acquisition will create the potential to accelerate Greencore towards its vision of being a fast-growing, international convenience food leader and a business that is well positioned for future growth across multiple channels in the US through organic growth, new business wins and bolt-on acquisitions.

- *The Acquisition accelerates Greencore's vision to be a fast-growing, international convenience food leader:*
  - *Fast-growing:* Peacock and Greencore both operate in fast-growing categories, are supported by favourable industry trends, and have a strong recent track record of top and bottom line growth.
  - *International:* The Acquisition will create an international business with approximately 42% of revenues in the US, in contrast to Greencore's position as at 30 September 2016, where the US made up approximately 15% of total revenues.
  - *Convenience food:* Greencore and Peacock manufacture similar and complementary convenience food products, with similar product formats to Greencore's current US product offering, particularly in frozen breakfast sandwiches, chilled meal kits and salads.
  - *Leader:* The Acquisition significantly improves Greencore's scale in the US and increases its exposure to leading brands and customers in its categories.
- *The Acquisition transforms Greencore's position in the US:*
  - *Greater scale:* The Acquisition will significantly improve Greencore's scale in the US in three important ways. First, it is expected to more than quadruple Greencore's total sales in the US, improving access to talent, leverage of fixed overheads, and ability to self-fund investment in additional capability and capacity. Second, it is expected to bring additional scale in key categories, for example, multiplying by a factor of five sales in frozen breakfast sandwiches, which will be the Combined Group's largest category if the Acquisition completes. Third, it is expected to bring significantly increased scale in manufacturing, as outlined in more detail below.
  - *Strong positions in fast-growing categories:* The Acquisition is expected to create a convenience food manufacturer with strong positions in several fast-growing categories. Based on the position of the Greencore Group and the Peacock Group as at the year ended 30 September 2016 and the 12 months ended 25 September 2016, the Combined Group's US business would derive 30% of its revenue from frozen breakfast sandwiches, (with category

12 Source: Internal unaudited Greencore management information.

13 Source: Internal unaudited Greencore management information.

growth of 6% over the period), 13% from kids' chilled meal kits, (with category growth of 6% over the period), 13% from salad kits, (with category growth of 16% over the period), and 13% from fresh food to go (with category growth of 8% over the period), and would hold the number one market position in the first three of these categories.[14]

– *New channels and customers:* Greencore and Peacock both focus on building long-term relationships with leading customers in the US. Peacock serves CPG leaders, such as Tyson® KraftHeinz® and Dole® which will complement Greencore US' portfolio of leading customers in the growing convenience retail and branded food service channels. The Directors believe the Acquisition will broaden the customer and channel base in the Combined Group while at the same time allowing the Combined Group to maintain its strategic focus on building long-term, customer relationships. Given the importance of Peacock's customer relationships, Greencore senior executives have met with Peacock's largest customers, representing approximately 70% of Peacock's revenue for the 12 months ended 25 September 2016. In those meetings, each customer has expressed its support for Peacock, the Acquisition and the continuance of the existing contracts in accordance with their terms.

– *Enhanced operating capacity with broader geographic reach:* The Acquisition will add seven well-invested sites to Greencore's manufacturing network and significantly improve its capacity (Peacock's network has a combined footprint of over 2 million square feet of space compared to Greencore's US business which has approximately 0.5 million square feet at the date of this Circular). In addition, the Directors believe that the enhanced geographic reach resulting from the Acquisition will enable the Combined Group to increase its scale and service to its combined customer base in a cost-effective manner. The new business will be headquartered in Chicago, Illinois.

– *Complementary competencies:* Peacock is expected to bring experience in automation, project engineering and packaging to Greencore's US business. Greencore has strong competencies in food safety innovation, new product development and short shelf-life food manufacturing, which the Directors believe can be utilised to enhance Peacock's existing operations. The Directors believe that the Acquisition will allow the Combined Group's US business to offer a broader set of capabilities than either Greencore or Peacock can provide on a stand-alone basis, creating significant opportunities to bring new products to existing customers, and to develop new customers and channels.

– *Strengthened management team:* Peacock has a leadership team with extensive experience in the CPG industry, a strong track record and a complementary skills set. The Directors believe that combining this team with Greencore's existing leadership will enhance Greencore's management capabilities in the US. Greencore has agreed terms to retain the key members of Peacock's management team after Completion. The Directors anticipate that the management team of the US division (which, after Completion, will include Peacock) will be led by the current CEO of Greencore's US division, Chris Kirke. Thomas Sampson (Peacock's CEO) will be appointed as a senior adviser to Greencore with particular responsibility for managing customer transition and integration issues over the next two years. He will also be appointed to Greencore's US Advisory Board, a new body that will provide guidance and support to Chris Kirke and the extended US leadership team.

14 Source: Nielsen Marketshare Report, September 2016.

Financial benefits for Greencore

The Directors have assessed the financial benefits that may arise from the Acquisition, relying upon the Greencore Group's own experience (including the successful integration of Uniq plc following its acquisition by Greencore in 2011), together with the cooperation and insight of Peacock's senior management and extensive analytical work. As a result, the Directors believe that the Acquisition will have the following key benefits for Greencore:

- *Earnings:* Given the strong earnings and growth profile of Peacock and the realisation of synergies outlined below, the Directors expect the Acquisition to significantly enhance earnings from the first full year after Completion. This statement does not constitute a profit forecast nor should it be interpreted to mean that the future Adjusted EPS, profits, margins and/or cashflow of the Greencore Group or the Combined Group will necessarily match or exceed the historic published Adjusted EPS, profits, margins and/or cashflow of the Greencore Group.
- *Return on capital*: The Directors have also targeted for the return on capital employed as part of the Acquisition to exceed the Greencore Group's current weighted average cost of capital with effect from the first full financial year after Completion.
- *Cash and deleveraging profile:* The Directors expect the Acquisition to significantly increase operating cash generation as a result of the contribution of the Peacock business and the achievement of cost synergies, in addition to the utilisation of tax attributes on the basis described below. This cash generation will enable a strong deleveraging profile for the Combined Group.
- *Synergies:* The Directors believe that the Acquisition will deliver annualised cost synergies of at least $15 million as a result of combining the operations of Peacock with the Greencore Group's US division. Approximately 90% of these cost synergies are expected to be realised by the end of the financial year to September 2019, with the balance in the following year. The Directors expect that the realisation of these synergies will require one-off cash expenditures of up to $20 million, of which approximately 70% will be incurred in the financial year to September 2017, with the balance in the following financial year.
- *Tax attributes:* On Completion, it is expected that the Greencore Group will acquire the historical tax assets of Peacock comprised of federal tax loss carry forwards resulting from prior operating losses and accelerated capital allowances. The amount of historical tax assets estimated to be available to the Combined Group subsequent to the Acquisition is at least $65 million. In addition, the Greencore Group itself has a range of historical tax assets comprised of federal tax loss carry forwards. The utilisation of these assets combined with other tax synergies arising from the combination of the businesses is expected to lead to the Combined Group paying limited levels of cash tax in the US in the medium term.

The expected synergies described above are contingent on Completion and could not be achieved by the Greencore Group independently. The annual cost savings and the anticipated one-off expenditure stated above reflect the anticipated benefits from and costs associated with achieving these synergies.

3. Current trading and prospects

The businesses of the Greencore Group and the Peacock Group have continued to perform in line with the Directors' expectations since 30 September 2016 and 25 September 2016, respectively.

4. Information on Peacock

For further information in respect of the Peacock Group please see Part II (*Information on Peacock*) of this Circular.

5. Principal Terms of the Acquisition

On 14 November 2016, Greencore, the Peacock Securityholders and Peacock, amongst others, entered into the Acquisition Agreement, which sets out the terms and conditions upon which Greencore has agreed to

acquire Peacock for $747.5 million, without interest and calculated on a debt-free/cash-free basis and subject to working capital and other customary adjustments calculated at the Completion Date.

Conditions

The material conditions to the consummation of the Acquisition are:

- US anti-trust clearance under the HSR Act;
- the Shareholders passing the Transaction Resolutions;
- the accuracy of Peacock's, the Peacock Securityholders' and Greencore's representations and warranties, subject to specified materiality standards;
- a material adverse effect on Peacock's business not having occurred since the date of the Acquisition Agreement;
- admission of the New Greencore Shares (nil paid and fully paid) to the Official List;
- no notice of termination from the counterparties to certain of Peacock's significant contracts having been received; and
- there not being any law, rule, regulation, order, judgement, injunction, temporary restraining order or decree entered, enacted, issued, promulgated, enforced or issued by any government, regulatory, judicial or administrative authority, agency or commission of competent authority which is in effect and has the effect of making the Acquisition illegal, or otherwise prohibits, restrains or prevents the consummation of the Acquisition.

Upon Completion, Greencore will, indirectly, hold all outstanding equity securities in Peacock.

Further terms of the Acquisition Agreement are set out in Part VI (*Details of the Acquisition*).

6. Financing of the Acquisition and use of the issue proceeds

The Directors look to maintain a prudent level of financial leverage in order to provide Greencore with the flexibility to invest in its businesses. Therefore, consistent with this goal, Greencore intends to raise new equity through the Rights Issue to fund a significant portion of the Acquisition purchase price and associated expenses. The Greencore Board, taking into account, among other things, the size of the fundraising relative to the current market capitalisation of Greencore and its desire to respect pre-emption rights of Shareholders to the extent possible in light of securities law restrictions, believes the most appropriate method to do this is by way of the Rights Issue.

The balance of the purchase price for Peacock will be funded through new debt of up to $250 million pursuant to the Facilities Agreement (which comprises a new facility of $250 million and a facility of £300 million to refinance existing Greencore Group facilities). It is possible that a Replacement Facilities Agreement will be entered into between Greencore and some or all of its banks prior to Completion, in which case the portion of the purchase price for the Acquisition being funded by debt will be funded under that Replacement Facilities Agreement, and the applicable facility under the Facilities Agreement would then be cancelled.

On a pro forma basis at 30 September 2016, after giving effect to the Acquisition, the Rights Issue and the Acquisition Refinancing, the Combined Group's Net Debt to Adjusted EBITDA (for covenant purposes) leverage ratio (calculated in accordance with the definitions under the Facilities Agreement) would have been 2.6x (applying the average US dollar to pounds sterling exchange rate for the year to 30 September 2016 to the Peacock Group's earnings). Based on an exchange rate of $1.2577:£1 (being the closing rate on Friday 11th November 2016) applied to the Peacock Group's earnings, the Combined Group's Net Debt to Adjusted EBITDA leverage ratio as at 30 September 2016 would have been 2.5x (for comparison, the Greencore Group's Net Debt to Adjusted EBITDA leverage ratio as at 25 September 2015 was 2.0x).

The Rights Issue has been fully underwritten on the basis set out in the Underwriting Agreement.

Details of the terms of the Underwriting Agreement are set out in paragraph 7.2 of Part VII (*Additional Information*) of this Circular.

The total costs, charges and Rights Issue Expenses (including fees and commissions) (exclusive of recoverable VAT) payable by Greencore in connection with the Rights Issue are estimated to amount to approximately £12.8 million. The total net proceeds of the Rights Issue are expected to be approximately £426.6 million. The aggregate costs and expenses of the Acquisition payable by Greencore are estimated to be £31.7 million (exclusive of recoverable VAT).

Foreign exchange hedging arrangements have been entered into by the Greencore Group with respect to the Rights Issue proceeds received in pounds sterling, in order to mitigate the foreign exchange risk and to provide funds in US dollars at Completion. Such arrangements are contingent upon the receipt of the Rights Issue proceeds and, subject to certain exceptions, the Acquisition Agreement not having been terminated in accordance with its terms.

7. Principal terms and conditions of the Rights Issue

Greencore proposes to raise approximately £426.6 million (net of commissions and Rights Issue Expenses) by way of a fully underwritten Rights Issue of 287,203,887 New Greencore Shares.

The Rights Issue Price of 153 pence per New Greencore Share, which is payable in full on acceptance by no later than 11.00 a.m. on 21 December 2016, represents a 47.6% discount to the Closing Price of 291.9 pence per Existing Greencore Share on the Latest Practicable Date and a 34.9% discount to the theoretical ex-rights price of 235.1 pence per New Greencore Share calculated by reference to the Closing Price on the same day.

If Completion occurs, the Rights Issue proceeds, net of commissions and Rights Issue Expenses, of approximately £426.6 ($536.6 million), will be applied to fund the Acquisition and related expenses and the balance of the purchase price for Peacock will be funded through new debt of up to $250 million pursuant to the Facilities Agreement (which comprises a new facility of $250 million and a facility of £300 million to refinance existing Greencore Group facilities). It is possible that a Replacement Facilities Agreement will be entered into between the Greencore Group and some or all of its banks prior to Completion, in which case the portion of the purchase price for the Acquisition being funded by debt will be funded under that Replacement Facilities Agreement, and the Facilities Agreement would then be cancelled.

In what the Directors believe to be the unlikely event that the Rights Issue proceeds, but the Acquisition does not complete, the Greencore Directors' current intention is that the net proceeds of the Rights Issue will be invested on a short-term basis while the Greencore Directors evaluate other acquisition opportunities and, if no acquisitions can be found on acceptable terms, the Greencore Directors will consider how best to return surplus capital to Shareholders in a timely manner. Such a return could carry fiscal costs for certain Shareholders, will have costs for Greencore and would be subject to applicable securities laws. Any return of capital would be net of transaction expenses relating to the Acquisition, Rights Issue and the return of capital. Such a return of capital would also be on a pro rata basis to all Shareholder holdings of Ordinary Shares in Greencore at the time at which the return of capital is implemented, and not in proportion to the amount invested by investors in the Rights Issue. There is no guarantee that investors in the Rights Issue will receive the full (or any) amount invested in the Rights Issue should the Acquisition not proceed.

The Underwriters' obligations under the Underwriting Agreement are conditional (although, with certain exceptions, these conditions can be waived) but are unconditional from Admission.

Subject to the fulfilment of the conditions set out below, Greencore proposes to offer, by way of this Circular (and, in the case of Qualifying Non-CREST Shareholders, the Provisional Allotment Letters), New Greencore Shares pursuant to the Rights Issue to Qualifying Shareholders on the following basis:

9 New Greencore Shares at 153 pence per New Greencore Share for every 13 Existing Greencore Share(s) held and registered in their name on the Record Date.

Holdings of Existing Greencore Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Rights Issue. New Greencore Shares

representing fractional entitlements will not be provisionally allotted to Qualifying Shareholders and, where necessary, entitlements to New Greencore Shares will be rounded down to the nearest whole number. Aggregated fractions will not be allotted to Qualifying Shareholders but will be sold in the market for the benefit of Greencore.

If a Qualifying Shareholder does not take up any of its entitlement to New Greencore Shares, its proportionate shareholding will be diluted by approximately 40.9%. However, if a Qualifying Shareholder takes up its entitlement to New Greencore Shares in full, they will, after the Rights Issue has been completed and excluding any fraction of an Ordinary Share, as nearly as practicable subject to fractional entitlements and rounding, have the same proportionate voting rights and entitlements to dividends as they had on the Record Date.

If a Qualifying Shareholder does not subscribe for the New Greencore Shares to which they are entitled, such Qualifying Shareholder can instead sell their rights to those New Greencore Shares and receive the net proceeds of each sale in cash. This is referred to as dealing in the rights "**nil paid**" and, subject to the fulfilment of certain conditions, dealings (for normal settlement) on the London Stock Exchange in the Nil Paid Rights are expected to commence at 8.00 a.m. on 8 December 2016. If a Qualifying Shareholder does not wish to take up their rights to such New Greencore Shares, they do not have to take any action and the Underwriters will use their respective reasonable endeavours to find investors to take up those rights by 4.30 p.m. on the second dealing day after the last date for acceptance of the Rights Issue. If the Underwriters find such investors and are able to achieve a price at a premium over the Rights Issue Price and the expenses of procuring those investors (including any applicable brokerage and commissions and amounts in respect of VAT which, in the reasonable opinion of the Underwriters, are not recoverable), such Qualifying Shareholder will be sent a cheque for the amount of that aggregate premium less such related expenses, so long as the amount in question is at least £5.00. Where such aggregate premium less such related expenses is less than £5.00, such amounts will be aggregated and it is intended that such amount shall be donated by Greencore to charities chosen by the Board.

The New Greencore Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Greencore Shares, including the right to receive in full all dividends and other distributions declared, made or paid by reference to a record date after the date of their Rights Issue. Ordinary Shares, including the New Greencore Shares, may be held in certificated or uncertificated form.

Applications will be made to the UKLA for the New Greencore Shares (issued in connection with the Rights Issue) to be admitted to listing on the premium segment of the Official List and to the London Stock Exchange for admission to trading of the New Greencore Shares on its main market for listed securities. It is currently expected that Admission of the New Greencore Shares will become effective and that dealings (for normal settlement) in the New Greencore Shares will commence on the London Stock Exchange, nil paid, at 8.00 a.m. on 8 December 2016 (whereupon an announcement will be made by Greencore to a Regulatory Information Service).

The Existing Greencore Shares are already admitted to CREST. The New Greencore Shares and the Existing Greencore Shares are in registered form and can be held in certificated or uncertificated form via CREST.

The Rights Issue has been fully underwritten by the Underwriters in accordance with the terms of the Underwriting Agreement and is conditional, *inter alia*, upon:

- the passing of the Transaction Resolutions (without amendment or with such amendments as the Joint Bookrunners and the Joint Sponsors may agree) at the Greencore EGM on 7 December 2016 (and not, except with the prior written agreement of the Joint Bookrunners and the Joint Sponsors, at any adjournment of such meeting);
- the Underwriting Agreement having become unconditional in all respects (save for the condition relating to Admission) and not having been terminated in accordance with its terms; and
- Admission having occurred by not later than 8.00 a.m. on 8 December 2016, or such later time and/or date as the Joint Bookrunners and the Joint Sponsors may agree in writing.

Details of the principal terms of the Underwriting Agreement are set out in paragraph 7.2 of Part VII (*Additional Information*) of this Circular.

The Underwriters and any of their respective affiliates may engage in trading activity in connection with their roles under the Underwriting Agreement and may take up a portion of the securities of Greencore in the Rights Issue as a principal position and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for their own account in securities of Greencore and related or other securities and instruments (including Ordinary Shares, Nil Paid Rights and Fully Paid Rights) and may offer or sell such securities or other investments otherwise than in connection with the Rights Issue. Accordingly, references in this Circular to Nil Paid Rights, Fully Paid Rights or New Greencore Shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by, the Underwriters and any of their affiliates acting as investors in such capacity. In addition, certain of the Underwriters or their affiliates may enter into financing arrangements (including swaps or contracts for differences) with investors in connection with which such Underwriters (or their affiliates) may from time to time acquire, hold or dispose of Ordinary Shares. Except as required by applicable law or regulation, none of the Underwriters propose to make any public disclosure in relation to such transactions.

In addition, Greencore reserves the right to decide not to proceed with the Rights Issue if the Underwriting Agreement is terminated at any time prior to Admission and commencement of dealings in the New Greencore Shares (nil paid).

The results of the Rights Issue, including the aggregate number of New Greencore Shares issued and the aggregate amount raised, net of commissions and Rights Issue Expenses, is expected to be announced by Greencore through a Regulatory Information Service by 8.00 a.m. on 22 December 2016.

The Ordinary Shares are currently (and it is expected that the New Greencore Shares will be) admitted to listing on the premium segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange.

Shareholders who hold their Ordinary Shares in certificated form and who take up their entitlement to New Greencore Shares in part or in full are expected to receive definitive share certificates in respect of their New Greencore Shares by no later than 5 January 2017.

The Underwriters have agreed under the terms of the Underwriting Agreement to procure subscribers for the New Greencore Shares not taken up in the Rights Issue at the Rights Issue Price, failing which the Underwriters shall themselves severally (and not jointly or jointly or severally) subscribe for (or shall procure that their sub-underwriters shall subscribe for) such New Greencore Shares.

The Underwriting Agreement is, prior to Admission, conditional upon certain requirements being satisfied and obligations not being breached including, among others:

- Greencore complying with all of its obligations and undertakings under the Underwriting Agreement and under the terms or conditions of the Rights Issue which are required to be performed or satisfied prior to Admission;
- the passing of the Transaction Resolutions (without amendment or with such amendments as the Joint Bookrunners and the Joint Sponsors may agree) at the Greencore EGM on 7 December 2016 (and not, except with the prior written agreement of the Joint Bookrunners and the Joint Sponsors, at any adjournment of such meeting);
- the warranties on the part of the Company contained in the Underwriting Agreement being true and accurate and not misleading up to and at the time of Admission;
- Admission occurring not later than 8.00 a.m. on 8 December 2016, or such later time and/or date as the Joint Bookrunners and the Joint Sponsors may agree in writing;
- in the opinion of the Joint Bookrunners and the Joint Sponsors acting in good faith, no material adverse effect having occurred in respect of the Greencore Group prior to Admission;

- the Acquisition Agreement and/or the Facilities Agreement not having lapsed or been terminated or become terminable prior to Admission (in the case of the Facilities Agreement only, without having been replaced and any replacement facility not having lapsed, been terminated or become terminable);
- there having been no amendment or variation of the Acquisition Agreement and/or the Facilities Agreement which in the opinion of the Joint Bookrunners is material in the context of the Rights Issue, Admission or the issue of the New Greencore Shares or the underwriting of the New Greencore Shares and in each case prior to Admission; and
- no matter requiring a supplement to the Prospectus or this Circular having arisen between the time of publication of this Circular and Admission and no such supplement being published by Greencore before Admission, other than, in each case, the supplemental prospectus to be published by Greencore by no later than 5 December 2016 (or such later date as the Joint Bookrunners and the Joint Sponsors may agree in writing) incorporating by reference the Greencore Group's audited consolidated financial statements for the year ended 30 September 2016 into the Prospectus.

If these conditions are not satisfied or (where permitted) waived by the Joint Bookrunners together with the Joint Sponsors and, as the case may be, the Joint Sponsors, by the required time and date or become incapable of being satisfied by the required time and date, the Underwriters' and the Joint Sponsors' respective obligations shall cease and terminate in which case the Rights Issue will be revoked and will not proceed and the provisional allotments of New Greencore Shares will lapse. The Underwriters do not have any rights to terminate the Underwriting Agreement following Admission.

Further details relating to the Underwriting Agreement are set out in paragraph 7.2 of Part VII (*Additional Information*) of this Circular.

Subject to the passing of the Transaction Resolutions, it is expected that: (a) the Provisional Allotment Letters will be dispatched to Qualifying Non-CREST Shareholders (other than those having an address in the US or any Excluded Territory) on 7 December 2016; and (b) the CREST stock accounts of Qualifying CREST Shareholders (other than those having an address in the US or any Excluded Territory) will be credited with the relevant entitlement to Nil Paid Rights on as soon as practicable after 8.00 a.m. on 8 December 2016.

8. Dividend policy

Shareholders will be asked at the forthcoming AGM on 31 January 2017 to approve a final dividend of 4.10 pence per Ordinary Share in respect of the financial year ended 30 September 2016. Greencore paid an interim dividend of 2.55 pence per Ordinary Share for the financial year ended 30 September 2016. Greencore paid a final dividend of 3.75 pence per share, together with an interim dividend of 2.40 pence per Ordinary Share for the financial year ended 25 September 2015; 2014: final dividend of 3.25 pence per share and interim dividend of 2.20 pence per share; 2013: final dividend of 2.90 pence per share and interim dividend of 1.90 pence per share.

	2015	*2014*	*2013*
Dividend per share (interim)	2.40 pence	2.20 pence	1.90 pence
Dividend per share (final)	3.75 pence	3.25 pence	2.90 pence
Dividend per share (interim and final)	6.15 pence	5.45 pence	4.80 pence

Reflecting the confidence that the Directors have with respect to the benefits of the Acquisition, and the cash-generative potential of the Greencore Group, it is intended that following Completion of the Acquisition, Greencore will continue with a progressive dividend policy in line with the current payout ratio of 30% to 40% of Adjusted Earnings. This does not mean that the Greencore Group's or the Combined Group's dividend payout ratio will necessarily be at the level stated and this statement does not constitute a profit forecast and should not be interpreted to mean that future Adjusted EPS, profits, margins, and/or cashflow will support such a dividend policy.

9. Financial effects of implementing the Acquisition

On a pro forma basis and assuming that the Acquisition, the Rights Issue and the Acquisition Refinancing had each been completed on 30 September 2016, the Combined Group would have had net assets of £693.3 million at that date (based on the net assets of the Greencore Group and the Peacock Group as at 30 September 2016). On a pro forma basis, and assuming Completion of the Acquisition (including the payment of related costs) the Combined Group would have net Operating Profit of £136.6 million, revenue of £2,182.6 million and Adjusted EBITDA of £189.3 million on the basis that the Acquisition and the Acquisition Refinancing happened on 30 September 2016 (based on the unaudited income statement of the Greencore Group for the financial year ended 30 September 2016 and of the Peacock Group for the 12 months ended 25 September 2016).

Given the strong earnings and growth profile of Peacock and the realisation of synergies outlined below, the Directors expect the Acquisition to significantly enhance earnings from the first full year after Completion. This statement does not constitute a profit forecast nor should it be interpreted to mean that the future Adjusted EPS, profits, margins and/or cashflow of the Greencore Group or the Combined Group will necessarily match or exceed the historic published Adjusted EPS, profits, margins and/or cashflow of the Greencore Group.

The Directors have also targeted for the return on capital employed as part of the Acquisition to exceed the Greencore Group's current weighted average cost of capital with effect from the first financial year after Completion.

The Directors expect the Acquisition to significantly increase operating cash generation as a result of the contribution of the Peacock business and the achievement of cost synergies, in addition to the utilisation of tax attributes on the basis described below. This cash generation will enable a strong deleveraging profile for the Combined Group.

The Directors believe that the Acquisition will deliver annualised cost synergies of at least $15 million as a result of combining the operations of Peacock with the Greencore Group's US division. Approximately 90% of these cost synergies are expected to be realised by the end of the financial year to September 2018, with the balance in the following year. The Directors expect that the realisation of these synergies will require one-off cash expenditures of up to $20 million, of which approximately 70% will be incurred in the financial year to September 2017, with the balance in the following financial year.

On Completion, it is expected that the Greencore Group will acquire the historical tax assets of Peacock comprised of federal tax losses carry forwards resulting from prior operating losses and accelerated capital allowances. The amount of historical tax assets estimated to be available to the Combined Group subsequent to the Acquisition is at least $65 million. In addition, the Greencore Group itself has a range of historical tax assets comprised of federal tax losses carry forwards. The utilisation of these assets combined with other tax synergies arising from the combination of the businesses is expected to lead to the Combined Group paying limited levels of cash tax in the US in the medium term.

The expected synergies described above are contingent on Completion and could not be achieved by the Greencore Group independently. The annual cost savings and the anticipated one-off expenditure stated above reflect the anticipated benefits from and costs associated with achieving these synergies.

For further discussion on the pro forma financial effects, together with the basis of preparation of the above statements, see Part V (*Unaudited Pro Forma Financial Information of the Combined Group)* of this Circular.

10. Regulatory clearance

The US merger clearance filing under the HSR Act referred to above will be made shortly after the publication of this Circular. The initial waiting period for the US filing is 30 calendar days, which can be extended upon the regulatory authority deciding that further investigation is warranted. Where no investigation is warranted, this initial waiting period (or any extension) may be terminated early by the

regulatory authority, if requested by the parties. Greencore does not expect any significant regulatory issues to arise as a result of this filing.

11. Risk factors

For a discussion of the risks and uncertainties which you should take into account when considering whether to vote in favour of the Transaction Resolutions, please refer to Part III (*Risk Factors*) of this Circular.

12. Listing of New Greencore Shares

Applications will be made to the UKLA for the New Greencore Shares (issued in connection with the Rights Issue) to be admitted to listing on the premium segment of the Official List and to the London Stock Exchange for the New Greencore Shares to be admitted to trading (nil paid and fully paid) on its main market for listed securities. It is expected that Admission of the New Greencore Shares will become effective and that dealings (for normal settlement) in the New Greencore Shares will commence on the London Stock Exchange, nil paid, at 8.00 a.m. on 8 December 2016 (whereupon an announcement will be made by Greencore to a Regulatory Information Service).

13. Shareholder Voting and Extraordinary General Meeting

The Acquisition and the Rights Issue are subject to the approval of the Transaction Resolutions by Shareholders. Set out on page 148 of this Circular is a notice convening the Extraordinary General Meeting, to be held at 11.00 a.m. on 7 December 2016 at The Westin Dublin Hotel, College Green, Westmoreland Street, Dublin, D02 HR67, Ireland. The purpose of the meeting is to consider, and if thought fit, approve the Resolutions set out in that notice.

The full text of the Resolutions is set out in the notice of the Extraordinary General Meeting. In the event that any of Resolutions 1, 2, 3 or 4 (the "**Transaction Resolutions**") are not passed, the Acquisition and the Rights Issue will not proceed. Resolution 5 is subject to completion of the Rights Issue, but neither the Acquisition nor the Rights Issue is conditional on the approval of Resolution 5.

If passed, Resolutions 1 to 4 will authorise the Acquisition and the Rights Issue substantially on the terms and subject to the conditions summarised in paragraphs 4 (*Information on Peacock*), 5 (*Principal Terms of the Acquisition*) and 6 (*Financing of the Acquisition and use of the issue proceeds*) of this Part I. The passing of the ordinary resolutions (Resolutions 1, 2 and 3) requires the support of a simple majority of the votes cast (whether in person or by proxy) at the Extraordinary General Meeting in respect of such ordinary resolutions. The passing of the special resolutions (Resolutions 4 and 5) requires the support of not less than 75% of the votes cast (whether in person or by proxy) at the Extraordinary General Meeting in respect of such special resolutions.

If you would like to vote on the Resolutions but cannot attend the Extraordinary General Meeting, you can appoint a proxy to exercise all or any of your rights to attend, vote and speak at the Extraordinary General Meeting by using one of the methods set out in the notes to the notice of the Extraordinary General Meeting. The Resolutions are summarised as follows:

Resolution 1 – Approval of the Acquisition as a Class 1 Transaction

Resolution 1, which is proposed as an ordinary resolution, proposes that the Acquisition (to be financed by a combination of debt finance and the Rights Issue), being a class 1 transaction for the purposes of the Listing Rules, be approved and that the Directors be authorised to take all steps and enter all agreements and arrangements necessary or desirable to implement the Acquisition.

The Board of Greencore unanimously recommends that you vote in favour of this proposal.

Resolution 2 – Approval of increase in Authorised Share Capital

Resolution 2, which is proposed as an ordinary resolution, proposes that the authorised share capital of Greencore be increased from 500,000,000 ordinary shares of £0.01 each, 500,000,000 deferred shares of

€0.01 each, 300,000,000 deferred shares of €0.62 each and one special rights preference share of €1.26 each, to 1,000,000,000 ordinary shares of £0.01 each, 500,000,000 deferred shares of €0.01 each, 300,000,000 deferred shares of €0.62 each and one special rights preference share of €1.26 each, by the creation of 500,000,000 ordinary shares of £0.01 each, such ordinary shares having the rights and being subject to the restrictions set out in the articles of association of Greencore. This increase in authorised share capital is to ensure that Greencore has sufficient headroom in the authorised but unissued share capital for the purposes of satisfying the aggregate issuance of Ordinary Shares in connection with the Rights Issue and for the future needs of Greencore.

The Board of Greencore unanimously recommends that you vote in favour of this proposal.

Resolution 3 – Approval of Directors Authority to allot Ordinary Shares

Resolution 3, which is proposed as an ordinary resolution, proposes that the Directors be authorised to allot shares, as contemplated by the Rights Issue, up to an aggregate nominal amount of Ordinary Shares necessary for the purposes of satisfying the aggregate issuance of Ordinary Shares in connection with the Rights Issue. The authority granted under Resolution 3 will expire on 31 December 2017 unless exercised prior to that date. The Directors intend to exercise the authority, if approved, to implement the Rights Issue.

The Board of Greencore unanimously recommends that you vote in favour of this proposal.

Resolution 4 – Approval of disapplication of Pre-emption Rights

Resolution 4, which is proposed as a special resolution, proposes that the Directors be authorised to allot the New Greencore Shares, necessary for the purposes of satisfying the aggregate issuance of Ordinary Shares in connection with the Rights Issue, for cash without first offering them to shareholders of Existing Greencore Shares pursuant to applicable statutory rights of pre-emption under Irish company law. The authority granted under Resolution 4 will expire on 31 December 2017 unless exercised prior to that date. The Directors will only exercise the authority, if approved, to implement the Rights Issue.

The Board of Greencore unanimously recommends that you vote in favour of this proposal.

Resolution 5 – Approval of the creation of Distributable Reserves of Greencore

Resolution 5, which is proposed as a special resolution, proposes that, should undenominated share capital be created as a result of the issuance of the New Greencore Shares pursuant to the Rights Issue, Greencore be authorised to take the necessary steps to seek the approval of the Irish High Court for the cancellation of a certain amount of the undenominated capital of Greencore created by the issue of the New Greencore Shares pursuant to the Rights Issue, with the reserve created on cancellation to be treated as distributable reserves. It is also proposed to authorise the Directors to fix the amount of the undenominated capital to be cancelled.

Under Irish company law, any dividends on Ordinary Shares in Greencore must be funded from distributable reserves and any redemption of Ordinary Shares or repurchase of Ordinary Shares by Greencore must be funded from the distributable reserves of Greencore or from proceeds of a fresh issue of shares for that purpose. Section 84 of the Irish Companies Act enables a company, subject to shareholder approval, to create distributable reserves through a reduction of company capital. Greencore wishes to ensure that it is not constrained from paying dividends, redeeming or repurchasing Ordinary Shares by a lack of distributable reserves in circumstances where Greencore is otherwise in a position to pay dividends, redeem or repurchase Ordinary Shares and this resolution is intended to maximise Greencore's flexibility to do so.

The Board of Greencore unanimously recommends that you vote in favour of this proposal.

14. Further information

Your attention is drawn to the further information set out in this Circular. **Shareholders should read the whole of this Circular and not just rely on the summarised information set out in this letter.**

15. General meeting and action to be taken

You will find enclosed with this Circular a Form of Proxy for use at the Extraordinary General Meeting. If you cannot attend the Extraordinary General Meeting in person, it is important that you complete and return the Form of Proxy (in accordance with the instructions printed thereon) and return it to Greencore's registrar, Computershare Investor Services (Ireland) Limited, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin, D18 Y2X6, Ireland as soon as possible and in any event so as to be received by no later than 11.00 a.m. on 5 December 2016. You may also submit your proxies electronically. Shareholders will need their Control Number, unique PIN and shareholder reference number. The completion and return of the Form of Proxy will not preclude you from attending the Extraordinary General Meeting and voting in person if you wish to do so and are entitled.

The Acquisition and the Rights Issue are subject to the approval of Shareholders. Set out on page 148 of this Circular is a notice convening an Extraordinary General Meeting, to be held at 11.00 a.m. on 7 December 2016 at The Westin Dublin Hotel, College Green, Westmoreland Street, Dublin, D02 HR67, Ireland. The purpose of the meeting is to approve the Resolutions.

16. Recommendation

The Board believes the proposed Acquisition, the Rights Issue and the Resolutions to be in the best interests of Shareholders as a whole and, accordingly, unanimously recommends that Shareholders vote in favour of the Resolutions to be proposed at the Extraordinary General Meeting, as each member of the Board intends to do in respect of their own beneficial holdings of, in aggregate, 2,332,148 Existing Greencore Shares, representing approximately 0.56% of the total number of voting rights in Greencore as at 11 November 2016, being the latest practicable date before the publication of this Circular.

The Board is fully supportive of the Rights Issue. All of the Greencore Directors hold Existing Greencore Shares and intend, after Admission, to take up in full their Rights to acquire New Greencore Shares.

Yours faithfully,

Gary Kennedy
Chairman
For and on behalf of the Board

PART II

INFORMATION ON PEACOCK

SECTION A: INFORMATION ON PEACOCK

The following information should be read in conjunction with the information appearing elsewhere in this Circular including the financial and other information in Part IV (*Historical Financial Information*) and Part VII (*Additional Information*).

1. Overview of Peacock

Peacock is a US based convenience food manufacturer with a particular focus on sandwiches and chilled meals. Its customers are predominantly leading consumer packaged goods ("**CPG**") brand owners in the US, including Tyson®, KraftHeinz® and Dole®. Peacock produces a variety of frozen, chilled, and ambient food products for leading brands in fast-growing categories, such as Jimmy Dean in frozen breakfast sandwiches, Kraft Lunchables in kids' chilled meal kits, and Dole in salad kits components. Peacock supplies these customers from large, well-invested facilities with excellent standards of food safety, where it focuses on assembly of ingredients that are largely specified by their customers in a food safe environment. It also provides a range of services to customers alongside its core manufacturing offering, including processing and packaging, ingredient sourcing and materials management, project engineering and commercialisation, warehousing, and distribution.

Peacock is headquartered in Geneva, Illinois, and operates seven facilities across the US with over two million square feet of manufacturing, with the ability to offer refrigerated, frozen, temperature-controlled, ambient and USDA certified production capabilities. Five of Peacock's facilities are located in the Chicago area, one in Wilmington, Ohio and one in Anaheim, California.

2. History and development of Peacock

Founded in 1942, Peacock began as a processor and packager for the military during World War II. In 1988, Peacock started to focus on secondary consumer food packaging and moved into the food manufacture and assembly segment in the late 1990s. Since then, Peacock has focused on being a manufacturing partner for leading CPG food companies, serving some of the largest and most recognised food brand owners in the US. This period was when Peacock developed its initial relationships with its largest current customers, serving Kraft Oscar Mayer Lunchables® since 1999 and the Jimmy Dean® brand, since 2003, now owned by Tyson®. Growth with these customers, among others, helped Peacock grow from approximately $517.2 million in revenue for the financial year ended 29 December 2013 to $993.1 million in revenues for the 12 months ended 25 September 2016.

Peacock acquired L&L in 2015. Through this acquisition Peacock also operates as a manufacturing partner to the largest brands in the fast-growing salad kits category, including Dole®.

3. Customer acquisition and retention

Peacock competes for customers by specialising in high value-added manufacturing, especially where Peacock can provide a large percentage or the entirety of production for a customer. Based on its strong reputation for quality and reliability, Peacock has long-standing relationships with major food companies and approximately 90% of Peacock's revenues are associated with leading brands. Over the last three years, Peacock has grown sales to its largest customers and successfully extended several of its contractual arrangements. Peacock has expanded its contract with KraftHeinz® and is expected to increase its supply to KraftHeinz® beginning in 2017 as a result. Peacock has strong relationships with many of its large customers and has supply contracts in place for between 40% and 100% of their manufacturing requirements. Peacock's value proposition to its customers is that it seeks to offer faster speed to market and being more cost-effective, safer and more reliable than competitors or an in-house manufacturing alternative.

Due to the long-term nature of customer relationships in this industry, Peacock pursues additional growth in three ways. First, Peacock seeks to expand its share of work from existing customers by maintaining the highest level of quality and service. Second, Peacock drives further penetration within existing customers via new and innovative product offerings. Third, Peacock pursues new customers with new or existing offerings. These multiple levers for growth are at the core of Peacock's sales and marketing efforts. Occasionally, Peacock adds new services to attract new customers, such as the acquisition of L&L, which permitted Peacock to enhance its produce and foodservice segments. Given the importance of Peacock's customer relationships, Greencore senior executives have met with Peacock's largest customers, representing approximately 70% of Peacock's revenue for the 12 months ended 25 September 2016. In those meetings, each customer has expressed its support for Peacock, the Acquisition and the continuance of the existing contracts in accordance with their terms.

4. Principal operations

Peacock primarily operates as a manufacturing partner to leading brands in fast-growing categories, focusing on CPG brand owners in particular. This allows Peacock's customers to place more of their focus on product development and brand management and less focus on non-core manufacturing and supply chain functions. In addition to manufacturing, assembly and packaging, Peacock also provides project engineering and commercialisation, ingredient sourcing and material management, warehousing and distribution.

Manufacturing, assembly and packaging

- Peacock's core competence is in acting as a manufacturing partner to its CPG customers. Peacock splits this activity into two types, namely primary processing and secondary processing, defined by the food safety and hygienic requirements of the relevant process. Primary processing covers any manufacturing, assembly or packaging process that involves direct contact with food and creates an end product with the strength and moisture barrier needed to safeguard its purity, freshness and integrity. Peacock provides refrigerated, frozen, and shelf-stable primary capabilities including: manufacturing and assembly, pouching/bagging, rigid container filling, vertical form fill seal, horizontal form fill seal, and modified atmosphere packaging, among others.

  Peacock also provides secondary packaging processes, which do not involve direct contact with food and entails assembling the primary packaged food products into various secondary packaging formats for shipment and further distribution by its customers.

Project engineering and commercialisation

- Peacock's project engineering teams work closely with customers to develop an engineering plan for each project including assembly, packaging, equipment and line design. Peacock also provides design specifications, develops manufacturing capabilities, estimates capital costs and provides project management services required for new projects.

Ingredient sourcing and materials management

- Peacock has a dedicated supply chain department which provides turnkey services. These services include procuring materials from suppliers specified by the customers and arranging for their timely delivery and first-in-first-out utilisation in order to fulfil production schedules. The acquisition of L&L brought new food sourcing capabilities to complement Peacock's expertise in managing complex component purchasing.

Warehousing and distribution

- In addition to its packaging and processing capabilities, Peacock provides warehousing and inventory management for customers. Peacock operates facilities centrally located to major food manufacturers and their distribution centres. Additionally, Peacock maintains relationships with distribution companies in order to facilitate pick-up and transportation of finished products. However, most of Peacock's sales to customers are on a "free on board" (FOB) basis from its warehouses.

5. Property, plant and equipment

Peacock operates seven production facilities: five in the greater Chicago area, one in Wilmington, Ohio and one in Anaheim, California. Peacock's facilities are registered under the regulations of the FDA or USDA. In addition, Peacock's facilities are registered under the Global Food Safety Initiative (Level 3 of the Safe Quality Food Institute or British Retail Consortium). Peacock is headquartered in Geneva, Illinois.

Location	*Market segment*	*Area (sq. ft.)*	*Tenure*	*Major Encumbrances*
Geneva, IL	Confections, cookies and snacks, cereal and meal kits	406,214	Leasehold	N/A
Bollingbrook, IL	Fruit snacks, cookies and snacks, cereal and mac & cheese	460,000	Leasehold	N/A
Carol Stream, IL	Refrigerated lunch and snack kits, dairy processing	360,684	Leasehold	N/A
Itasca, IL	Sandwiches, sausage and meat patties	125,000	Leasehold	N/A
Romeoville, IL	Sandwiches, cereal and snacks	532,000	Leasehold	N/A
Anaheim, CA	Salads	80,000	Leasehold	N/A
Wilmington, OH	Salads	100,000	Leasehold	N/A

No single property is considered material to Peacock's operations.

6. Competition

The outsourced manufacturing industry in the US is highly fragmented. Peacock believes that its competitive strength is that it provides the high-quality, cost-efficient, nimble and responsive service that is expected by all its customers, and also has the financial scale and organisational sophistication to handle large scale initiatives such as CPG manufacturing network rationalisations. Peacock's main peer company is Hearthside which operates primarily as a manufacturing partner for CPG customers in the baked goods category (cookies, crackers, croutons, etc.). Peacock competes directly with Hearthside in only select segments, but monitors Hearthside's activities and growth initiatives.

Peacock does have smaller, direct competitors in several segments including Hyde and Hyde, a provider of salad kits based in California.

7. Information technology

Peacock utilises a variety of internal IT systems to manage and deliver products and services to its customers. A manufacturing planning system ("**MRP**") system manages supply chain, operations and finance. Warehouse management using barcode scanning technology is incorporated into MRP providing a comprehensive inventory management system. Maintenance management software provides storeroom parts inventory, work order management and equipment asset management. Business intelligence software tools provide data analytics and data visualisation dashboards. IT services are centralised in headquarters with an offsite disaster recovery data center located in the Romeoville facility. Additional IT services include cloud based customer lead generation and payroll systems. Peacock implemented a cloud based workforce and timekeeping system in 2016.

IT services are provided to over 550 users across Peacock's seven facilities by a team of six including two network professionals, three application developers and an IT director.

8. Insurance

Peacock maintains insurance coverage designed to provide protection against certain business risks which include the typical property damage, employee worker's compensation, employee medical and other employee benefits policies, general and other liability policies for any legal claims and product recall coverage. Peacock has a very good loss claims history and has not incurred a material insurance loss. Peacock's management believes the insurance coverage in place has provided a good level of risk of loss coverage.

9. Pensions

Peacock provides a 401(k) defined contribution retirement programme for its employees. Peacock matches employees' salary deferred contributions up to a specified percentage of their compensation.

10. Employees

As at 30 September 2016, Peacock employed approximately 1,150 people across the US, excluding outsourced workers obtained from labour suppliers which totalled approximately 2,500 full time direct workers and 500 daily temporary workers. Peacock's workforce is non-unionised. There have been no work stoppages and Peacock's management is focused on creating career path opportunities for its employees and providing training to achieve its goals.

In addition to its senior managers shown below, Peacock has three vice presidents and 24 director level or equivalent key leaders reporting to its senior managers that manage customer relationships and operations across its manufacturing platform of seven facilities.

11. Details of senior managers

Thomas H. Sampson, *President and Chief Executive Officer (57)*

Tom is the President and Chief Executive Officer of Peacock, having joined Peacock in December 2012. Before joining Peacock, Tom was Executive Vice President of Business Transformation at Kraft Foods, having previously served as President of Kraft's North American Foodservice business and in a number of other senior roles in Kraft. Tom is a non-executive director of Community Coffee Company.

Charles C. Metzger, *Chief Operating Officer (56)*

Chuck is the Chief Operating Officer of Peacock, having joined Peacock in 2013. Before joining Peacock, Chuck was Vice President of Manufacturing at Coca-Cola Refreshments, having previously held a number of senior roles at Kraft.

Martin A. Kroll, *Chief Financial Officer (59)*

Marty is Chief Financial Officer of Peacock, having joined in May 2014. Before joining Peacock, Marty was Senior Vice President and Chief Financial Officer at Essex Crane Rental Corp, having previously worked with Outokumpu Copper Group and PricewaterhouseCoopers LLP.

SECTION B: SELECTED FINANCIAL INFORMATION ON PEACOCK

The financial information relating to Peacock below is extracted without material amendment from the audited consolidated financial statements of Peacock for the financial years ended 27 December 2015, 28 December 2014 and 29 December 2013 and from the unaudited consolidated financial statements of Peacock for the 12 months ended 25 September 2016, each of which is set out in Part IV (*Historical Financial Information*). The accountants' reports for each of the years ended 27 December 2015, 28 December 2014 and 29 December 2013 were unqualified.

The unaudited consolidated financial statements for Peacock for the 12 months ended 25 September 2016 and the audited consolidated financial statements for the financial years ended 27 December 2015, 28 December 2014 and 29 December 2013 were prepared in accordance with IFRS as adopted in the EU. In addition, Peacock's financial year ends on the 52nd Sunday following the prior financial year end. Peacock's unaudited financial information for the 12 months ended 25 September 2016 includes the 52 weeks ended on 25 September 2016 and, as a result, also includes approximately 13 weeks of financial information that is included in the financial year ended 27 December 2015.

You should read the information below in conjunction with the audited historical financial information and the accountants' reports included in this Circular in Part IV (*Historical Financial Information*) and you should not rely solely on key and summarised information.

Selected consolidated income statement

	12 months ended 25 Sept 2016 Unaudited $m	*12 months ended 27 Sept 2015 Unaudited $m*	*Year ended 27 Dec 2015 Audited $m*	*Year ended 28 Dec 2014 Audited $m*	*Year ended 29 Dec 2013 Audited $m*
Revenue	993.1	861.4	897.2	699.4	517.2
Cost of sales	(918.7)	(806.5)	(838.0)	(663.3)	(484.1)
Gross Profit	74.4	54.9	59.2	36.1	33.1
Operating costs	(27.1)	(23.4)	(25.0)	(17.8)	(15.3)
Group operating profit before acquisition related amortisation	47.3	31.5	34.2	18.3	17.8
Amortisation of acquisition related intangibles	(11.7)	(8.8)	(9.7)	(8.2)	(8.2)
Group operating profit	35.6	22.7	24.5	10.1	9.6
Net finance (costs)/income	4.5	(38.7)	(5.9)	(40.3)	(37.4)
Loss on extinguishment of debt	–	–	–	(10.1)	–
Profit/(loss) before taxation	40.1	(16.0)	18.6	(40.3)	(27.8)
Taxation/(expense) benefit	(2.7)	3.9	(1.4)	10.5	7.3
Net profit/(loss)	37.4	(12.1)	17.2	(29.8)	(20.5)

The following table sets out further detail on the impact of exceptional items on the Peacock Group's results:

	12 months Ended		*Financial Year Ended*		
	25 September 2016 Unaudited $m	*27 September 2015 Unaudited $m*	*27 December 2015 Audited $m*	*28 December 2014 Audited $m*	*29 December 2013 Audited $m*
Gross Profit	74.4	54.9	59.2	36.1	33.1
Operating costs pre-exceptional	(25.3)	(21.6)	(23.2)	(16.8)	(13.2)
Group Operating Profit[1]	49.1	33.3	36.0	19.3	19.9
Amortisation of acquisition related intangibles	(11.7)	(8.8)	(9.7)	(8.2)	(8.2)
Exceptional operating costs	(1.8)	(1.8)	(1.8)	(1.0)	(2.1)
Group operating profit	35.6	22.7	24.5	10.1	9.6
Net finance income/(costs)	4.5	(38.7)	(5.9)	(40.3)	(37.4)
Loss on extinguishment of debt	–	–	–	(10.1)	–
Profit/(loss) before taxation	40.1	(16.0)	18.6	(40.3)	(27.8)
Taxation (expense)/benefit	(2.7)	3.9	(1.4)	10.5	7.3
Net profit/(loss) for the financial year	37.4	(12.1)	17.2	(29.8)	(20.5)

1 Operating profit is a non IFRS financial measure used by Peacock to measure the performance of its operations.

Selected consolidated balance sheet

	As at 25 Sept 2016 Unaudited $m	*As at 27 Sept 2015 Unaudited $m*	*As at 27 Dec 2015 Audited $m*	*As at 28 Dec 2014 Audited $m*	*As at 29 Dec 2013 Audited $m*
Non-current assets	444.7	460.2	455.5	337.9	347.7
Current assets	128.1	98.9	93.9	64.4	48.9
Total assets	572.8	559.1	549.4	402.3	396.6
Current liabilities	72.3	75.4	62.7	54.4	33.0
Non-current liabilities	548.1	568.7	547.9	426.3	412.2
Total liabilities	620.4	644.1	610.6	480.7	445.2
Net liabilities	(47.6)	(85.0)	(61.2)	(78.4)	(48.6)

Selected consolidated cashflows

	12 months ended 25 Sept 2016 Unaudited $m	*12 months ended 27 Sept 2015 Unaudited $m*	*Year ended 27 Dec 2015 Audited $m*	*Year ended 28 Dec 2014 Audited $m*	*Year ended 29 Dec 2013 Audited $m*
Net cash from operating activities	41.5	39.0	35.1	24.1	17.3
Net cash (used in)/from investing activities	(15.8)	(153.9)	(152.5)	(16.3)	(54.6)
Net cash (used in)/from financing activities	(2.9)	117.4	126.2	(8.4)	37.8
Net increase/(decrease) in cash and cash equivalents	22.8	2.5	8.8	(0.6)	0.5

PART III

RISK FACTORS

The proposed Acquisition may give rise to certain risks which, if they occur, may have a material adverse effect on the business, financial condition, results of operations or prospects of Greencore. Accordingly, the risk factors set out in this Part III of this Circular should be afforded careful consideration together with all the other information set out in this Circular in deciding whether to approve the Resolutions being put to Shareholders at the Extraordinary General Meeting.

The risks which the Directors consider to be material as at the date of this Circular are set out in this Part III. The risks described in this Part III are based on information known at the date of this Circular but may not be the only risks to which Greencore is or might be exposed. Additional risks and uncertainties, which are currently unknown to Greencore or that Greencore does not currently consider to be material, may adversely affect the business of Greencore and could have material adverse effects on the business, financial condition, results of operations and future prospects of Greencore. If any of the following risks were to materialise, the business, financial condition, results of operations and prospects of Greencore could be materially adversely affected and the value of Ordinary Shares could decline and Shareholders could lose all or part of their investment in those Ordinary Shares.

Shareholders should read this Circular as a whole and not rely solely on the information set out in this section.

Risks relating to the operations of the Combined Group impacted on by the Acquisition

The performance of the Peacock Group's and, following the Acquisition, the Combined Group's customers may be adversely impacted by changing retail and industry structure, which in turn may affect the Greencore Group's and, following the Acquisition, the Combined Group's performance

Greencore's and Peacock's key customers account for a significant proportion of their respective revenues. Changes to the grocery industry structure may adversely affect the Peacock Group's and, following the Acquisition, the Combined Group's key customers, who in turn may seek to pass this adverse effect through to the Greencore Group and, following the Acquisition, the Combined Group.

Peacock's major customers are large CPG manufacturers in the US. In recent years, there has been an increased trend towards private equity ownership of these CPG businesses, which has prompted a significant change in their demand for greater operating margin and financial returns in their negotiating stance with suppliers. Should there be further changes in industry structure, Peacock may suffer from the strong negotiating leverage some CPG customers have built up over time. Given that the Greencore Group does not currently have significant exposure to CPG manufacturers, the Acquisition will significantly increase the exposure of the Combined Group to issues arising from dealing with CPG manufacturers.

This exposure should also be considered in the context that, currently, the Greencore Group's largest customers are grocery retailers in the UK. In recent years, several factors including the increased popularity of the discount channel, intensifying price competition, a shift to online delivery and a rebalancing of demand by channel in favour of small stores have negatively affected both the revenue and profitability earned by the major retailers. In turn, this has placed greater pressure on suppliers to support the needs of their customers, both in more competitive pricing and more differentiated products. Should the diminished performance of the grocery retailers lead to a major shift in industry structure, Greencore may be forced to respond with either lower pricing or higher investment to improve or modify its product offering to its customers.

Additionally, the Peacock Group's customers (as is currently the case for the Greencore Group's customers) may consider adopting a more integrated business model by taking greater control over some areas of the supply chain, for example by directly sourcing fresh produce and processing some of their own food products. Should the Combined Group's retailer customers implement preparation of fresh food products at

their own facilities in competition with or in preference to the Combined Group's products, the Combined Group could face downward pressure on its prices and lose business to such in-house competitors.

Any of the foregoing issues could have a material impact on the Greencore Group's and, following the Acquisition, the Combined Group's business, results of operations, financial condition and/or prospects.

The Peacock Group operates in highly competitive markets, often with customers having an ability to switch to alternative suppliers on short notice, and there can be no assurance that, following the Acquisition, the Combined Group will be able to compete effectively

The Peacock Group operates in highly competitive markets, specifically in its convenience foods business in the US. This market is served by a range of competitors that are active in single or multiple product categories, and in some cases across several geographies. Some of the Peacock Group's competitors are large firms which may have greater financial resources than the Combined Group and/or greater ability to adapt to changing market conditions or an increasingly competitive market environment.

Following the Acquisition, the Combined Group, in particular the US business of the Combined Group incorporating the Peacock Group, may not be able to compete effectively with current competitors or with potential new competitors. Significant product innovation and/or technical advances by competitors, the intensification of price competition or the adoption by the competitors of new pricing or promotional strategies could adversely affect the Combined Group's competitive position and ability to market and sell its products and therefore adversely affect its business, results of operations, financial condition and/or prospects. In addition, the Combined Group's ability to compete effectively requires it to be successful in customer acquisition and retention, product development and innovation, operational efficiency and effective manufacturing and procurement processes.

While, following the Acquisition, some of the Combined Group's business will be subject to long-term contractual agreements with customers (as is currently the case for the Greencore Group), some of these contracts will not define the absolute volume of business that a particular customer will require which means that these customers could choose to move some or all of their business to the Combined Group's competitors. In addition, the Peacock Group and, following the Acquisition, the Combined Group operate in several sectors where business is undertaken without long-term contracts and customers generally have the ability to switch to alternative suppliers on short notice.

The Combined Group will therefore be subject to the risk that a deterioration in its competitive position may have an immediate impact on its ability to compete effectively with its competitors, and ultimately adversely and significantly impact on its business, results of operations, financial condition and/or prospects.

Demand for the Combined Group's products may be affected by changes in consumer behaviour and demand and changes in consumer legislation

The Greencore Group and the Peacock Group are dependent on their ability to produce food products that meet consumer demand and that are in line with legislation covering convenience food that impacts the requirements of its retail and CPG customers.

There are a number of trends in consumer preferences and consumer legislation in the UK, EU and the US which impact the industry as a whole. These trends include, amongst others, dietary concerns (including salt, sugar and fat reduction), the provenance and traceability of ingredients and nutritional requirements. These trends may reduce demand for the products that the Combined Group produces. In addition, providing or developing modified or alternative products to meet changing consumer trends may lead to increased costs. The Acquisition would increase the Combined Group's exposure to changes in market trends relating to breakfast consumption habits and children's meal kits due to the importance of breakfast sandwiches and Kraft Lunchables® to the Peacock Group's revenues.

Additionally, the Peacock Group and, following the Acquisition, the Combined Group (as is currently the case for the Greencore Group) may also be subject to changes in regulation to address concerns in relation to dietary trends. This could include the introduction of additional labelling requirements, and levying additional taxes on, or restricting the production or advertising of, certain product types, which could

increase the Combined Group's costs for compliance or make it more difficult for the Combined Group to market its products, which could adversely affect the Combined Group's business, results from operations, financial condition and/or prospects. As a result of the Acquisition, the Combined Group's exposure to changes in US regulation relating to these issues will increase relative to its current exposure.

The Peacock Group's and, following the Acquisition, the Combined Group's success may depend on their customers' brands, reputations and relationships

The vast majority of the Peacock Group's products are sold under the consumer brands of their retail and CPG customers (as is currently the case for the Greencore Group). The Combined Group's performance is therefore dependent on the continued strength of these brands. Given that the Greencore Group does not currently have significant exposure to CGP manufacturers, the Acquisition will significantly increase the exposure of the Combined Group to the issues arising from dealing with CPG manufacturers.

Damage to the reputation of the Greencore Group's and/or the Peacock Group's customers' brands may arise from a range of factors, including, without limitation, food safety concerns, damaging publicity, regulatory, legal, economic and political factors, which make the customer's brands less attractive to the customer's consumers and potentially reduce the amount of product ordered by the customer. In addition, increased competition may require more management time and resources and greater levels of expenditure to maintain and develop for CPG customers their brands, which may have a material adverse effect on their operations, financial performance and prospects. This could in turn negatively affect the Combined Group's business, results of operations, financial condition and/or prospects.

The Peacock Group and, following the Acquisition, the Combined Group (as is currently the case for the Greencore Group) is dependent on the supply and affordability of labour in the US and is therefore at risk from changes in minimum wage and living wage legislation and immigration law and approaches to the enforcement thereof in the countries in which it operates

The Peacock Group and, following the Acquisition, the Combined Group (as is currently the case for the Greencore Group) is dependent on a stable and affordable supply of labour in the US in order to continue their operations in a cost-effective manner.

Potential increases to the minimum wage and/or living wage in the US are a matter of considerable political and policy discussion and the minimum wage in those jurisdictions is liable to be increased. Minimum wage legislation was an important issue under discussion in the US presidential election and it is possible that the US may adopt a higher federal minimum wage.

The Peacock Group competes with other employers in the US to recruit, develop and retain a large number of employees to staff their manufacturing and distribution facilities. The supply of such employees is limited and competition to hire and retain them may result in higher labour costs. Further increases in the minimum wage and/or living wage will result in higher labour costs. This will be driven both by the impact on workers who earn the current minimum or living wage, and a broader "ratcheting up" effect to maintain differentials with non-minimum wage or non-living wage roles as the Combined Group seeks to maintain the differentiation of its pay scales relative to the minimum or living wage.

Higher labour costs could materially adversely affect the profitability of the Combined Group, if and to the extent it is not possible to pass such higher costs on to customers (as is currently the case for the Greencore Group). Any further increase in the national minimum wage or the national living wage, or its scope, would increase the Combined Group's operating and employment costs and, in turn, could have an adverse effect on the Combined Group's business, financial condition and prospects.

Immigration was an important issue in the US presidential election and it is possible that the US may adopt more aggressive controls and enforcement actions in these areas. This may reduce the availability and increase the cost of legal workers in the US, from whom the Combined Group will recruit its employees.

Accordingly, there is a risk that changes in immigration law and/or enforcement activity may adversely affect the Combined Group's ability to find suitable employees in sufficient numbers as a result of increased

competition in the industry. As a result of the Acquisition, the Greencore Group's exposure to risks and costs relating to US minimum wage and immigration policy changes will increase relative to its current exposure.

Any of the foregoing issues could have a material impact on the Combined Group's business, results of operations, financial condition and/or prospects.

The Peacock Group's and, following the Acquisition, the Combined Group's success depends on the continued contributions of its executive officers and senior management, both individually and as a group

The successful operation of the Peacock Group and, following the Acquisition, the Combined Group relies on the expertise and capabilities of its senior management and personnel. The departure or incapacity of a key member of management of either the Greencore Group or the Peacock Group could, therefore, have a detrimental effect on the operating performance of the Greencore Group and, following the Acquisition, the Combined Group and there can be no certainty that any such employee could be replaced in a timely manner by a suitably experienced candidate.

Failure by the Peacock Group, the Combined Group or third-party suppliers to comply with food safety or other regulations or customer requirements may adversely affect the business of the Greencore Group and, following the Acquisition, the Combined Group. Furthermore, the Combined Group (as is currently the case for the Greencore Group) is at risk from significant and rapid changes in legal systems, regulatory controls, and customs and practices in the countries in which they operate

Law and regulation in Ireland, the UK, the EU and the US affect a wide range of areas relevant to the Greencore Group's and the Peacock Group's businesses, including the composition, production, packaging, labelling, distribution and sale of the products; their property rights; their ability to transfer funds and assets between group companies or externally; employment practices; data protection; environment; health and safety issues; and accounting, taxation and stock exchange regulation.

The Greencore Group and the Peacock Group also rely on third-party suppliers to supply raw materials. Such suppliers are subject to a number of regulations, including food safety regulations. Failure by any of these suppliers to comply with regulations, or allegations of compliance failure, may disrupt their ability to supply raw materials relied upon by the Combined Group resulting in the disruption of its business. Any such disruption may have an adverse effect on the business, results of operations, financial condition and/or prospects of the Combined Group.

As a manufacturer of products intended for human consumption, the Combined Group will be subject to extensive regulation, including with respect to product composition, manufacturing, storage, handling, packaging, labelling and the safety of its products. It may also be subject to customer-mandated obligations in addition to regulatory requirements. Any non-compliance with applicable laws and regulations may subject the Combined Group to civil remedies, including fines, injunctions, damages, personal injuries liability, product recalls or asset seizures, as well as potential criminal sanctions, any of which may adversely affect the Combined Group's business, operating results, financial condition and/or prospects. Any failure to comply with such regulations may also adversely affect customers' perception of the Combined Group. Any failure to comply with customer-mandated obligations could also result in loss of customer contracts, orders or damages that may adversely affect the Combined Group's business, results of operations, financial condition and/or prospects.

As a result of the Acquisition, the Greencore Group's exposure to risks of US regulatory change will increase relative to its current exposure. In addition, as a result of the Acquisition, the number of significant customers of the Combined Group will increase, with a corresponding increase in the number of different customer requirements to be complied with, which could add complexity and require further compliance and quality control measures for the Combined Group.

The Combined Group will be exposed to greater exchange rate risk

While Greencore's foreign currency risk is actively managed by Greencore under strict policies and guidelines approved by the Directors and while the Greencore Group does use foreign currency derivative financial instruments to manage the foreign currency risk associated with the underlying business activities

of the Greencore Group, in the multi-currency and multi-national trading environment in which the Greencore Group operates, there are inherent risks associated with fluctuation in foreign exchange rates.

The Greencore Group's reporting currency is pounds sterling, and will remain so for the Combined Group after the Acquisition, but part of its income and expenditure will be in other currencies, notably US dollars. Following the Acquisition, the portion of the Combined Group's US income and expenditure is expected to increase (with US revenues on a pro forma basis accounting for 42.3% of revenue of the Combined Group for the 12 months ended 30 September 2016 (see Part V (*Unaudited Pro Forma Financial Information of the Combined Group*) of this Circular). The outcome of the UK referendum on the UK's exit from the EU may result in changes or fluctuations in the value of the pound sterling versus the US dollar. Because Greencore's (and after the Acquisition, the Combined Group's) reporting currency is and, after the Acquisition, will be pounds sterling, and a significant portion of its financing, revenues and costs will be denominated in US dollars, volatility in the US dollar/pound sterling exchange rate will result in volatility in the reported results of operations of the Greencore Group and, following the Acquisition, the Combined Group, and this may have an adverse impact on revenues generated in the US. The Greencore Group does not currently hedge against such translational foreign exchange risk.

The Greencore Group, particularly in its UK divisions, depends on raw materials sources purchased directly or indirectly from jurisdictions using currencies other than pounds sterling. Adverse fluctuations in the pound sterling exchange rate relative to those other currencies could increase the cost in pounds sterling to the Greencore Group of such raw materials.

As a result of the foregoing, any significant fluctuations in exchange rates, particularly the US dollar/pound sterling exchange rates, may have an adverse effect on the Combined Group's assets and liabilities denominated in US dollars (resulting in changes to their balance sheet values), business, results of operations, financial condition and/or prospects. As a result of the Acquisition, the Greencore Group's exposure to this risk will increase relative to its current exposure due to the increase in the relative size of its US business.

The Combined Group could be adversely affected by changes in current tax law or practice in Ireland, the UK and the US

The Greencore Group and the Peacock Group are subject to any changes in tax legislation (or changes to the interpretation of or practices in respect of existing tax legislation) in a number of jurisdictions, including Ireland, the UK and the US. Any such changes could have a material adverse impact on the Combined Group's business, results of operations, financial condition and/or prospects.

In addition, the Greencore Group and the Peacock Group have a range of tax assets arising from historical operating losses and charges including capital expenditure. The Directors have taken these tax assets into account in determining whether to proceed with the Acquisition.

There are detailed rules to determine how the various types of tax assets can be used and whilst the Directors anticipate being able to use these assets in the coming years to offset future profits, a change to the current tax laws or practices, or the individual application of existing tax rules, may make this more difficult to achieve. Any such changes could have a material adverse impact on the Combined Group's business, results of operations, financial condition and/or prospects. As a result of the Acquisition, the Greencore Group's exposure to the risk of US tax changes will increase due to the increase in the relative size of the US business.

Risks relating to the Acquisition

Implementation of the Acquisition is subject to the Conditions and Completion of the Acquisition may not occur

Completion of the Acquisition is subject to the Conditions, which include (amongst other things):

(i) the passing of the Transaction Resolutions at the Greencore EGM;

(ii) the expiration or termination of the waiting period under the HSR Act;

(iii) there having been no material adverse effect in respect of the Peacock business;

(iv) no notice of termination from the counterparties to certain of Peacock's significant contracts having been received; and

(v) Admission having occurred.

The outcome of the review by the FTC or the DOJ under the HSR Act is not yet known and is not within the control of Greencore or Peacock and could result in a significant delay or otherwise adversely affect the Acquisition or the Combined Group following the Acquisition. At the time the Rights Issue commences, the outcome of application for merger clearance under the HSR Act may still be unknown.

Moreover, if this or any other of the Conditions are not satisfied and Completion of the Acquisition does not occur or is delayed, Greencore's ability to improve shareholder value and to implement the Board's strategic objectives may be prejudiced and this may have an adverse impact on Greencore's share price. Certain transaction costs incurred by the Greencore Group in connection with the Acquisition and Rights Issue will be irrecoverable if the Acquisition does not proceed.

The anticipated benefits of the Acquisition may not be realised and the integration of the businesses of the Peacock Group and the Greencore Group will create a number of challenges

Although the Directors believe that the Combined Group will be able to generate synergies and cost savings as a result of the Acquisition, there can be no assurance that the post-Acquisition integration of the businesses of the Greencore Group and the Peacock Group will achieve the anticipated synergies and cost savings, in either a timely manner or at all. These potential benefits can only be fully realised through a successful integration of the Peacock Group's businesses with the Greencore Group's current businesses, which integration may not be successful.

The Greencore Group will encounter numerous challenges in combining its current operations with the operations of the Peacock Group, some of which may not become known until after the Completion of the Acquisition.

The integration involves certain risks including the following:

- the loss or incapacity of key personnel;
- loss of key customers or disruption of the relationships or commercial terms with key customers;
- difficulties in integrating the financial, food safety, technological and management standards, processes, procedures and controls of the two groups;
- attempts by third parties to terminate or alter their contracts with the Combined Group; and
- any changes in tax legislation, changes to the interpretation of, or practices in respect of, tax legislation may negatively impact the Greencore Group's and/or the Peacock Group's business, results of operations, financial condition, business strategy and/or prospects. Any such changes and/or any negative changes to the Combined Group's future profits could result in a change in the timing of the use of tax assets, thereby reducing the benefits relating to same.

The Acquisition could fail to realise the expected benefits or could result in substantial costs being incurred as a result of, for example, inconsistencies in standards, procedures and policies and business cultures between the Greencore Group and Peacock Group and the diversion of management's attention from their responsibilities as a result of the need to address integration issues.

The Combined Group will be required to devote significant management attention and resources to integrating Greencore's and Peacock's business practices and operations. There is a risk that the challenges associated with managing the Combined Group will result in management distraction or overstretch and that consequently the underlying businesses will not perform in line with expectations and/or that the Combined Group may incur additional costs due to greater reliance on external advisers.

All factors described above may have a significant adverse impact on the business, results of operations, financial condition and/or prospects of the Combined Group.

Following the Acquisition, an impairment of goodwill or other intangible assets would adversely affect the Greencore Group's business and financial condition

Upon completion of the Acquisition, a significant portion of the difference between the purchase price, Peacock's net assets at that date and the allocation of costs of the Acquisition to the assets acquired and the liabilities assumed, will be recorded as goodwill. Under IFRS as issued by the IASB and adopted in the EU, goodwill is not amortised but is tested for impairment annually or more often if an event or circumstance indicates that an impairment loss may have been incurred. Other intangible assets with a finite life are amortised on a straight-line basis over their estimated useful lives and reviewed for impairment whenever there is an indication of impairment. In particular, if the business of the Combined Group does not develop as expected, impairment charges may be incurred in the future, which could be significant and which could have an adverse impact on the Greencore Group's business and financial condition.

Rights to terminate in Peacock's contracts may be exercised by counterparties in connection with the Acquisition

Peacock is party to a number of ordinary course contracts that enable the counterparty to terminate the relevant contract upon the occurrence of a change-of-control event or to terminate for convenience. While Greencore has not identified any material contracts during the course of its due diligence of Peacock under which the counterparty may or is expected to exercise a right to terminate as a result of the Acquisition, there can be no assurance that a contract will not be terminated or that Greencore has identified all Peacock contracts with change-of-control or early termination clauses that are material to its business. In addition, while Greencore has reviewed Peacock's commercial relationship with its key customers and considers it unlikely that they will seek to terminate their arrangements with the Combined Group following the Acquisition, some of these counterparties could also seek to renegotiate these contracts as they consider exercising any such termination rights (including rights to terminate for convenience irrespective of change of control). There can be no assurance that the Peacock Group or the Combined Group will be able to renegotiate any such contracts on favourable terms or at all. If a counterparty to a contract exercises its right to terminate a material contract, or counterparties exercise their rights to terminate a number of contracts, or counterparties seek to re-negotiate contracts, this could have a material adverse effect on the Combined Group's business, results of operations, financial condition and prospects.

Risks associated with the Rights Issue and the holding of Ordinary Shares

The price of Ordinary Shares, Fully Paid Rights or Nil Paid Rights may be volatile and may be affected by a number of factors, some of which are beyond the Greencore Group's control, which could cause the value of Ordinary Shares, Fully Paid Rights or Nil Paid Rights to decline

The value of an investment in Ordinary Shares, Fully Paid Rights or Nil Paid Rights may go down as well as up. The market value of Ordinary Shares, Fully Paid Rights or Nil Paid Rights can fluctuate and may not always reflect the underlying asset value. A number of factors may impact on the market price of Ordinary Shares, Fully Paid Rights or Nil Paid Rights including, but not limited to: (i) variations in the Greencore Group's and, following the Acquisition, the Combined Group's operating results; (ii) possible differences between the actual results and the results that were expected by Greencore, investors and/or analysts; (iii) the Greencore Group's and, following the Acquisition, the Combined Group's implementation of strategic and operational plans; (iv) fluctuations in the trading volume of Ordinary Shares, Fully Paid Rights or Nil Paid Rights resulting in changes in the market price without any apparent correlation to the earnings or results of the Greencore Group and, following the Acquisition, the Combined Group; and (v) general economic and market conditions.

As a result, there is no assurance that the market price of Ordinary Shares, Fully Paid Rights or Nil Paid Rights will not decline below the Rights Issue Price. Should that occur, Qualifying Shareholders who take up their rights will suffer an immediate unrealised loss as a result. Moreover, there can be no assurance that,

following the exercise of Rights, Shareholders will be able to sell their New Greencore Shares at a price equal to or greater than the Rights Issue Price.

There can be no assurance that an active trading market for Ordinary Shares, Fully Paid Rights or Nil Paid Rights will continue following the Completion of the Acquisition and/or the Rights Issue. Shareholders may from time to time have difficulty selling their Ordinary Shares.

An active trading market in the Nil Paid Rights may not develop

An active trading market in the Nil Paid Rights may not develop on the London Stock Exchange during the nil paid trading period. In addition, because the trading price of the Nil Paid Rights depends on the market price of the Existing Greencore Shares, there is a risk that the price of the Nil Paid Rights may be volatile and subject to the same risks as noted in above. See "*The price of Ordinary Shares, Fully Paid Rights or Nil Paid Rights may be volatile and may be affected by a number of factors, some of which are beyond the Greencore Group's control, which could cause the value of Ordinary Shares, Fully Paid Rights or Nil Paid Rights to decline*." The existing volatility of the Existing Greencore Shares may also magnify the volatility of the Nil Paid Rights.

Shareholders who do not (or are unable to) subscribe for New Greencore Shares under the Rights Issue will experience dilution in their ownership of Greencore

If a Qualifying Shareholder does not take up its Rights under the Rights Issue, such Qualifying Shareholder's shareholding in Greencore will be diluted by a maximum of up to 40.9% as a result. Subject to certain exceptions, Shareholders in the US or any other Excluded Territory will, in any event, not be able to participate in the Rights Issue.

The Rights Issue is not conditional on Completion

The Rights Issue is not conditional on Completion and, subject to the passing of the Transaction Resolutions, the Provisional Allotment Letters will be posted to Qualifying Shareholders and dealings in Nil Paid Rights, will commence.

However, before the Acquisition may be completed, any waiting period (or extension thereof) applicable to the Acquisition must have expired or have been terminated, and any approvals, consents or clearances required in connection with the Acquisition must have been received, in each case, under the HSR Act. In deciding whether to grant the required antitrust approval, consent or clearance, the FTC or the DOJ will consider the effects of the Acquisition on competition within the US. Completion might be delayed due to the time required to fulfil a second information request, should one be issued. There is no assurance that the required anti-trust approval, consent or clearance for the Acquisition from the FTC or the DOJ will be obtained prior to the close of the Rights Issue. The terms and conditions of any antitrust approval, consents and clearances that are ultimately granted may impose conditions, terms, obligations or restrictions, on the conduct of the Combined Group's business, which may have a negative impact on the Combined Group's business, results of operations, financial condition and prospects.

There can be no assurance that the FTC or DOJ may impose unanticipated conditions, terms, obligations or restrictions and that, to the extent any such conditions, terms, obligations or restrictions are imposed, such conditions, terms, obligations or restrictions may not have the effect of delaying the Completion or imposing additional material costs on, or materially limiting, the revenues of the Combined Group following Completion. In addition, neither Greencore nor Peacock can provide assurance that any such conditions, terms, obligations or restrictions will not result in the delay or abandonment of the Acquisition.

In the event that the Rights Issue proceeds but the Acquisition does not complete, the Greencore Directors' current intention is that the net proceeds of the Rights Issue will be invested on a short-term basis while the Greencore Directors evaluate other acquisition opportunities and, if no acquisitions can be found on acceptable terms, the Greencore Directors will consider how best to return surplus capital to Shareholders in a timely manner. There is no guarantee that the Directors will identify such opportunities or that any such opportunities would be as attractive from a financial perspective as the Acquisition. Any return could carry fiscal costs for certain Shareholders, will have costs for Greencore and would be subject to applicable

securities laws. Any return of capital would be net of transaction expenses relating to the Acquisition, Rights Issue and the return of capital. Such a return of capital would also be pro rata to all Shareholders' holdings of Ordinary Shares in Greencore at the time the return of capital is implemented, and not in proportion to the amount invested by investors in the Rights Issue. There is no guarantee that investors in the Rights Issue would receive back the full (or any) amount invested in the Rights Issue should the Acquisition not proceed.

The Underwriters' obligations under the Underwriting Agreement are conditional (although certain of these conditions can be waived) but are unconditional from Admission.

Investors may not receive compensation for expired and/or unexercised rights

The subscription period for the New Greencore Shares being offered in the Rights Issue is expected to commence on 8 December 2016 and is expected to expire at 11.00 a.m. on 21 December 2016. If an investor fails to exercise or sell its rights prior to the end of the subscription period, then it may not receive the economic benefit of such rights because there is no assurance that the procedure in respect of rights not taken up, described in paragraph 7 of Part I (*Letter from the Chairman*) of this Circular, will be successful in respect of the prices obtained.

PART IV

HISTORICAL FINANCIAL INFORMATION

The following tables set out consolidated financial information of Peacock for the financial years ended 27 December 2015, 28 December 2014 and 29 December 2013 prepared under IFRS as issued by the IASB and adopted in the European Union, and the accountant's report thereto, which was prepared in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom, and the unaudited financial statements of the Peacock Group for the 52 week period ended 25 September 2016, prepared under IFRS as issued by the IASB and adopted in the European Union.

The consolidated financial information of Peacock, and the unaudited financial statements of Peacock, is presented in a form that is consistent with the accounting policies adopted by Greencore in its latest annual consolidated accounts.

SECTION A: HISTORICAL FINANCIAL INFORMATION OF THE PEACOCK GROUP FOR THE FINANCIAL YEARS ENDED 27 DECEMBER 2015, 28 DECEMBER 2014 AND 29 DECEMBER 2013

INDEPENDENT ACCOUNTANT'S REPORT OF PEACOCK GROUP

The Directors
Greencore Group plc
2 Northwood Avenue
Northwood
Santry
Dublin
D09 X5N9
Ireland

14 November 2016

Dear Sir or Madam,

CB-Peacock Holdings Inc.

We report on the financial information set out in Part IV (*Historical Financial Information*) of the Class 1 Circular dated 14 November 2016 of Greencore Group plc (the "**Circular**") for the years ended 27 December 2015, 28 December 2014 and 29 December 2013. This financial information has been prepared for inclusion in the Circular relating to the acquisition of CB-Peacock Holdings Inc. on the basis of the accounting policies set out in Note 2. This report is required by paragraph 13.5.21R of the Listing Rules of the Financial Conduct Authority and is given for the purpose of complying with that paragraph and for no other purpose.

Responsibilities

The Directors of Greencore Group plc (the "**Company**") are responsible for preparing the financial information on the basis of preparation set out in Note 2 and in accordance with International Financial Reporting Standards as adopted by the European Union.

It is our responsibility to form an opinion on the financial information and to report our opinion to you.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and which we may have to Ordinary shareholders of the Company as a result of the inclusion of this report in the Circular, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with paragraph 13.4.1R(6) of Listing Rules of the Financial Conduct Authority, consenting to its inclusion in the Circular.

Basis of opinion

We conducted our work in accordance with Standards for Investment Reporting issued by the Auditing Practices Board of the United Kingdom and Ireland. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of the significant estimates and judgments made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Opinion on financial information

In our opinion, the financial information gives, for the purposes of the Circular, a true and fair view of the state of affairs of CB-Peacock Holdings Inc. as at 27 December 2015, 28 December 2014 and 29 December 2013 and of its profits/losses, cash flows and recognised gains and losses for the years ended thereon in accordance with the basis of preparation set out in Note 2 and in accordance with International Financial Reporting Standards as adopted by the European Union as described in Note 2.

Yours faithfully,

KPMG
Chartered Accountants
Dublin, Ireland

Consolidated Statements of Comprehensive Income

	Notes	*Fiscal Year Ended* 27 December 2015 $m	28 December 2014 $m	29 December 2013 $m
Revenue	2	897.2	699.4	517.2
Cost of Sales		838.0	663.3	484.1
Gross profit		59.2	36.1	33.1
Operating Costs				
Distribution costs		2.5	2.3	2.1
Administrative expenses		22.5	15.5	13.2
		25.0	17.8	15.3
Amortisation of acquisition related intangibles	8	9.7	8.2	8.2
Group operating profit		24.5	10.1	9.6
Finance costs	6	(5.9)	(40.3)	(37.4)
Loss on extinguishment of debt	15	–	(10.1)	–
Profit/(loss) before taxation		18.6	(40.3)	(27.8)
Taxation	7	(1.4)	10.5	7.3
Profit/(loss) for the financial year		17.2	(29.8)	(20.5)
Other comprehensive income		–	–	–
Total comprehensive income		17.2	(29.8)	(20.5)

Consolidated Statements of Financial Position

	Notes	*Fiscal Year Ended* 27 December 2015 $m	28 December 2014 $m	29 December 2013 $m
Assets				
Non-current assets:				
Goodwill	8	140.6	81.9	81.9
Intangible assets	8	199.4	145.5	153.7
Property, plant and equipment	9	114.0	109.9	111.8
Prepaid	6	1.0	–	–
Other receivables	11	0.5	0.6	0.3
Total non-current assets		455.5	337.9	347.7
Current assets:				
Inventories	10	27.9	22.6	17.4
Trade and other receivables	11	57.1	41.7	30.8
Cash and cash equivalents	2	8.9	0.1	0.7
Total current assets		93.9	64.4	48.9
Total assets		549.4	402.3	396.6
Equity				
Capital and reserves attributable to equity holders of the Company:				
Share capital	13	–	–	–
Share premium	13	1.3	0.7	0.7
Retained loss		(61.9)	(79.1)	(49.3)
Other capital reserves	21	(0.6)	–	–
Total equity		(61.2)	(78.4)	(48.6)
Liabilities				
Non-current liabilities:				
Preference shares	14	175.8	129.5	117.3
Borrowings	15	324.3	250.6	240.8
Equity incentive plan liabilities	5	2.0	1.5	0.5
Other payables	12	6.7	5.5	5.2
Provisions for liabilities	18	6.9	8.2	7.0
Deferred tax liabilities	7	32.2	31.0	41.4
		547.9	426.3	412.2
Current liabilities:				
Borrowings	15	2.9	2.8	–
Trade and other payables	12	48.5	42.9	30.4
Provisions for liabilities	18	11.3	8.7	2.6
Total current liabilities		62.7	54.4	33.0
Total liabilities		610.6	480.7	445.2
Total equity and liabilities		549.4	402.3	396.6

Consolidated Statements of Cash Flows

	Notes	*Fiscal Year Ended* 27 December 2015 $m	28 December 2014 $m	29 December 2013 $m
Operating activities				
Profits/(loss)		17.2	(29.8)	(20.5)
Non-cash adjustment to reconcile profit/(loss)				
Depreciation	9	20.9	18.1	13.4
Amortisation of intangibles	8	9.7	8.2	8.2
Amortisation of unfavourable leasehold liability		(0.2)	(0.2)	–
Loss/(gain) on disposal of property and equipment		0.1	0.2	–
Deferred tax provision	7	1.2	(10.5)	(7.3)
Employee share-based payments expense	5	0.5	0.9	(0.4)
Finance costs				
Non-cash interest expense	6	–	10.3	–
Amortisation of debt discount	6	0.8	0.5	0.0
Deferred interest expense	6	7.3	–	3.0
Amortisation of Deferred Financing Fees	6	0.1	0.3	1.10
Non-cash loss/(gain) on extinguishment of debt	15	–	10.1	–
Asset retirement obligation accretion, net	6	(0.9)	0.4	0.2
Interest on preference shares	6	(17.8)	12.1	11.0
Working capital movement				
Trade accounts receivable, net	11	(5.5)	(12.3)	3.7
Inventories	10	2.3	(5.2)	(1.0)
Prepaid expenses and other	11	(0.1)	1.0	(2.1)
Trade accounts payable	12	(3.6)	12.6	4.0
Taxes recoverable net write off	7	–	–	0.0
Accrued liabilities and other liabilities	18	3.1	7.4	4.0
Taxes paid		–	–	–
Net cash provided by operating activities		35.1	24.1	17.3
Investing activities				
Investment in acquisition	4	(136.3)	–	–
Purchases of property and equipment	9	(16.3)	(16.3)	(54.7)
Proceeds on disposal		0.1	–	0.1
Net cash used in investing activities		(152.5)	(16.3)	(54.6)
Financing activities				
Proceeds/(withdrawals) from sale of common stock	13	0.6	–	(0.1)
Borrowings under revolving line of credit	15	7.7	36.0	(3.0)
Repayments under revolving lines of credit	15	(23.7)	(20.0)	–
Finance Lease Payments	20	(0.4)	–	–
Finance Lease Proceeds		–	–	–
Debt issuance costs	15	(2.7)	(0.3)	–
Borrowings of long-term debt	15	340.0	187.5	40.0
Loan to Shareholder	15	(0.6)	–	–
Debt issuance costs paid to lender	15	(8.8)	(4.8)	–
Repayments on long-term debt	15	(187.3)	(206.8)	–
Issuances of Series A Pref, net	14	1.4	–	0.9
Net cash provided by/(used in) financing activities		126.2	(8.4)	37.8
Net increase/(decrease) in cash and cash equivalents		8.8	(0.6)	0.5
Cash and cash equivalents at beginning of period		0.1	0.7	0.2
Cash and cash equivalents at end of period		8.9	0.1	0.7

Consolidated Statements of Changes in Equity

	Notes	*Share capital $m*	*Share premium $m*	*Other Capital Reserves $m*	*Retained loss $m*	*Total equity $m*
At 30 December 2012		–	0.8	–	(28.8)	(28.0)
Item of income and expense taken directly to equity						
(Loss)/profit for the financial period		–	–	–	(20.5)	(20.5)
Total recognised income and expense for the financial year		–	–	–	(20.5)	(20.5)
Management Co-investment		–	(0.1)	–	–	(0.1)
At 29 December 2013	13	–	0.7	–	(49.3)	(48.6)

	Notes	*Share capital $m*	*Share premium $m*	*Other Capital Reserves $m*	*Retained loss $m*	*Total equity $m*
At 29 December 2013		–	0.7	–	(49.3)	(48.6)
Item of income and expense taken directly to equity						–
(Loss)/profit for the financial period		–	–	–	(29.8)	(29.8)
Total recognised income and expense for the financial year		–	–	–	(29.8)	(29.8)
Management Co-investment		–	–	–	–	–
At 28 December 2014	13	–	0.7	–	(79.1)	(78.4)

	Notes	*Share capital $m*	*Share premium $m*	*Other Capital Reserves $m*	*Retained loss $m*	*Total equity $m*
At 28 December 2014		–	0.7	–	(79.1)	(78.4)
Item of income and expense taken directly to equity						–
(Loss)/profit for the financial period		–	–	–	17.2	17.2
Total recognised income and expense for the financial year		–	–	–	17.2	17.2
Management Co-investment		–	0.6	–	–	0.6
Loan to shareholder		–	–	(0.6)	–	(0.6)
At 27 December 2015	13	–	1.3	(0.6)	(61.9)	(61.2)

Notes to the Consolidated Financial Statements
27 December 2015

1. Corporate information

CB-Peacock Holdings Inc. ("**Peacock**") is a Delaware corporation that owns and consolidates Peacock Holding Company ("**Peacock Holding**"), a Delaware corporation, Peacock Engineering Company LLC ("**Peacock Engineering**"), a Delaware limited liability company, and L&L Foods Holdings, LLC ("**L&L**"), a Delaware limited liability company (collectively referred to as "**Peacock**" or the "**Peacock Group**"). The Peacock Group are providers of contract packaging services primarily to the consumer food industry and a provider of packaged foods for produce and foodservice customers. The Peacock Group's product offerings include shelf-stable, refrigerated, and frozen primary and secondary packaging services, as well as supply chain management services. The Peacock Group has seven production facilities in the U.S. totalling over 2 million square feet in the Chicagoland area, Anaheim, California and Wilmington, Ohio, USA. The Peacock Group's registered office is located at 1800 Averill Road, Geneva, Illinois, USA.

2. Peacock Group statement of accounting policies

Statement of compliance

The consolidated financial statements of Peacock have been prepared in accordance with International Financial Reporting Standards, as adopted by the EU ("**IFRS**") and their interpretations approved by the International Accounting Standards Board ("**IASB**").

These financial statements for the year ended 27 December 2015 are the first Peacock has prepared in accordance with IFRS. IFRS was adopted on 31 December 2012 along with the principles of IFRS 1. Historically, the Peacock Group has not presented financial statements. Refer to Note 3 for information on how Peacock adopted IFRS.

Basis of preparation

The consolidated financial statements, which are presented in US dollars and rounded to millions (unless otherwise stated), have been prepared under the historical cost convention, as modified by the measurement at fair value of certain financial assets and financial liabilities, including share options and financial instruments. For cash-settled share-based payment transactions, IFRS requires an entity to measure the goods or services acquired and the liability incurred at the fair value of the liability. Until the liability is settled, the entity is required to remeasure the fair value of the liability at each reporting date and at the date of settlement, with any changes in value recognised in profit or loss for the period.

The accounting policies set out below have been applied consistently across the Peacock Group to all years presented, unless otherwise stated. The consolidated financial information of Peacock is presented in a form that is consistent with the accounting policies adopted by Greencore in its latest annual consolidated accounts.

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, as well as the disclosure of contingent assets and liabilities at the Statement of Financial Position date and the reported amounts of revenues and expenses during the reporting period. Although these estimates, which are set out in Notes 5, 7, 8, and 18, are based on management's best estimate of the amount, event or actions, actual results ultimately may differ from those estimates.

The Peacock Group's fiscal year ends on the 52nd Sunday following the end of the prior fiscal year. The Statements of Financial Position for 2015, 2014, and 2013 fiscal years have been prepared as at 27 December 2015, 28 December 2014, and 29 December 2013, respectively, and each fiscal year presented comprises of 52 weeks.

New standards and interpretations

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 27 December 2015 and have not been applied in preparing these consolidated financial

statements. None of these is expected to have a significant effect on the consolidated financial statements, except the following set out below:

IFRS 15 *Revenue from Contracts with Customers* specifies how and when an IFRS reporter will recognise revenue as well as requiring such entities to provide users of financial statements with more informative, relevant disclosures. The standard provides a single, principles based five-step model to be applied to all contracts with customers. The Peacock Group is currently evaluating the impact that IFRS 15 will have on its financial statements. IFRS 15 is expected to be effective in 2018.

IFRS 9 *Financial Instruments* addressed the classification, measurement and recognition of financial assets and liabilities. The Standard includes requirements for recognition and measurement, impairment, derecognition and general hedge accounting. The IASB completed its project to replace IAS 39 in phases, adding to the standard as it completed each phase. The Peacock Group is currently evaluating the impact that IFRS 9 will have on its financial statements. IFRS 9 is expected to be effective in 2018.

IFRS 16 *Leases* is intended to replace IAS 17 Leases and IFRIC 4 *Determining whether an arrangement contains a lease.* IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, the customer ("**lessee**") and the supplier ("**lessor**"). The standard brings most leases on-balance sheet for lessees under a single model, eliminating the previous classifications of operating and finance leases. The only exemption to this treatment is for lease contracts with duration of less than one year. The on-balance sheet treatment will result in the grossing up of the balance sheet due to a right-of-use asset being recognised with an offsetting liability. Lessor accounting under the standard remains largely unchanged with previous classifications of operating and finance leases being maintained. The Peacock Group is currently evaluating the impact that IFRS 16 will have on its financial statements. It was issued in January 2016 and is expected to be effective in 2019, to be applied retrospectively or on a modified retrospective basis.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Peacock Group.

Principles of consolidation

The consolidated financial statements comprise the financial statements of the Peacock undertaking and its subsidiaries undertakings.

Subsidiaries

Subsidiary undertakings are included in the consolidated financial statements from the date on which control over the operating and financial policies is obtained, and cease to be consolidated from the date on which control is transferred out of the Peacock Group. The Peacock Group controls an entity when it is exposed to, or has the rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. All related party transactions, balances and unrealised gains on transactions between the Peacock Group's undertakings are eliminated on consolidation. Unrealised losses are also eliminated except where they provide evidence of impairment.

Revenue recognition

Revenue represents the fair value of the sale of goods and rendering of services to external customers in the ordinary course of the Peacock Group's activities. Revenue related to packaging is recognised when significant risks and rewards of ownership of the goods are transferred to the buyer, it is probable that the economic benefits will flow to the Peacock Group and the amount of revenue can be measured reliably, which generally arises when packaged products are shipped to customers or in accordance with specific terms and conditions agreed with customers.

In most cases, the Peacock Group reports revenue on a gross basis, recognising the price for packaging services provided to the customer as revenue and the cost of the delivered inventory within cost of services. The Peacock Group recognises revenue gross based on the criteria of IAS 18.IE21, *Revenue Recognition*, because the Peacock Group bears the risks and rewards of ownership on food product and packaging material

inventory used to complete the packaging services and the Peacock Group is the primary obligor in the arrangement with the customer.

For arrangements with certain customers, the Peacock Group provides the packaging services without ever taking title or the risk and rewards of ownership of the food product and packaging material inventory. The Peacock Group recognises the fee earned for the packaging services within revenue upon shipment of the packaged inventory to customers. There is no corresponding cost of inventory within cost of services under these arrangements.

The Peacock Group maintains a capital recovery program with certain customers. The capital recovery program represents a contractual arrangement with customers to compensate the Peacock Group for certain capital expenditure and related installation costs. Revenue of $3.6 million, $3.7 million, and $3.8 million was recognised for the fiscal years ended 27 December 2015, 28 December 2014, and 29 December 2013, respectively. The Peacock Group also receives consideration from its customers for certain leasehold improvements made to the Peacock Group's facilities. The reimbursement for these expenditures is recognised as revenue over the estimated economic life of the related contract. The Peacock Group recognised revenue related to reimbursement of leasehold improvements of $1.1 million, $1.2 million, and $1.0 million for the fiscal years ended 27 December 2015, 28 December 2014, and 29 December 2013, respectively. Arrangements that include leases are multiple element arrangements with one element being packaging services and the other element being the lease of property and equipment. Revenue is allocated to each element based on its relative selling price and recognised in accordance with the Peacock Group's policy for packaging services and operating leases.

For two customers, the Peacock Group provides storage services. The Peacock Group begins recognising revenue for the storage of packaged food products when products are transferred to the storage area, and revenues are recognised over the storage period. Title and risk of loss on packaged food products stored under these arrangements transfer to the customer upon delivery to the storage area of the facility.

Property, plant and equipment

Property, plant and equipment is shown at cost less depreciation and any impairments. The cost of property, plant and equipment comprises its purchase price and any directly attributable costs.

Property and equipment are stated at cost less accumulated depreciation and amortisation. Depreciation and amortisation are determined using the straight-line method over the estimated useful lives of the assets and in the case of leasehold improvements, over the lesser of the estimated useful lives of the assets or the related lease term. Assets purchased and subsequently leased to customers under operating leases are depreciated using the straight-line method over the estimated useful lives of the assets. Assets acquired with the acquisition of L&L were stated at fair value at the date of acquisition and are being depreciated consistent with the Peacock Group's depreciation policy.

The following lives are used for the various categories of assets:

Machinery and equipment	7 years
Furniture, fixtures, and other	5–7 years
Leasehold improvements	Useful life or period of lease, if shorter

Useful lives and residual values are reassessed annually.

Subsequent costs incurred relating to specific assets are included in an asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Peacock Group and the cost of the item can be measured reliably. All other costs are charged to the Statement of Comprehensive Income during the financial period in which they are incurred.

The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amounts may not be recoverable. When the carrying amount exceeds the estimated recoverable amount, the assets are written down to their recoverable amount.

The recoverable amount of property, plant and equipment is the greater of fair value less costs to sell and value in use. In assessing value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses are recognised in the Statement of Comprehensive Income. No impairment losses were recognised for the 2013, 2014 and 2015 fiscal years.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Income. Following the recognition or reversal of an impairment loss, the depreciation charge applicable to the asset is adjusted prospectively in order to systematically allocate the revised carrying amount, net of any residual value, over the remaining useful life.

Assets held under leases

Finance leases

Leases of property, plant and equipment, where the Peacock Group obtains substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased item and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charge so as to achieve a constant interest charge on the finance balance outstanding. The interest element of the finance cost is charged to the Statement of Comprehensive Income over the lease period. Assets held under finance leases are depreciated over the shorter of their expected useful lives or the lease term, taking into account the time period over which benefits from the leased assets are expected to accrue to the Peacock Group.

Operating leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases, net of incentives received from the lessor, are charged to the Statement of Comprehensive Income on a straight-line basis over the period of the lease. Income earned from operating leases is credited to the Statement of Comprehensive Income when earned.

Business Combinations

The purchase method of accounting is used in accounting for the acquisition of businesses. In accordance with IFRS 3 *Business Combinations*, the fair value of the consideration for a business combination is measured as the aggregate of the fair values at the date of exchange of assets given and liabilities incurred or assumed in exchange for control. The assets and liabilities of the acquired entity are measured at their fair values at the date of acquisition. When the initial accounting for a business combination is determined provisionally, any adjustments to the provisional values allocated are made within 12 months of the acquisition date and are effected from the date of acquisition. Transaction costs are expensed as incurred.

Goodwill

Goodwill represents the difference between the fair value of the consideration given over the fair value of the Peacock Group's share of the identifiable net assets of the acquired subsidiary at the date of acquisition. Any excess of the fair value of the net assets acquired over the fair value of the consideration given (*i.e.* discount on acquisition) is credited to the Statement of Comprehensive Income in the period of acquisition.

Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. On acquisition, goodwill is allocated to cash-generating units expected to benefit from the combination's synergies. Goodwill is tested annually for impairment or more frequently if events or changes in

circumstances indicate that the carrying value may be impaired. Any impairment is recognised immediately in the Statement of Comprehensive Income.

Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is calculated based on first-in, first-out ("**FIFO**"). Cost includes raw materials, direct labour expenses and related production and other overheads. Net realisable value is the estimated selling price, in the ordinary course of business, less costs to completion and appropriate selling and distribution expenses.

Trade and other receivables

Trade and other receivables are initially recognised at fair value and subsequently carried net of provision for impairment. A provision is made when there is objective evidence that the Peacock Group will be unable to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

Any trade and other receivables included in non-current assets are carried at amortised cost (*i.e.* adjusted for the time value of money).

Cash and cash equivalents

The Peacock Group considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents is comprised of cash at bank.

Trade and other payables

Trade and other payables are initially recorded at fair value. Where the time value of money is material, payables are carried at amortised cost.

Provisions

Provisions are recognised when the Peacock Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligation as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligation may be small.

Where the Peacock Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of Comprehensive Income net of any reimbursement.

A contingent liability is disclosed where the existence of an obligation will only be confirmed by future events, or where the amount of the obligation cannot be measured with reasonable reliability. Contingent assets are not recognised, but are disclosed where an inflow of economic benefits is probable.

Borrowings

All loans and borrowings are initially recognised at fair value less any directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses arising on the settlement or cancellation of liabilities are recognised in finance income and finance costs as appropriate.

Borrowings are classified as current liabilities unless the Peacock Group has an unconditional right to defer settlement of the liability for at least 12 months after the Statement of Financial Position date.

Finance costs

Interest expense includes interest on borrowings and unwind of discount on liabilities that are recognised in profit or loss.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Income taxes

Current tax represents the expected tax payable on the taxable income for the year, using tax rates and tax laws enacted or substantively enacted at the balance sheet date, along with any adjustment to tax payable in respect of previous years.

The Peacock Group provides in full for deferred tax assets and liabilities (using the liability method), arising from temporary differences between the tax base of assets and liabilities and their carrying amounts in the Financial Statements except where they arise from the initial recognition of goodwill or from the initial recognition of an asset or liability that at the date of initial recognition does not affect accounting or taxable profit or loss on a transaction that is not a business combination. Such differences result in an obligation to pay more tax or a right to pay less tax in future periods. A deferred tax asset is only recognised where it is probable that future taxable profits will be available against which the temporary differences giving rise to the asset can be utilised.

Deferred tax assets and liabilities are not subject to discounting and are measured at the tax rates that are enacted or substantively enacted at the balance sheet date.

Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The Peacock Group is subject to income taxes in multiple jurisdictions. Significant judgment can be required in determining the Peacock Group's provision for income taxes. There may be transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Peacock Group recognises a tax benefit from an uncertain tax position when it is more likely than not that the position will be sustained upon examination, including resolution of any related appeals or litigation process, on the basis of the technical merits. The Peacock Group records the unrecognised tax benefits based on the estimated amount of any additional tax due and, adjusts these liabilities when judgment changes as a result of the evaluation of new information not previously available. Because of the complexity of some tax uncertainties, the ultimate resolution may result in a payment that is materially different from our current estimate of the unrecognised tax benefit liabilities. These differences will be reflected as increases or decreases to income tax expense in the period in which new information is available.

Employee benefits

Wages, salaries, bonuses, social security contributions, paid annual leave and sick leave are accrued in the period in which the associated services are rendered by the employees of the Peacock Group. Termination benefits are payable when employment is terminated by the Peacock Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Peacock Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without the possibility of withdrawal, or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

Employee share-based payments

The Peacock Group grants share-based payments to employees through the 2010 Equity Plan and the 2014 LTIP. A liability is recognised for the fair value of cash-settled transactions on the settlement date. The fair

value is measured initially and at each reporting date up to and including the settlement date, with changes in fair value recognised in employee benefits expense. The fair value is expensed over the period until the vesting date with recognition of a corresponding liability.

Share capital

Common shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are taken as a deduction within equity, net of tax, from the proceeds.

3. First-time adoption of IFRS

IFRS 3 Business Combinations

IFRS 1 provides the option to apply IFRS 3 *Business Combinations*, prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date. The Peacock Group elected to apply IFRS 3 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have therefore not been restated.

Mandatory exceptions

Set out below are the applicable mandatory exceptions in IFRS 1 applied in the conversion from US GAAP to IFRS:

Exception for estimates

IFRS estimates as of 31 December 2012 are consistent with the estimates as of the same date made in conformity with US GAAP.

Derecognition of financial assets and financial liabilities

The mandatory exception from full retrospective application of the derecognition rules in IAS 39 *Financial Instruments: Recognition and Measurement* means that the Peacock Group will only consider derecognition for arrangements under IFRS prospectively from the transition date.

Classification and measurement of financial assets

Classification and measurement of financial assets must be based on facts and circumstances existing at the IFRS transition date. The Peacock Group has trade and other receivables, amounts due from related parties, and cash and cash equivalents which are considered financial assets and have been classified and measured at the IFRS transition date.

Reconciliations of US GAAP to IFRS

IFRS 1 requires the Peacock Group to reconcile equity, comprehensive income and cash flows for certain dates and periods. The Peacock Group's first-time adoption did not have a material impact on the total operating, investing or financing cash flows. The following tables represent the reconciliations from US GAAP to IFRS as of the date of transition to IFRS, 31 December 2012.

Peacock Group reconciliation of the consolidated statement of financial position from US GAAP to IFRS as of 31 December 2012 (date of transition to IFRS):

	Notes	*US GAAP* *$m*	*Remeasurements* *$m*	*IFRS as at 31 December 2012* *$m*
Assets				
Non-current assets:				
Goodwill		161.9	–	161.9
Intangible assets		85.5	–	85.5
Property, plant and equipment		66.7	–	66.7
Prepaid		5.1	–	5.1
Other receivables		0.1	–	0.1
Deferred tax assets		–	–	–
Total non-current assets		319.3	–	319.3
Current assets:				
Inventories		16.4	–	16.4
Trade and other receivables		32.8	–	32.8
Cash and cash equivalents		0.2	–	0.2
Total current assets		49.4	–	49.4
Total assets		368.7	–	368.7
Equity				
Capital and reserves attributable to equity holders of the Company:				
Share capital – Common	B	–	–	–
Share capital – Preferred	A	–	–	–
Share premium – Common	B	1.0	(0.2)	0.8
Share premium – Preferred	A	86.3	(86.3)	–
Retained loss		(8.8)	(20.0)	(28.8)
Other capital reserves		–	–	–
Total equity		78.5	(106.5)	(28.0)
Liabilities				
Non-current liabilities:				
Preference shares	A	–	105.6	105.6
Borrowings		201.5	–	201.5
Equity incentive plan liabilities	B	–	0.9	0.9
Other payables		5.1	–	5.1
Provisions for liabilities		2.1	–	2.1
Deferred tax liabilities		52.4	–	52.4
Total non-current liabilities		261.1	106.5	367.6
Current liabilities:				
Borrowings		–	–	–
Trade and other payables		26.3	–	26.3
Provisions for liabilities		2.8	–	2.8
Total current liabilities		29.1	–	29.1
Total liabilities		290.2	106.5	396.7
Total equity and liabilities		368.7	–	368.7

Peacock Group reconciliation of the statement of comprehensive income from US GAAP to IFRS for the year ended 29 December 2013:

	Notes	*US GAAP* *$m*	*Remeasurements* *$m*	*IFRS for the year ended 29 December 2013* *$m*
Revenue		517.2	–	517.2
Cost of sales		484.1	–	484.1
Gross profit		33.1	–	33.1
Operating costs				
Distribution costs		2.1	–	2.1
Administrative expenses	B, C	13.6	(0.4)	13.2
		15.7	(0.4)	15.3
Amortisation of acquisition related intangibles	D	16.4	(8.2)	8.2
Group operating profit		1.0	8.6	9.6
Finance costs	A, C	28.8	8.6	37.4
Profit/(loss) before taxation		(27.8)	–	(27.8)
Taxation	E	(9.3)	2.0	(7.3)
Profit/(loss) for the financial year		(18.5)	(2.0)	(20.5)
Other compensation income		–	–	–
Total compensation income		(18.5)	(2.0)	(20.5)

A. Preference shares

Under US GAAP, Equity includes Series A Preferred Stock that has been issued to certain investors as part of the Peacock Group's capital structure. These preference shares include a cumulative dividend on each share equal to the product of the Series A Base Value (as adjusted for stock dividends, stock splits, combinations, recapitalisations, or the like) times a rate of 10%, with such dividends to accrue daily in arrears, whether or not declared, and be compounded quarterly. The Series A Base Value means an amount equal to $9.90 per share. Under IFRS, these instruments have been reflected in the financial statements as a liability due to their nature and the dividends have been reflected as finance costs, whether or not declared, on the Consolidated Statement of Comprehensive Income. The Preference Shares liability is $105.6 million as of 31 December 2012 and related finance costs of $11.0 million were recorded in 2013. Refer to Note 14 for details.

B. Equity incentive plans

Under US GAAP, the 2010 Equity Plan awards are classified as equity. Under IFRS, the 2010 Equity Plan awards are classified as cash-settled liability awards in the amount of $0.9 million as of 31 December 2012. Upon transition to IFRS, the related incremental compensation expense for 2013 was a decrease of $0.4 million, which is recorded as an administrative expense. Refer to Note 5 for details.

C. Borrowing costs

Under US GAAP, the capitalisation rate of specific borrowings is applied to the average amount of accumulated expenditures for the qualifying asset during the period. Under IFRS, the Peacock Group has capitalised actual borrowing costs incurred related to funds that are borrowed specifically to obtain a qualifying asset, which decreases finance costs by $2.4 million in 2013. Under IFRS, this increases depreciation by $0.02 million for 2013 due to increased capital interest within property, plant and equipment. There is no capitalised interest as of 31 December 2012 and therefore no adjustment to the Consolidated Statement of Financial Position as of that date.

D. Goodwill

Under US GAAP, the Peacock Group made the private company election whereby goodwill relating to each business combination is amortised on a straight-line basis over 10 years. Amortisation of goodwill is not permitted under IFRS, therefore it has been reversed under IFRS. The Peacock Group did not begin amortising goodwill until the fiscal year-ended 29 December 2013 and therefore no adjustment was recorded on the Statement of Financial Position as of 31 December 2012.

E. Deferred tax

The various transitional adjustments lead to different temporary tax differences. According to the accounting policies in Note 2, the Peacock Group has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction in retained earnings. Refer to Note 7 for details.

4. Acquisition

Peacock Holding acquired all of the outstanding stock of L&L, a California based company on 27 July 2015. Accordingly, the accompanying consolidated financial statements of the Peacock Group reflect the consolidated financial position of the Peacock Group as of 27 December 2015. The consolidated results of operations and cash flows of the Peacock Group include the results of L&L for the fiscal period beginning on 27 July 2015.

The purchase price paid by the Peacock Group consisted of the following:

Purchase price	$m 140.0
Working capital adjustments	(1.4)
Total purchase price	138.6
Finance lease obligations assumed	(2.3)
Cash paid	$m 136.3

The Peacock Group recognised the fair value of the net assets acquired and liabilities assumed at the acquisition date with the remaining unallocated amount recorded as goodwill for intangible assets.

The allocations reflect the final net working capital adjustments and other obligation reimbursements due from seller which were settled on 18 December 2015. Acquired goodwill represents the premium paid over the fair value of the net tangible assets acquired because the Peacock Group felt the acquisition would further expand their geographic footprint, expand their capabilities, add new customers and markets to serve and expand the businesses cash flow from operations. The principal factor contributing to goodwill on the acquisition of L&L is the expected growth potential for the business and its ability to complement the existing operations and product categories offered by the Peacock Group.

The following table summarises the allocation of the acquisition price to net assets acquired in the L&L acquisition:

Accounts receivable	$m 9.5
Inventory	7.7
Other current assets	0.2
Plant and equipment	8.8
Customer relationships	63.1
Non-compete	0.4
Goodwill	58.7
Total assets acquired	$m 148.4
Accounts payable	$m 9.3
Accrued liabilities	0.5
Finance leases	2.3
Total liabilities assumed	$m 12.1
Net assets acquired	$m 136.3

The Peacock Group also incurred $1.8 million of expenses related to third party legal, accounting and other professional due diligence services associated with the acquisition as well as outside consulting service expenses incurred for communication and business integration post acquisition. Such expenses are included in administrative expenses in the Consolidated Statements of Income.

The revenue of L&L since the acquisition date included in the consolidated Statement of Comprehensive Income for the fiscal period ending 27 December 2015 is $71.3 million. In addition, the net loss of L&L since the acquisition date included in the consolidated Statement of Comprehensive Income for the fiscal period ending 27 December 2015 is $1.0 million.

If the acquisition of L&L was at the beginning of the period, Peacock Group revenue would have been $85.7 million higher. In addition the net loss for the year would have been $5.8 million lower.

5. Equity incentive plans

2010 Equity Incentive Plan

On 21 December 2010, Peacock issued the 2010 Equity Incentive Plan (the "**2010 Equity Plan**"), the purpose of which is to encourage and enable the officers, employees, directors, consultants, and other key persons of the Peacock Group, upon whose judgment, initiative, and efforts the Peacock Group largely depends for the successful conduct of its business, to acquire a proprietary interest in the Peacock Group.

The 2010 Equity Plan provides for the issuance of up to 15.7% of Peacock's common stock for awards in the form of restricted common stock and common stock in the form of stock options. Awards may require an initial investment by the recipient, the proceeds of which are reflected as a sale of common stock in the financing activities section of our statement of cash flows. Since inception, awards granted under the 2010 Equity Plan have been in the form of restricted stock. Restrictions lapse on 50% of the shares based on continued employee service and 50% of restricted stock grants vest based on a liquidation event, which results in Charlesbank's, the Peacock Group's controlling shareholder, return on its cumulative invested capital exceeding certain thresholds (herein referred to as "**market conditions**"). All restricted share-based awards issued under the 2010 Equity Plan may be settled in cash or in shares. No compensation expense has been recorded for the performance awards because it is not yet probable that the performance conditions will be met. The restrictions lapse on the employee service-based shares at the earlier of a change in control event, or at a rate of 20% per year from the grant date. The compensation cost for the service-based share awards is determined using the graded vesting accelerated approach. In addition, these awards are treated as cash-settled awards because the Peacock Group is economically compelled to settle the awards in cash, which is common practice for private companies under IFRS. Cash-settled awards are marked to market at each reporting period, with changes in the fair value recognised in the Statement of Comprehensive Income. As a result, the compensation cost for service-based shares was recognised in administrative expenses.

The Peacock Group's outstanding common stock is privately held and not traded on any public exchange market. To estimate the grant-date fair value of restricted stock issued under the 2010 Equity Plan, the Peacock Group had to first estimate the fair value of our equity. This estimate of equity value was based on an estimated enterprise value of the Peacock Group, reduced for the fair value of outstanding indebtedness. The resulting value was then allocated to all classes of equity on a fully diluted basis. After determining the value allocated to restricted stock the Peacock Group applied a 25% discount for the lack of marketability to estimate the fair value of the underlying stock. The Peacock Group then subtracted the recipient's per-share initial investment cost of $0.10 to arrive at the fair value of the award. A similar approach was applied to reassess the fair value of the at every fiscal year end close.

The following table summarises the weighted-average grant-date fair value of restricted stock awards granted under the 2010 Equity Plan in the periods presented in dollars:

	Fiscal Year Ended		
	27 December 2015	*28 December 2014*	*29 December 2013*
Weighted-average-grant date fair value:			
Service-based awards	3.13	1.68	1.95
Performance-based awards	2.52	1.29	1.59

The following table summarises the unvested restricted stock activity under the 2010 Equity Plan in dollars:

	Fiscal Year Ended 27 December 2015		*Fiscal Year Ended 28 December 2014*		*Fiscal Year Ended 29 December 2013*	
	Shares	*Weighted-Average Grant Date Fair Value*	*Shares*	*Weighted-Average Grant Date Fair Value*	*Shares*	*Weighted-Average Grant Date Fair Value*
		$		*$*		*$*
Service-Based Awards						
Unvested at the beginning of the period	530,100	1.86	552,507	2.03	359,100	2.14
Granted	76,950	3.13	222,500	1.68	326,787	1.95
Vested	(135,507)	1.90	139,843	2.07	(82,080)	2.14
Forfeited	–	–	(384,750)	2.14	(51,300)	2.14
Unvested at the end of the period	471,543	2.05	530,100	1.86	552,507	2.03
Performance-Based Awards						
Unvested at the beginning of the period	637,537	1.53	799,787	1.66	564,300	1.84
Granted	79,950	2.52	222,500	1.29	286,787	1.59
Vested	–	–	(384,750)	1.80	(51,300)	1.80
Forfeited	–		–		–	
Unvested at the end of the period	717,487	1.64	637,537	1.53	799,787	1.66

The fair value has been measured using an Option Pricing Model within a Monte Carlo simulation framework.

The inputs used in the measurement of the fair values at each measurement date of the service-based and performance-based restricted stock were as follows:

	27 December 2015	*28 December 2014*	*29 December 2013*
Service-Based Awards			
Fair value	$3.23	$3.23	$1.48
Expected volatility	55.0%	55.0%	70.0%
Average remaining vesting period (years)	3.0	3.0	4.5
Expected dividends	0.0%	0.0%	0.0%
Risk-free interest rate	1.1%	1.1%	1.2%
Performance-Based Awards			
Fair value	$2.62	$2.62	$1.13
Expected volatility	55.0%	55.0%	70.0%
Average remaining vesting period (years)	3.0	3.0	4.5
Expected dividends	0.0%	0.0%	0.0%
Risk-free interest rate	1.1%	1.1%	1.2%

Total recognised compensation cost related to non-vested service-based awards at 29 December 2013 was a credit of $0.4 million, at 28 December 2014 was $0.9 million, and at 27 December 2015 was $0.5 million. Due to the uncertainty of satisfying performance vesting conditions, the Peacock Group cannot estimate when these awards will vest and related compensation cost will be recognised.

2014 Long Term Incentive Plan

On 2 April 2014, Peacock issued the 2014 Long Term Incentive Plan (the "**2014 LTIP**"). The purpose of the 2014 LTIP was to permit the grant of share-based awards to eligible employees to induce them to remain with the Peacock Group and to align their interest with those of the Peacock Group's stockholders.

The 2014 LTIP provides for the issuance of 153,900 shares of Peacock's common stock. The units authorised under the 2014 LTIP reduce the remaining shares available for issuance under the 2010 Equity Plan. Under the 2014 LTIP, 50% of the awards are issued in the form of restricted stock units ("**RSUs**") and 50% in the form of performance restricted stock units ("**PRSUs**") with both having terms and conditions set at the discretion of the board of directors of Peacock. Restrictions lapse on RSUs upon a change in control event and on PRSUs based on a liquidation event, which results in Charlesbank's return on its cumulative invested capital exceeding certain thresholds. All restricted share-based awards issued under the 2014 LTIP are settled in cash. No compensation expense has been recorded for the RSUs or PRSUs granted under the 2014 LTIP because it is not yet probable that the performance conditions of such awards will be met.

Fair value of RSUs and PRSUs is estimated using the same methodology as the restricted stock issued under the 2010 Equity Plan. The following table summarises the weighted-average fair value of RSUs and PRSUs granted under the 2014 LTIP in the periods presented:

	Fiscal Year Ended	
	27 December 2015	*28 December 2014*
Weighted-average grant-date fair value	2.62	1.69

The following table summarises the RSU and PRSU activity under the 2014 LTIP:

	Fiscal Year Ended 27 December 2015		*Fiscal Year Ended 28 December 2014*	
	Shares	*Weighted-Average Grant Date Fair Value* $	*Shares*	*Weighted-Average Grant Date Fair Value* $
RSU and PRSU Awards				
Unvested at the beginning of the period	97,470	1.69		–
Granted	105,165	2.62	97,470	1.69
Vested	–	–	–	–
Forfeited	(41,040)	1.69	–	–
Unvested at the end of the period	161,595	2.30	97,470	1.69

The fair value has been measured using an Option Pricing Model within a Monte Carlo simulation framework.

The inputs used in the measurement of the fair values at each measurement date of the RSUs and PRSUs were as follows:

	27 December 2015	*28 December 2014*	*29 December 2013*
RSU and PRSU Awards			
Fair value	$2.62	$2.62	–
Expected volatility	55.0%	55.0%	–
Average remaining vesting period (years)	3.0	3.0	–
Expected dividends	0.0%	0.0%	–
Risk-free interest rate	1.1%	1.1%	–

Total unrecognised compensation cost related to non-vested at 27 December 2015 was $0.4 million. Due to the uncertainty of satisfying performance vesting conditions, the Peacock Group cannot estimate when these awards will vest and related compensation cost will be recognised.

6. Finance costs

	Fiscal Year Ended		
	27 December 2015	*28 December 2014*	*29 December 2013*
	$m	*$m*	*$m*
Bank loans	16.9	17.1	24.2
Other borrowings	7.3	10.3	1.9
Interest on obligations under finance leases			
Dividends on preference shares	(17.8)	12.1	11.0
Unwind of discount on non-current payables	(0.5)	0.8	0.3
Total finance costs	5.9	40.3	37.4

Dividends on preference shares

In 2015, Peacock Holding extinguished the debt under the 2013 subordinated loan agreement via the issuance of Series A Preferred shares in Peacock. Any unpaid dividends are added to the redemption amount, as for the Series A Preferred Stock, and are classified as finance costs as they accrue.

Deferred financing costs

Deferred financing costs at 27 December 2015, 28 December 2014, and 29 December 2013 of $1.0 million, $0.3 million, and $4.1 million, respectively, which are net of accumulated amortisation of $0.09 million, $0.04 million, and $3.2 million, respectively, are amortised over the term of the related debt as a component of finance costs. These are reflected as reduction to the debt balance on the Statement of Financial Position with the exception of the prepaid asset balance at year end 2015 which represents those deferred financing costs related to revolving credit line debt since there was no loan balance outstanding on the revolver at 27 December 2015.

7. Income taxes

The income tax expense (benefit) consisted of the following:

	Fiscal Year Ended		
	27 December 2015	*28 December 2014*	*29 December 2013*
	$m	*$m*	*$m*
Current income taxes:			
Federal	0.0	(0.0)	–
State	0.2	–	–
Total current	0.2	(0.0)	–
Deferred income taxes:			
Federal	1.3	(9.1)	(6.3)
State	(0.1)	(1.4)	(1.0)
Total deferred	1.2	(10.5)	(7.3)
Total taxation	1.4	(10.5)	(7.3)

The difference between the tax provision computed using the statutory federal income tax rate of 35% (34% in 2014 and 2013) to income before taxes and the actual income tax provision is due primarily to state income taxes, certain non-deductible expenses, valuation allowance, transaction costs, and adjustments to

deferred taxes. As a result of the acquisition of L&L, the Peacock Group expects increased taxable income that will be taxable at a federal rate of 35%.

The taxation for the year can be reconciled to the profit per the income statement as follows:

	Fiscal Year Ended		
	27 December 2015	*28 December 2014*	*29 December 2013*
	$m	*$m*	*$m*
Net Book Income/(Loss) for the year	17.2	(29.8)	(20.5)
Total tax charge/(credit) for the year	1.4	(10.5)	(7.3)
Less: Share of profit of associates after tax			
Profit before taxation	18.6	(40.3)	(27.8)
Tax expense at statutory rate	6.5	(13.7)	(9.4)
Effects of:			
Expenses not deductible for tax purposes	0.2	4.6	3.7
Income not includible for tax purposes	(6.1)	–	–
Effect of current year losses not recognised	–	0.2	0.4
Utilisation of losses not previously recognised	–	–	–
Recognition of previously unrecognised deferred tax asset	–	–	–
Adjustment in respect of prior years	–	–	(0.5)
State income tax expense net of federal benefit	0.4	(1.6)	(1.5)
Other	0.4	–	–
Total taxation	1.4	(10.5)	(7.3)

The Peacock Group's deferred tax assets and liabilities were as follows:

	Fiscal Year Ended		
	27 December 2015	*28 December 2014*	*29 December 2013*
	$m	*$m*	*$m*
Total deferred tax assets	36.8	36.1	28.3
Total deferred tax liabilities	(69.0)	(67.1)	(69.7)
Net deferred tax liabilities	(32.2)	(31.0)	(41.4)

The Peacock Group's deferred taxes relate primarily to differences in the income tax basis and the financial reporting basis of property and equipment and intangible assets.

As of 27 December 2015, 28 December 2014, and 29 December 2013, the Peacock Group has unrecorded deferred tax assets of $0.8 million, $1.2 million, and $0.9 million, respectively, related to certain state credits for which ultimate realisation within the relevant carryforward period is uncertain. Additionally, as of 27 December 2015, 28 December 2014, and 29 December 2013, Company has an unrecorded deferred tax asset of $1.6 million in connection with certain acquisition-related costs that are only deductible in the event of a future sale or liquidation of the Peacock Group.

Federal operating loss carryforwards total $80.5 million and will expire as follows: $10.9 million in 2030, $10.5 million in 2031, $6.2 million in 2032, $34.7 million in 2033, and $18.2 million in 2034. State operating loss carryforwards total $65.7 million. The majority of the state loss carryforwards are in Illinois, and will expire as follows: $22.7 million in 2023, $2.7 million in 2024, $15.4 million, in 2025, and $24.8 million in 2026. As of 27 December 2015, the Peacock Group has AMT credit carryforwards of $0.3 million, which do not expire.

The Peacock Group recorded immaterial amounts of interest and penalties related to income tax contingencies within income tax expense (benefit) for both periods presented. Due to closing of audit activity

and statutes of limitation, the Peacock Group's federal tax returns are closed for periods prior to 2012 and Illinois tax returns are closed for periods prior to 2010.

The Peacock Group's deferred taxes have been analysed as follows:

	Fiscal year ended 27 December 2015				
	Net balance at 28 Dec 2014 $m	*Current movement $m*	*Net balance at 27 Dec 2015 $m*	*Deferred tax assets $m*	*Deferred tax liabilities $m*
Property, plant and equipment	(18.3)	(0.3)	(18.6)	–	(18.6)
Intangible assets	(45.6)	(2.0)	(47.6)	–	(47.6)
Prepaid expenses	(0.4)	–	(0.4)	–	(0.4)
Deferred compensation	0.6	1.0	1.6	1.6	–
Deferred rent	2.2	(0.1)	2.1	2.1	–
NOL	32.3	0.3	32.6	32.6	–
Valuation allowance	(2.8)	0.4	(2.4)	–	(2.4)
Other deferred assets	1.0	(0.5)	0.5	0.5	–
Other deferred liabilities	–	–	–	–	–
Total	(31.0)	(1.2)	(32.2)	36.8	(69.0)

	Fiscal year ended 28 December 2014				
	Net balance at 29 Dec 2013 $m	*Current movement $m*	*Net balance at 28 Dec 2014 $m*	*Deferred tax assets $m*	*Deferred tax liabilities $m*
Property, plant and equipment	(21.2)	2.9	(18.3)	–	(18.3)
Intangible assets	(45.6)	–	(45.6)	–	(45.6)
Prepaid expenses	(0.3)	(0.1)	(0.4)	–	(0.4)
Deferred compensation	0.9	(0.3)	0.6	0.6	–
Deferred rent	2.0	0.2	2.2	2.2	–
NOL	25.0	7.3	32.3	32.3	–
Valuation allowance	(2.6)	(0.2)	(2.8)	–	(2.8)
Other deferred assets	0.4	0.6	1.0	1.0	–
Other deferred liabilities	–	–	–	–	–
Total	(41.4)	10.4	(31.0)	36.1	(67.1)

	Fiscal year ended 29 December 2013				
	Net balance at 30 Dec 2012 $m	*Current movement $m*	*Net balance at 29 Dec 2013 $m*	*Deferred tax assets $m*	*Deferred tax liabilities $m*
Property, plant and equipment	(14.3)	(6.9)	(21.2)	–	(21.2)
Intangible assets	(48.6)	3.0	(45.6)	–	(45.6)
Prepaid expenses	(0.3)	–	(0.3)	–	(0.3)
Deferred compensation	0.5	0.4	0.9	0.9	–
Deferred rent	0.3	1.7	2.0	2.0	–
NOL	12.0	13.0	25.0	25.0	–
Valuation allowance	(2.1)	(0.5)	(2.6)	–	(2.6)
Other deferred assets	0.1	0.3	0.4	0.4	–
Other deferred liabilities	–	–	–	–	–
Total	(52.4)	11.0	(41.4)	28.3	(69.7)

8. Goodwill and intangible assets

	27 December 2015		*28 December 2014*		*29 December 2013*	
	Original Cost	*Accumulated Amortisation*	*Original Cost*	*Accumulated Amortisation*	*Original Cost*	*Accumulation Amortisation*
	$m	*$m*	*$m*	*$m*	*$m*	*$m*
Goodwill	140.6	–	81.9	–	81.9	–
Customer relationships	226.5	42.6	163.4	33.0	163.4	24.8
Trade name	15.1	–	15.1	–	15.1	–
Non-compete	0.4	–	–	–	–	–
Total	382.6	42.6	260.4	33.0	260.4	24.8

	Goodwill	*Customer relationship*	*Trade name*	*Non-compete*	*Total*
	$m	*$m*	*$m*	*$m*	*$m*
Year ended 27 December 2015					
Opening net book amount	81.9	130.4	15.1	–	227.4
Additions	58.7	63.2	–	0.4	122.3
Amortisation	–	(9.7)	–	–	(9.7)
Closing net book amount	140.6	183.9	15.1	0.4	340.0

	Goodwill	*Customer relationship*	*Trade name*	*Non-compete*	*Total*
	$m	*$m*	*$m*	*$m*	*$m*
Year ended 28 December 2014					
Opening net book amount	81.9	138.6	15.1	–	235.6
Additions	–	–	–	–	–
Amortisation	–	(8.2)	–	–	(8.2)
Closing net book amount	81.9	130.4	15.1	–	227.4

	Goodwill	*Customer relationship*	*Trade name*	*Non-compete*	*Total*
	$m	*$m*	*$m*	*$m*	*$m*
Year ended 29 December 2013					
Opening net book amount	85.5	146.8	15.1	–	247.4
Additions	–	–	–	–	–
Amortisation	–	(8.2)	–	–	(8.2)
Other	(3.6)	–	–	–	(3.6)
Closing net book amount	81.9	138.6	15.1	–	235.6

During 2013, the Company corrected an error by reducing goodwill and long-term deferred tax liabilities by $3.6 million to properly reflect the basis of tax deductible goodwill.

Additions to goodwill and intangible assets are due to the acquisition of L&L. The customer relationships intangibles are being amortised over 18 to 20 years. The non-compete agreement is being amortised on a straight line basis over a five year useful life. Amortisation expense related to intangibles for the fiscal years ended 27 December 2015, 28 December 2014, and 29 December 2013, was $9.7 million, $8.2 million, and $8.2 million, respectively. Estimated annual amortisation expense will be $9.7 million for fiscal years 2016 through 2020.

The trade name has been determined to have an indefinite life because there is no foreseeable limit on the period of time over which the trade name will generate cash flows.

Impairment testing and goodwill

On acquisition, goodwill is allocated to cash-generating units expected to benefit from the combination's synergies. Goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Goodwill acquired through business combinations has been allocated to CGUs for the purposes of impairment testing. When the carrying amount exceeds the estimated recoverable amount, the assets are written down to their recoverable amount. The recoverable amount of all of the Peacock Group's CGUs has been determined based on a value in use calculation.

Key assumptions

Estimation of the carrying value of goodwill is a key judgmental estimate in the preparation of the Peacock Group financial statements. The following key assumptions are used in the value in use calculation.

Profitability growth

Future profitability is based on a five year forecast period. The forecast considers historical experience, known trends, and expected performance to determine the outlook for future periods. The Peacock Group's history of revenue and earnings growth forecast is significant to the analysis. The Peacock Group may consider external source data regarding market and category growth, along with the current and expected relationships with key customers. Development of existing customer relationships, creation of new customer relationships, and attrition of the current customer base are all considerations. The Peacock Group takes a conservative approach with respect to key assumptions where significant uncertainty exists.

Capital expenditure

Capital expenditures are forecast at the levels required to maintain the existing capital base and make capital investments to develop new business in accordance with the estimated future profitability. The amount of capital expenditures are based, in part, on historical experience in existing facilities.

Working capital

Working capital requirements are based on historical trends and consider the working capital levels required to support the forecasted business growth.

Inflation

Management considers the U.S. inflation rate. Values assigned to the inflation rate are consistent with external sources and historical trends.

No impairment losses were recognised for the 2013, 2014 and 2015 fiscal years.

9. Property, plant and equipment

	Plant and machinery *$m*	*Fixtures and fittings* *$m*	*Leasehold improvements* *$m*	*Capital work in progress* *$m*	*Total* *$m*
Cost					
At 31 December 2012	54.0	3.3	29.8	3.5	90.6
Additions	16.5	1.2	33.7	7.2	58.6
Disposals	(0.1)	(0.3)	–	–	(0.4)
CIP transfer	0.1	–	6.2	(6.3)	–
At 29 December 2013	70.5	4.2	69.7	4.4	148.8
Additions	9.0	0.5	3.4	4.0	16.9
Disposals	(0.5)	–	(0.7)	–	(1.2)
CIP transfer	–	–	5.5	(5.5)	–
At 28 December 2014	79.0	4.7	77.9	2.9	164.5
Additions	6.4	0.2	0.9	1.5	9.0
Acquisitions through business combinations	12.0	1.1	2.7	0.3	16.1
Disposals	(1.3)	–	–	–	(1.3)
CIP transfer	1.0	–	0.3	(1.3)	–
At 27 December 2015	97.1	6.0	81.8	3.4	188.3
Depreciation					
At 31 December 2012	(14.4)	(1.3)	(8.2)	–	(23.9)
Depreciation change for the year	(9.3)	(0.7)	(3.4)	–	(13.4)
Disposals	–	0.3	–	–	0.3
At 29 December 2013	(23.7)	(1.7)	(11.6)	–	(37.0)
Depreciation change for the year	(10.4)	(0.8)	(6.9)	–	(18.1)
Disposals	0.5	–	–	–	0.5
At 28 December 2014	(33.6)	(2.5)	(18.5)	–	(54.6)
Depreciation change for the year	(12.2)	(0.7)	(8.0)	–	(20.9)
Disposals	1.2	–	–	–	1.2
At 27 December 2015	(44.6)	(3.2)	(26.5)	–	(74.3)
Net book amount					
At 29 December 2013	46.8	2.5	58.1	4.4	111.8
At 28 December 2014	45.4	2.2	59.4	2.9	109.9
At 27 December 2015	52.5	2.8	55.3	3.4	114.0

The Peacock Group did not capitalise any interest during the fiscal years ended 27 December 2015 and 28 December 2014. During the fiscal year ended 29 December 2013, $3.2 million of borrowing costs were capitalised relating to a major expansion project. The Peacock Group determined that 80% of the borrowings were related to this expansion project and therefore capitalised 80% of the borrowing costs incurred.

There was no impairment of the Peacock Group's long-lived assets, during the fiscal years ended 27 December 2015 and 28 December 2014, and 29 December 2013.

Asset held under finance leases

The net book amount and the depreciation charge during the year in respect of assets held under finance leases and capitalised in property, plant and equipment are as follows:

	27 December 2015 $m	*28 December 2014 $m*	*29 December 2013 $m*
Cost	3.7	0.2	0.2
Depreciation charge	(0.2)	–	–
Net book amount	3.5	0.2	0.2

10. Inventory

	27 December 2015 $m	*28 December 2014 $m*	*29 December 2013 $m*
Raw materials and consumables	21.3	15.6	12.0
Work in progress	2.1	2.5	1.9
Finished goods	4.7	4.6	3.6
Less reserve for obsolescence	(0.2)	(0.1)	(0.1)
	27.9	22.6	17.4

The amount recognised as an expense for inventory write-downs in 2015 was $0.7 million (2014: $0.6 million, 2013: $0.5 million).

The amount of inventory recognised as expense through cost of sales in 2015 was $838.0 million (2014: $663.3 million, 2013: $484.1 million).

11. Trade and other receivables

	27 December 2015 $m	*28 December 2014 $m*	*29 December 2013 $m*
Current			
Trade receivables	55.2	40.2	28.0
Less allowance for doubtful debts	(0.1)	(0.1)	(0.1)
	55.1	40.1	27.9
Prepaid expenses and other	2.0	1.6	2.9
Subtotal current	57.1	41.7	30.8
Non-current			
Other receivables	0.5	0.6	0.3
Total	57.6	42.3	31.1

The fair value of current receivables approximates book value due to their size and short-term nature. The Peacock Group’s exposure to credit risk related to trade and other receivables is set out in Note 17.

12. Trade and other payables

	27 December 2015 $m	28 December 2014 $m	29 December 2013 $m
Current			
Trade payables	48.5	42.9	30.4
Subtotal-current	48.5	42.9	30.4
Non-current			
Other payables	6.7	5.5	5.2
Total	55.2	48.4	35.6

The Peacock Group's exposure to liquidity is disclosed in Note 17.

13. Equity share capital

	Fiscal Year Ended		
	27 December 2015 $m	*28 December 2014 $m*	*29 December 2013 $m*
Authorised			
16,000,000 Common Shares of $0.001 each	0.02	0.02	0.02
Issued and fully paid			
8,857,771(2014: 8,794,198; 2013: 8,794,198 Common Shares of $0.001)	0.01	0.01	0.01
Reconciliation of movements on Equity Share Capital			
Share capital, at the beginning of year	0.01	0.01	0.01
Change in co-investments	(0.00)	–	(0.00)
Share capital at end of year	0.01	0.01	0.01

The voting, dividend, and liquidation rights of the holders of the Common Shares are subject to and qualified by the rights of the holders of the Preference Shares. Each holder of Common Shares is entitled to one vote for each share held at a meeting of stockholders.

14. Preference shares

As part of the Peacock Group's capital structure, Series A Preferred Stock has been issued to certain investors. These preference shares include a cumulative dividend on each share equal to the product of the Series A Base Value (as adjusted for stock dividends, stock splits, combinations, recapitalisations, or the like) times a rate of 10%, with such dividends to accrue daily in arrears, whether or not declared, and be compounded quarterly. The Series A Base Value means an amount equal to $9.90 per share.

These instruments have been reflected in the financial statements as a liability due to their nature and the dividends have been reflected as finance costs, whether or not declared, on the Consolidated Statement of Comprehensive Income. During the fiscal year ended 27 December 2015, the Peacock Group reversed $17.8 million of previously recognised finance costs. During the fiscal years ended 28 December 2014 29 December 2013, finance costs of $12.1 million and $11.0 million was recorded, respectively. The decrease in 2015 was directly attributable to the Peacock Group meeting its consolidated EBITDA threshold for the period 1 January 2015 to 31 December 2015. By meeting that threshold, the Peacock Group was no longer deemed to have accrued interest on the shares for the period following 30 June 2013. As a result, all finance costs from those periods was reversed and reflected as a decrease to finance costs in the fiscal year ended 27 December 2015.

On 27 July 2015, Peacock granted the investors in the Subordinated Debt preference shares in the Peacock Group. This conversion was completed to assist the Peacock Group in successfully refinancing the business

with the new revolver, first lien and second lien debt to provide the necessary funding to acquire L&L. Effective upon the exchange, the Subordinated Loan Agreement was terminated and additional preference shares were issued.

15. Borrowings

Long-term debt

Long-term debt consisted of the following:

	27 December 2015 $m	*28 December 2014 $m*	*29 December 2013 $m*
Revolving credit facility, interest rate of 5.25% at 27 December 2015	–	16.0	–
Term loan	–	186.6	–
First out and second out tranche loans due 21 December 2017	–	–	199.6
First Lien Term Loan, interest rate of 5.25% at 27 December 2015	284.3	–	–
Second Lien Term Loan, interest rate of 9.00% at 27 December 2015	55.0	–	–
Subordinated debt	–	55.4	45.1
Finance leases	2.1	0.1	0.2
Total long-term debt and capital leases	341.4	258.1	244.9
Current portion of long-term debt	(2.9)	(2.8)	–
Less unamortised debt discount	(14.2)	(4.7)	(4.1)
Long-term debt, net of current portion and debt discount	324.3	250.6	240.8

On 27 July 2015 the Peacock Group raised capital to fund its acquisition of L&L and repay its existing senior debt with lenders. The Peacock Group entered into a new $320 million First Lien Credit Facilities consisting of a $35 million Senior Secured Revolving Credit Facility (the "**Revolver**") and a $285 million Senior Secured First Lien Term Loan (the "**Senior Term Loan**"). The Revolver has a five year term to maturity while the Senior Term Loan has a seven year term to maturity. Additionally, the Peacock Group raised a $55 million Second Lien Senior Secured Term Loan (the "**Second Lien Loan**") which has an eight year term to maturity. These secured credit facilities are secured by perfected security interests in substantially all of the real and personal property of the Peacock Group, without limitation.

The new Revolver and Senior Term Loan carry an interest rate of London Interbank Offered Rate (LIBOR) plus 4.25% or the prime rate plus 3.25% depending on the Peacock Group's election with a LIBOR floor of 1.0%. The Revolver also contains an unused line of credit charge of 0.5% on the unused portion of the line of credit. There is $10 million carve-out availability for letters of credit, if needed. The Peacock Group maintains standby letters of credit for the benefit of three of its facility lessors. At 27 December 2015, the Peacock Group had three letters of credit for $3 million outstanding. The Senior Term Loan requires a 1% per annum minimum principal payment in four equal quarterly instalments of $0.7 million each and additionally requires the Peacock Group to begin an annual Excess Cash Flow calculation with the annual period ending 1 January 2017 and to pay additional principal on the Senior Term Loan of either 50%, 25% or 0% of the Excess Cash Flow depending on the First Lien Leverage Ratio as defined in the agreement. The Peacock Group would expect to be subject to the Excess Cash Flow Provisions and make a principal payment accordingly in April 2017 the 50% of Excess Cash Flow amount at its anticipated leverage rate. The Senior Term Loan has a springing Senior Lien Net Leverage financial covenant test only when the Revolver usage exceeds 35% of the $35 million line of credit. The Peacock Group was in compliance with its other debt covenants at 27 December 2015 and there was no financial covenant since the Peacock Group had less than 35% used under the Revolver (letters of credit only).

The Second Lien Loan carries an interest rate of LIBOR plus 8.0% (with a LIBOR floor of 1%) or the prime rate (Base Rate) plus 7.0% depending on the Peacock Group's election. The Second Lien Loan has call protection clause of 2% in the first year and 1% in the second year in the event of early prepayment. The loan has no financial covenants.

On 24 April 2014, the Peacock Group refinanced its revolving credit facility and term loans at that time with new lenders. The Peacock Group entered into a $237.5 million Senior Credit Agreement (the "**2014 Senior Credit Agreement**") consisting of a $50 million revolving loan and $187.5 million term loan for a six-year period maturing on 24 April 2020. The proceeds from the 2014 Senior Credit Agreement were primarily used to extinguish the Peacock Group's previous Senior Credit Facility due 21 December 2017 ("**Previous Senior Credit Facility**").

In 2014, the Peacock Group recorded a $10.1 million loss on extinguishment of debt related to the pay-down of the Previous Senior Credit Facility. This loss consisted of a $6.3 million penalty payment for the early repayment of the loan plus a non-cash loss on extinguishment charge of $3.8 million relating to the write-off of the unamortised deferred financing costs on the Statement of Financial Position from the Previous Senior Credit Facility.

The 2014 Senior Credit Agreement's revolving loan agreement carried an interest rate of London Interbank Offered Rate ("**LIBOR**") plus 4.0% or the prime rate plus 3.0% depending on the Peacock Group's election. It also contained an unused line of credit charge of 0.5% on the unused portion of the line of credit. There was a $10 million carve-out availability for letters of credit, if needed.

The term loan portion of the 2014 Senior Credit Agreement carried an interest rate of LIBOR plus 5.5% (with a LIBOR floor of 1%) or the prime rate plus 4.5% depending on the Peacock Group's election. The term loan portion required minimum scheduled quarterly principal payments of $0.5 million and additionally has an excess cash flow provision. The excess cash flow provision required the Peacock Group annually to measure excess cash flows and pay principal amounts equal to 50% of the excess cash flow, as defined in the agreement. At 28 December 2014, the Peacock Group calculated the excess cash flow payment due in 2015 to be $2.8 million, and this amount was classified as a current portion of long-term debt in the Peacock Group's Consolidated Statement of Financial Position as of 28 December 2014. These payments represent accelerated quarterly scheduled payments reducing scheduled principal payments required in 2015 and 2016 under the 2014 Senior Credit Agreement.

The 2014 Senior Credit Agreement required the Peacock Group to meet certain financial covenants and also restricts the payment of dividends. The Peacock Group was in compliance with its debt covenants at 28 December 2014. Borrowings and letters of credit under the New Senior Credit Agreement and the Subordinated Debt are secured by substantially all of the assets of the Peacock Group. The Peacock Group amended its new senior credit facility in April 2015 to modify certain period end dates and the definition of excess cash flow under the agreement.

Previous Senior Credit Facility

On 21 December 2010, the Peacock Group entered into a $200 million first out and second out Tranche Credit Facility (the "**Previous Senior Credit Facility**") and a $20 million revolving credit facility (together, the "**Credit Agreements**").

Interest on outstanding borrowings under the first out tranche loan was payable at LIBOR (subject to a minimum LIBOR of 6.5%) plus 1.5%. At 29 December 2013, the interest rate on outstanding borrowings under the first out tranche loan was 8%. Interest on outstanding borrowings under the second out tranche loan was payable at a rate of LIBOR (subject to a minimum LIBOR of 6.5%) plus 4.25%, plus the difference between the first out tranche and second out tranche interest rates, prorated based upon the ratio of the second out tranche to the first out tranche outstanding. In 2012, the Peacock Group amended its debt agreement to change the maximum leverage ratio covenant. The amendment added up to 2% of non-cash interest based upon the leverage ratio at the end of each quarter. In 2013, the Peacock Group further amended its debt agreement to eliminate the non-cash interest.

At 29 December 2013, interest on outstanding borrowings under the second out tranche loan was 12.4%. Borrowings outstanding on the first out and second out tranche loans were $73.8 million and $125.8 million, respectively, at 29 December 2013.

The Previous Senior Credit Facility was due in full at maturity on 21 December 2017. Interest was payable quarterly. Under certain circumstances, the Peacock Group would be required to make early principal payments based upon excess cash flows, as defined. The Senior Credit Facility lender also owns a non-controlling equity interest in the Peacock Group's parent.

Borrowings and letters of credit under the revolving credit facility were limited to $20 million, subject to further limitation based on the Peacock Group's eligible accounts receivable and inventory and outstanding letters of credit. As of 29 December 2013, the Peacock Group had $16.9 million available to borrow under its revolving credit facility. The revolving credit facility would have expired on 21 December 2015, at which time all outstanding borrowings would have been payable in full. At 28 December 2014 and 29 December 2013, interest on the revolving credit facility was payable at the Federal Funds Rate plus 1.50% or, at the Peacock Group's election, LIBOR plus 2.75%. Interest was payable quarterly or, in the case of LIBOR borrowings, at the expiration of the LIBOR commitment period elected, which ranges from one to three months.

An unused line fee of 1.0% per year (if revolver usage is less than or equal to $10 million) or 0.5% (if revolver usage is greater than $10 million) was payable quarterly based upon the unused portion of the revolving credit facility. A usage charge of 0.125% per annum was payable quarterly on the outstanding letters of credit.

The Previous Senior Credit Facility required the Peacock Group to meet financial covenants and restricted the payment of dividends. The Peacock Group was in compliance with its debt covenants at 29 December 2013.

On 24 April 2013, the Peacock Group entered into a $40 million Subordinated Debt Agreement (the "**Subordinated Debt**"). The Subordinated Debt lender also owns a controlling equity interest in the Peacock Group's parent. Non-cash interest on outstanding borrowings accrues at a rate of 20.75% per annum which is compounded quarterly. Principal and interest are both payable at maturity. The Peacock Group amended the Subordinated Debt in May 2014 to extend the maturity past the New Senior Agreement due on 23 April 2021.

Future maturities of long-term debt by year are as follows:

	27 December 2015	*28 December 2014*	*29 December 2013*
	$m	*$m*	*$m*
Between 1 and 2 years	3.4	2.8	0.1
Between 2 and 5 years	13.0	6.5	244.8
Over 5 years	325.0	248.8	–
	341.4	258.1	244.9

16. Operating lease revenue

As disclosed in Note 2, the Peacock Group has determined that, for certain contracts that provide for a capital recovery program, amounts reimbursed from customers for equipment purchases are accounted for as operating lease revenue. Amounts reimbursed from customers under these arrangements include reimbursements for the cost of the equipment and related installation and, in some arrangements, interest expense. These lease arrangements are cancellable by the customer at any time; however, if cancelled, the customer is contractually obligated to pay the Peacock Group for the unpaid principal balance.

Under these arrangements, the Peacock Group owns the equipment and, accordingly, records the equipment and leasehold improvements as assets and depreciates the assets over their estimated economic life. The cost and accumulated depreciation of assets owned by the Peacock Group under these lease arrangements at

27 December 2015, 28 December 2014, and 29 December 2013 are $53.6 million and $29.7 million; $45.2 million and $14.2 million; and $38.2 million and $13.0 million, respectively.

Future minimum operating lease revenues by year are as follows:

	27 December 2015 $m	*28 December 2014 $m*	*29 December 2013 $m*
Between 1 and 2 years	4.5	4.7	4.1
Between 2 and 5 years	5.4	8.9	5.5
Over 5 years	–	0.7	–
	9.9	14.3	9.6

17. Financial risk management and financial instruments

The Peacock Group's activities expose it to a variety of financial risks that include interest rate risk, liquidity risk, credit risk and price risk. These financial risks are actively managed by the Peacock Group under policies and guidelines approved by the board of directors of Peacock. The Peacock Group actively monitors market conditions with a view to minimising the exposure of the Peacock Group to changing market factors while at the same time minimising the volatility of the funding costs of the Peacock Group.

Fair value of financial instruments

The Peacock Group considers carrying amounts of cash equivalents, receivables, and accounts payable to approximate fair value due to the short maturity of these financial instruments. The Peacock Group determines the fair value of amounts outstanding under long-term debt agreements and the contingent consideration liability using discounted cash flow techniques. Refer to Note 17 for additional information.

The following table analyses assets and liabilities carried at fair value, by valuation method.

		2015		
	FV through income statement $m	*Financial liabilities at amortised cost $m*	*Carrying value $m*	*Fair value $m*
Preference shares*	–	175.8	175.8	175.8
First Lien Term Loan*	–	284.3	284.3	263.0
Second Lien Term Loan*	–	55.0	55.0	36.7
Finance lease*	–	2.1	2.1	2.1
Contingent consideration**	4.9	–	4.9	4.9

		2014		
	FV through income statement $m	*Financial liabilities at amortised cost $m*	*Carrying value $m*	*Fair value $m*
Preference shares*	–	129.5	129.5	129.5
First Lien Term Loan*	–	186.6	186.6	187.0
Subordinated Debt*	–	55.4	55.4	105.4
Finance lease*	–	0.2	0.2	0.2
Contingent consideration**	4.6	–	4.6	4.6
Revolving credit facility*	–	16.0	16.0	16.0

	2013			
	FV through income statement $m	*Financial liabilities at amortised cost $m*	*Carrying value $m*	*Fair value $m*
Preference shares*	–	117.3	117.3	117.3
First out and second out tranche loans*	–	199.6	199.6	193.1
Subordinated debt*	–	45.1	45.1	66.3
Finance lease*	–	0.2	0.2	0.2
Contingent consideration**	4.2	–	4.2	4.2

Level 2 instrument indicated by *

Level 3 instrument indicated by **

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (*i.e.* as prices) or indirectly (*i.e.* derived from prices).

Level 3: Inputs for the asset or liability that are not observable market data (unobservable inputs).

During the year, there were no transfers between the different levels identified above.

The significant unobservable inputs used in the fair value measurements categorised within Level 3 of the fair value hierarchy, together with a quantitative sensitivity analysis as of 27 December 2015, 28 December 2014 and 29 December 2013 are as shown below:

	Valuation technique	*Significant unobservable inputs*	*Range (used in calculation)*	*Sensitivity of the input to fair value*
Contingent consideration	DCF model	Time to payment	2015: 2015-2017 (2016) 2014: 2014-2016 (2015) 2013: 2013-2016 (2015)	2015: Change in payment timing one year sooner or one year later) would result in an increase (decrease) in fair value by $0.8 million and ($0.7 million), respectively. (2014: $0.4 million and ($2.8 million); 2013: $1.1 million and ($0.4 million))
		Discount rate	2015: 15.9%-17.9% (16.95%) 2014: 9.1%-11.1% (10.1%) 2013: 10.8%-12.8% (11.8%)	2015: Increase (decrease)in the discount rate would result in an increase (decrease) in fair value by $0.0 million (2014: $0.1 million; 2013: $0.1 million)

Interest rate risk

The Peacock Group's exposure to market risk for changes in interest rates arises from its floating rate borrowings, cash and cash equivalents and financial instruments. The Peacock Group's policy is to optimise interest cost and reduce volatility in reported earnings. This is managed by reviewing the debt profile of the Peacock Group regularly.

The interest rate profile of the Peacock Group's interest-bearing financial instruments as reported to the management of the Peacock Group is as follows.

	2015	*2014*	*2013*
	$m	*$m*	*$m*
Fixed rate financial liabilities			
Preference shares	175.8	129.5	117.3
Subordinated debt	–	55.4	45.1
Total	175.8	184.9	162.4
Floating-rate financial liabilities			
First Lien Term Loan	284.3	–	–
Second Lien Term Loan	55.0	–	–
Term Loan	–	186.6	–
Revolving credit facility	–	16.0	–
First out and second out tranche	–	–	199.6
Total	339.3	202.6	199.6

A reasonably possible change of 100 basis points in interest rates on floating rate borrowings at the reporting date would have increased (decreased) profit by the amounts shown below. This analysis assumes all other variables are constant.

	On profit after tax		
	2015	*2014*	*2013*
Effect of a downward movement of 100 basis points (positive=gain)	2.2	1.3	1.3
Effect of an upward movement of 100 basis points (negative=loss)	(2.2)	(1.3)	(1.3)

Liquidity risk

The Peacock Group's policy on funding capacity is to ensure that it always has sufficient long-term funding and committed bank facilities in place to meet foreseeable peak borrowing requirements with an appropriate level of additional headroom. A prudent approach to liquidity risk management is taken by the Peacock Group by spreading the maturities of its debt using long-term financing. The Peacock Group actively monitors the current and future funding requirements of the business on a daily basis. Excess funds are placed on short-term deposit for up to one month whilst ensuring that sufficient cash is available on demand to meet expected operational requirements.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

		2015 Contractual cash flows $m					
	Carrying amount	*Total*	*6 months*	*6-12 months*	*1-2 years*	*2-5 years*	*More than 5 years*
Non-derivative financial liabilities							
First Lien Term Loan	284.3	(379.4)	(8.9)	(8.8)	(17.6)	(51.8)	(292.3)
Second Lien Term Loan	55.0	(92.7)	(2.5)	(2.5)	(5.0)	(14.9)	(67.8)
Finance lease	2.1	(2.3)	(0.3)	(0.3)	(0.6)	(1.1)	–
Trade and other payables	48.5	(48.5)	(48.5)	–	–	–	–

		2014 Contractual cash flows $m					
	Carrying amount	*Total*	*6 months*	*6-12 months*	*1-2 years*	*2-5 years*	*More than 5 years*
Non-derivative financial liabilities							
Term Loan	186.6	(250.1)	(8.9)	(6.0)	(12.9)	(40.8)	(181.5)
Subordinated debt	55.4	(199.6)	–	–	–	–	(199.6)
Revolving credit facility	16.0	(16.0)	(16.0)	–	–	–	–
Finance lease	0.2	(0.1)	–	–	–	(0.1)	–
Trade and other payables	42.9	(42.9)	(42.9)	–	–	–	–

	2013						
	Contractual cash flows $m						
	Carrying amount	*Total*	*6 months*	*6-12 months*	*1-2 years*	*2-5 years*	*More than 5 years*
Non-derivative financial liabilities							
First out and second out tranche loans	199.6	(285.2)	(10.7)	(10.7)	(21.4)	(242.4)	–
Subordinated debt	45.1	(199.6)	–	–	–	–	(199.6)
Finance lease	0.2	(0.1)	–	–	–	(0.1)	–
Trade and other payables	30.4	(30.4)	(30.4)	–	–	–	–

The timing of any payment for both the Contingent consideration and the Preference shares is unknown at this time and therefore excluded from the above table.

Credit risk

Credit risk refers to the risk of financial loss to the Peacock Group if a counterparty defaults on its contractual obligations on financial assets held in the Statement of Financial Position. Risk is monitored both centrally and locally. The Peacock Group derives a significant proportion of its revenue from sales to a limited number of major customers. Sales to individual customers can be of significant value and the failure of any such customer to honour its debts could materially impact the Peacock Group's results. The Peacock Group derives significant benefit from trading with its large customers and manages the risk by regularly reviewing the credit history and rating of all significant customers.

The Peacock Group assessed the carrying value of other receivables based on management's assessment and knowledge of the counterparty. The amounts due were neither past due nor impaired at 27 December 2015, 28 December 2014, and 29 December 2013.

Concentration of credit risk

Financial instruments that potentially subject the Peacock Group to significant concentrations of credit risk consist principally of cash and accounts receivable. The Peacock Group maintains deposits with two financial institutions, which often exceed Federal Deposit Insurance Corporation insurance limits. The Peacock Group believes its deposits are at institutions with strong credit ratings.

Four customers accounted for 83%, 88%, and 81% of net sales for the fiscal years ended 27 December 2015, 28 December 2014, and 29 December 2013, respectively. Approximately 65%, 75%, and 83% of trade accounts receivable are due from these customers at 27 December 2015, 28 December 2014, and 29 December 2013, respectively.

Three suppliers accounted for approximately 31%, 32%, and 25% of total inventory purchases for the fiscal years ended 27 December 2015, 28 December 2014, and 29 December 2013, respectively. Approximately 25%, 38%, and 22% of trade accounts payable were due to these suppliers at 27 December 2015, 28 December 2014, and 29 December 2013, respectively.

Price risk

The Peacock Group purchases a variety of commodities which can be subject to significant price volatility. The price risk on these commodities is managed by the Peacock Group's purchasing function. It is the Peacock Group's policy to minimise its exposure to volatility by adopting an appropriate forward purchase strategy.

18. Provisions for liabilities

	Fiscal Year Ended 27 December 2015			
	Other Long-term Liabilities $m	*Asset Retirement Obligations $m*	*Short-term Liabilities $m*	*Total $m*
At beginning of year	5.7	2.5	8.7	16.9
Net utilised/Provided in year	(0.5)	(0.8)	2.6	1.3
At end of year	5.2	1.7	11.3	18.2

	Fiscal Year Ended 28 December 2014			
	Other Long-term Liabilities	*Asset Retirement Obligations*	*Short-term Liabilities*	*Total*
	$m	*$m*	*$m*	*$m*
At beginning of year	4.9	2.2	2.6	9.7
Net utilised/Provided in year	0.8	0.3	6.1	7.2
At end of year	5.7	2.5	8.7	16.9

	Fiscal Year Ended 29 December 2013			
	Other Long-term Liabilities	*Asset Retirement Obligations*	*Short-term Liabilities*	*Total*
	$m	*$m*	*$m*	*$m*
At beginning of year	0.8	1.3	2.8	4.9
Net utilised/Provided in year	4.1	0.2	(0.2)	4.1
Additional lease obligation	–	0.6	–	0.6
At end of year	4.9	2.1	2.6	9.6

Analysed as:

	2015	*2014*	*2013*
	$m	*$m*	*$m*
Non-current liabilities	6.9	8.2	7.0
Current liabilities	11.3	8.7	2.6
	18.2	16.9	9.6

Certain of the Peacock Group's leases require the Peacock Group to return the leased space to the original condition prior to exiting the lease, including the removal of installed leasehold improvements. Accretion expense for asset retirement obligations due to the passage of time is recognised as finance expense in the Consolidated Statements of Income. On 11 January 2016 the Peacock Group entered into a new commercial property 10 year and 3 month lease for a new production facility in Anaheim, California. The Peacock Group intends to relocate from their current Anaheim facility in spring 2016. The asset retirement obligations are measured based on the current discount rate at 27 December 2015, 28 December 2014, and 29 December 2013.

The Peacock Group is required to refund to the Peacock Group's previous owners any future tax savings it realises in cash related to certain acquisition-related expenses. The Peacock Group estimated the fair value of this liability to be $4.9 million, $4.6 million, and $4.2 million at 27 December 2015, 28 December 2014, and 29 December 2013, respectively, using a discounted cash flow method that involves the estimation of when the tax savings will be realised with a 10.35% discount rate for 2015 and 2014, and a 11.77% discount rate for 2013. This is considered a Level 3 fair value measurement. The Peacock Group has recorded this liability in the Statements of Financial Position as another long-term liability. The increase in the liability of $0.3 million during 2015 was recorded in finance costs in the Statement of Comprehensive Income.

19. Benefit plan

The Peacock Group provides a 401(k) savings plans covering all salaried employees. Under the plans, employees can voluntarily contribute up to 75% of their total compensation subject to certain income tax limitations. The Peacock Group matches 100% of the first 3% of employee contributions and 50% of the following 2% of employee contributions. All contributions vest immediately. Contributions made and expensed by the Peacock Group amounted to $0.7 million, $0.6 million, and $0.6 million for the fiscal years ended 27 December 2015, 28 December 2014, and 29 December 2013, respectively.

20. Commitments under operating and finance leases

Operating leases

The Peacock Group leases facilities and office equipment under non-cancellable operating leases. Certain of the Peacock Group's leases contain escalation clauses. Rent escalation clauses are considered in determining the total rent expense to be recognised during the term of the lease. Differences between periodic rent expense and periodic cash rental payments, caused primarily by recognising rent expense on a straight-line basis, are recorded as a deferred rent asset or liability on the Consolidated Statements of Financial Position.

Future minimum rental payments under these leases are as follows:

	27 December 2015 $m	*28 December 2014 $m*	*29 December 2013 $m*
Within one year	8.7	8.5	7.2
After one year but not more than five years	27.4	27.6	30.1
More than five years	30.0	35.8	41.5
	66.1	71.9	78.8

Rental expense under operating leases was $10.1 million, $9.4 million, and $9.2 million for the fiscal years ended 27 December 2015, 28 December 2014, and 29 December 2013, respectively. The foregoing amounts do not include real estate taxes, utilities, and insurance, which the Peacock Group is required to pay.

Finance leases

The future minimum lease payments under finance leases at 27 December 2015, together with the present value of the net minimum lease payments were as follows:

	27 December 2015		*28 December 2014*		*29 December 2013*	
	Minimum Payments $m	*Present value of payments $m*	*Minimum Payments $m*	*Present value of payments $m*	*Minimum Payments $m*	*Present value of payments $m*
Within one year	0.7	0.6	–	–	–	–
After one year but no more than five years	1.7	1.5	0.1	0.1	0.2	0.2
More than five years	–	–	–	–	–	–
Total minimum lease payments	2.4	2.1	0.1	0.1	0.2	0.2
Less: Amounts allocated to future finance costs	–	–	–	–	–	–
Present value of minimum lease payments	2.4	2.1	0.1	0.1	0.2	0.2

21. Related party disclosures

The principal related party relationships requiring disclosure in the consolidated financial statements under IAS 24, *Related Party Disclosures*, pertain to the existence of subsidiaries and related party transactions entered into by the Peacock Group, as well as the identification and compensation of key management personnel, as addressed below.

Sales to and purchases from, together with outstanding payables and receivables to and from subsidiaries, are eliminated in the preparation of the Peacock Group Financial Statements in accordance with IFRS 10, Consolidated Financial Statements. Amounts receivable from and payable to associates as at the balance sheet date are included as separate line items.

Key management personnel

For the purposes of the disclosure requirements of IAS 24 Related Party Disclosures, the term "key management personnel" (*i.e.* those persons having the authority and responsibility for planning, directing and controlling the activities of the Peacock Group), comprise the board of directors of Peacock which manages the business and affairs of the Peacock Group.

Key management personnel includes the following:

Tom Sampson, CEO
Chuck Metzger, COO
Marty Kroll, CFO
Neil DeFeo
George Koenigsaecker
John Pooley
Ryan Carroll
Tim Palmer
John Biotti

Key management personnel compensation was as follows:

	Fiscal Year Ended		
	27 December 2015	*28 December 2014*	*29 December 2013*
	$m	*$m*	*$m*
Salaries and other short-term employee benefits	1.8	1.0	1.0

Related party transactions

The Peacock Group is substantially owned by funds of a private equity firm, Charlesbank. The Peacock Group is charged an annual management fee of $0.5 million by the private equity firm. The Peacock Group has paid these annual management fees for the current year of 2015 in the amount of $0.5 million in addition to partially paying down the unpaid management fees at the end of 2014. The accrued management fee liability was $0.9 million, $1.8 million, $1.3 million at 27 December 2015, 28 December 2014, and 29 December 2013, respectively, and is included within current accrued liabilities in the Consolidated Statements of Financial Position.

The Peacock Group loaned $0.6 million to a new shareholder and a former owner of L&L to cover taxes on the gain from the sale of the business on the $2.0 million portion that the owner invested in the Peacock Group's shares as a new equity investment. The Peacock Group has presented this loan as a reduction of equity in other reserves in the financial statements as it is due from an equity holder in the Peacock Group. The loan is interest bearing and secured by the value of the shares owned, but is also a promissory note recoverable from the new shareholder in the event the value of the shares did not fully cover the amount of the loan outstanding.

22. Subsequent events

There were no significant subsequent events after the Statement of Financial Position date.

23. Board approval

The consolidated financial statements, for the years ended 27 December 2015, 28 December 2014, and 29 December 2013 were approved by the board of directors of Peacock and authorised for issue on 14 November 2016.

SECTION B: UNAUDITED FINANCIAL STATEMENTS OF THE PEACOCK GROUP FOR THE 52-WEEK PERIOD ENDED 25 SEPTEMBER 2016

Condensed Consolidated Statements of Comprehensive Income

		52 Weeks Ended	
		25 September 2016	*27 September 2015*
	Notes	*$m*	*$m*
Revenue		993.1	861.4
Cost of sales		918.7	806.5
Gross Profit		74.4	54.9
Operating costs			
Distribution costs		2.7	2.3
Administrative expenses		24.4	21.1
		27.1	23.4
Amortisation of acquisition-related intangibles	6	11.7	8.8
Group operating profit		35.6	22.7
Finance costs	4	(4.5)	38.7
Profit/(Loss) before taxation		40.1	(16.0)
Taxation	5	2.7	(3.9)
Profit/(Loss) for the financial year		37.4	(12.1)
Other comprehensive income		–	–
Total comprehensive income		37.4	(12.1)

Condensed Consolidated Statements of Financial Position

	Notes	25 September 2016 $m	27 September 2015 $m
Assets			
Non-current assets:			
Goodwill	6	140.6	140.6
Intangible assets	6	190.6	202.3
Property, plant and equipment	7	109.6	115.6
Prepaid		0.8	1.1
Other receivables		0.6	0.6
Current taxes receivable		–	–
Deferred tax assets		2.5	–
Total non-current assets		444.7	460.2
Current assets:			
Inventories		30.6	31.8
Trade and other receivables		66.9	59.3
Cash and cash equivalents		30.6	7.8
Total current assets		128.1	98.9
Total assets		572.8	559.1
Equity			
Capital and reserves attributable to equity holders of the Company:			
Share capital	8	–	–
Share premium	8	1.3	1.3
Retained loss		(48.3)	(85.7)
Other capital reserves		(0.6)	(0.6)
Total equity		(47.6)	(85.0)
Liabilities			
Non-current liabilities:			
Preference shares	9	175.8	204.8
Borrowings	9	324.0	324.6
Equity incentive plan liabilities	9	2.3	2.0
Other payables		8.7	6.3
Provisions for liabilities	10	8.9	7.2
Deferred tax liabilities		28.4	23.8
Total non-current liabilities		548.1	568.7
Current liabilities:			
Borrowings	9	2.9	2.9
Trade and other payables		60.2	61.6
Provisions for liabilities	10	9.2	10.9
Total current liabilities		72.3	75.4
Total liabilities		620.4	644.1
Total equity and liabilities		572.8	599.1

Condensed Consolidated Statements of Cash Flows

	52 Weeks Ended	
	25 September 2016	*27 September 2015*
	$m	*$m*
Operating activities		
Profit/(loss)	37.4	(12.1)
Non-cash adjustment to reconcile profit/(loss)		
Depreciation	23.0	19.5
Amortisation of intangibles	11.7	8.8
Amortisation of unfavourable leasehold liability	–	(0.2)
Loss/(gain) on disposal of property and equipment	0.2	0.2
Deferred tax provision	2.1	(3.9)
Employee share-based payments expense	0.3	1.0
Finance costs		
Non-cash interest expense	–	–
Amortisation of debt discount	2.2	0.5
Deferred interest expense	–	10.0
Amortisation of Deferred Financing Fees	0.2	0.1
Non-cash loss/(gain) on extinguishment of debt	–	–
Asset retirement obligation accretion, net	1.2	(0.6)
Interest on preference shares	(29.0)	14.3
Working capital movement:		
Trade accounts receivable, net	(9.9)	0.6
Inventories	1.2	(0.4)
Prepaid expenses and other	0.9	(0.1)
Trade accounts payable	(1.3)	(1.3)
Accrued liabilities and other liabilities	1.3	2.6
Taxes paid	–	–
Net cash flows from operating activities	41.5	39.0
Investing activities		
Investment in acquisition	1.3	(137.6)
Purchase of property, plant and equipment	(17.1)	(16.3)
Proceeds on disposal	–	–
Net cash outflow from investing activities	(15.8)	(153.9)
Financing activities		
Proceeds/(withdrawals) from sale of common stock	–	0.6
Borrowings under revolving line of credit	–	7.7
Repayments under revolving lines of credit	–	(32.7)
Finance Lease Payments	–	(0.4)
Finance Leases Proceeds	–	–
Debt issuance costs	–	(2.8)
Borrowings of long-term debt	–	340.0
Loan to Shareholder	–	(0.6)
Debt issuance costs paid to lender	–	(8.8)
Repayments on long-term debt	(2.9)	(187.0)
Issuances of Series A Pref, net	–	1.4
Net cash inflow/(outflow) from financing activities	(2.9)	117.4
Net (decrease)/increase in cash and cash equivalents	22.8	2.5
Cash and cash equivalents at beginning of year	7.8	5.3
Net cash and cash equivalents at end of year	30.6	7.8

Condensed Consolidated Statements of Changes in Equity

	Notes	*Share capital* *$m*	*Share premium* *$m*	*Other Capital Reserves* *$m*	*Accumulated Deficit* *$m*	*Total equity* *$m*
At 28 September 2014		–	0.7		(73.6)	(72.9)
Items of income and expense taken directly to equity						–
Profit/(loss) for the financial period		–	–	–	(12.1)	(12.1)
Total recognised income and expense for the financial year		–	–	–	(12.1)	(12.1)
Management Co-investment		–	0.6	–	–	0.6
Loan to shareholder		–	–	(0.6)	–	(0.6)
At 27 September 2015	8	–	1.3	(0.6)	(85.7)	(85.0)

	Notes	*Share capital* *$m*	*Share premium* *$m*	*Other Capital Reserves* *$m*	*Accumulated Deficit* *$m*	*Total equity* *$m*
At 28 September 2015		–	1.3	(0.6)	(85.7)	(85.0)
Items of income and expense taken directly to equity						–
Profit/(loss) for the financial period		–	–	–	37.4	37.4
Total recognised income and expense for the financial year		–	–	–	37.4	37.4
Management Co-investment		–	–	–	–	–
At 25 September 2016	8	–	1.3	(0.6)	(48.3)	(47.6)

Notes to the Condensed Consolidated Financial Statements
25 September 2016

1. Corporate information

CB-Peacock Holdings Inc. ("**Peacock**") is a Delaware corporation that owns and consolidates Peacock Holding Company ("**Peacock Holding**"), a Delaware corporation, Peacock Engineering Company LLC ("**Peacock Engineering**"), a Delaware limited liability company, and L&L Foods Holdings, LLC ("**L&L**"), a Delaware limited liability company (collectively referred to as "**Peacock**" or the "**Peacock Group**"). The Peacock Group are providers of contract packaging services primarily to the consumer food industry and a provider of packaged foods for produce and foodservice customers. The Peacock Group's product offerings include shelf-stable, refrigerated, and frozen primary and secondary packaging services, as well as supply chain management services. The Peacock Group has seven production facilities in the U.S. totalling over 2 million square feet in the Chicagoland area, Anaheim, California and Wilmington, Ohio. The Peacock Group's registered office is located at 1800 Averill Road, Geneva, IL.

2. Peacock Group statement of accounting policies

Statement of compliance

The interim condensed consolidated financial statements of Peacock have been prepared in accordance with International Financial Reporting Standards, as adopted by the EU ("**IFRS**") and their interpretations approved by the International Accounting Standards Board ("**IASB**").

Basis of preparation

The Peacock Group interim condensed consolidated financial statements, which are presented in US dollars and expressed in millions (unless otherwise stated), have been prepared in accordance with the Transparency Regulations, and with IAS 34 Interim Financial Reporting. The condensed consolidated financial statements represent an interim year end are based on the Peacock Group financial statements for related years.

After making enquiries, the directors have a reasonable expectation that the Peacock Group has adequate resources to continue operating for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the Peacock Group Condensed Financial Statements.

Accounting policies

The accounting policies and methods of computation adopted in the preparation of the Peacock Group condensed financial statements are consistent with those applied in the Consolidated Financial Statements for the fiscal year ended 27 December 2015 and are as set out in those financial statements.

The adoption of the remaining new standards and interpretations, as set out in the 2015 audited financial statements, that became effective for the Peacock Group's financial statements for the 52 weeks ended 25 September 2016 did not have any significant impact on the Peacock Group Condensed Financial Statements.

The Peacock Group has not adopted or early adopted new standards and amendments to standards and interpretations, as set out in the condensed consolidated financial statements for the fiscal year ended 27 December 2015. There have not been any new standards and interpretations that would impact the Peacock Group financial statements in the interim period.

3. Acquisition

Peacock acquired all of the outstanding stock of L&L, a California based company on 27 July 2015. Accordingly, the accompanying condensed consolidated financial statements of the Peacock Group reflect the condensed consolidated financial position of the Peacock Group as of 25 September 2016 and 27 September 2015. The condensed consolidated results of operations and cash flows of the Peacock Group include the results of L&L for the fiscal period beginning on 27 July 2015.

The purchase price paid by the Peacock Group consisted of the following:

Purchase price	$m 140.0
Working capital adjustments	(1.4)
Total purchase price	138.6
Finance lease obligations assumed	(2.3)
Cash paid	$m 136.3

The Peacock Group recognised the fair value of the net assets acquired and liabilities assumed at the acquisition date with the remaining unallocated amount recorded as goodwill for intangible assets.

The allocations reflect the final net working capital adjustments and other obligation reimbursements due from seller which were settled on 18 December 2015. Acquired goodwill represents the premium paid over the fair value of the net tangible assets acquired because the Peacock Group felt the acquisition would further expand their geographic footprint, expand their capabilities, add new customers and markets to serve and expand the businesses cash flow from operations. The goodwill from this business combination will be deductible for tax purposes. The principal factor contributing to goodwill on the acquisition of L&L is the expected growth potential for the business and its ability to complement the existing operations and product categories offered by the Peacock Group.

The following table summarises the allocation of the acquisition price to net assets acquired in the L&L acquisition:

Accounts receivable	$m 9.5
Inventory	7.7
Other current assets	0.2
Plant and equipment	8.8
Customer relationships	63.1
Non-compete	0.4
Goodwill	58.7
Total assets acquired	$m 148.4
Accounts payable	$m 9.3
Accrued liabilities	0.5
Finance leases	2.3
Total liabilities assumed	$m 12.1
Net assets acquired	$m 136.3

The Peacock Group also incurred $1.8 million of expenses related to third party legal, accounting and other professional due diligence services associated with the acquisition as well as outside consulting service expenses incurred for communication and business integration post acquisition. Such expenses are included in administrative expenses in the Condensed Consolidated Statements of Comprehensive Income.

4. Finance costs

	52 Weeks Ended	
	25 September 2016	*27 September 2015*
	$m	*$m*
Bank loans	22.8	14.5
Other borrowings	–	10.1
Interest on obligations under finance leases	0.1	–
Interest on preference shares	(29.0)	14.3
Unwind of discount on non-current payables	1.6	(0.2)
Total finance costs	(4.5)	38.7

Dividends on preference shares

In 2015, Peacock Holding extinguished the debt under the 2013 subordinated loan agreement *via* the issuance of Series A Preferred shares in Peacock. Any unpaid dividends are added to the redemption amount, as for the Series A Preferred Stock, and are classified as interest expense as they accrue. The interest accrued from 1 July 2013 through 27 December 2015 was reversed by ownership based upon the Company exceeding certain financial objectives.

5. Income taxes

Interim period tax is accrued using the tax rate that is estimated to be applicable to expected total annual earnings based on tax rates that were enacted or substantively enacted at the interim year end that is the estimated average annual effective income tax rate based on management's judgement applied to the taxable income of the interim period.

6. Goodwill and intangible assets

Additions to goodwill and intangible assets during the 52 week period ending 27 September 2015 are due to the acquisition of L&L. The Company's customer relationships intangibles are being amortised over 18 to 20 years. The non-compete agreement is being amortised on a straight line basis over a five year useful life. Amortisation expense related to intangibles for the interim year ended 25 September 2016 was $11.7 million (27 September 2015: $8.8 million). Estimated annual amortisation expense will be $11.7 million for the years 2017 through 2020.

The trade name has been determined to have an indefinite life because there is no foreseeable limit on the period of time over which the trade name will generate cash flows.

No impairment losses were recognised for the 52 weeks ended 25 September 2016 and 27 September 2015.

7. Property, plant and equipment

During the 52 weeks ended 25 September 2016, the Peacock Group made approximately $17.2 million (27 September 2015: $16.4 million) of additions to property, plant and equipment. There was no impairment of the Peacock Group's long-lived assets, during the 52 weeks ended 25 September 2016, and 27 September 2015.

The Peacock Group did not enter into any contractual commitments to purchase property, plant and equipment at 25 September 2016 or 27 September 2015.

8. Equity share capital

Issued capital as at 25 September 2016 amounted to $1.3 million (27 September 2015: $1.3 million). During the 52 weeks ended 25 September 2016, there were no shares issued (27 September 2015: 63,573 shares issued).

During the 52 weeks ended 27 September 2015, the Peacock Group loaned $0.6 million to a new shareholder and a former owner of L&L. The Peacock Group has presented this loan as a reduction of equity in other reserves in the financial statements as it is due from an equity holder in the Peacock Group. The loan is interest bearing and secured by the value of the shares owned, but is also a promissory note recoverable from the new shareholder in the event the value of the shares did not fully cover the amount of the loan outstanding.

9. Borrowings

Long-term debt

Long-term debt consisted of the following:

	25 September 2016 $m	*27 September 2015 $m*
First Lien Term Loan, interest rate of 5.25% at 27 December 2015	282.9	285.0
Second Lien Term Loan, interest rate of 9.00% at 27 December 2015	55.0	55.0
Finance leases	1.7	2.3
Total long-term debt and capital leases	339.6	342.3
Current portion of long-term debt	(2.9)	(2.9)
Less unamortised debt discount	(12.7)	(14.8)
Long-term debt, net of current portion and debt discount	324.0	324.6

Liabilities carried at fair value

	25 September 2016 $m	*27 September 2015 $m*
Equity incentive plan	2.3	2.0

Fair value of financial instruments at amortised cost

The following table analyses assets and liabilities carried at fair value. These are Level 3 fair value measurements because the Peacock Group used unobservable inputs (primarily its credit risk) to measure fair value using discounted cash flows. The different levels have been defined below.

	25 September 2016		*27 September 2015*	
	Carrying amount $m	*Fair value $m*	*Carrying amount $m*	*Fair value $m*
Preference shares	175.8	175.8	204.8	204.8
First Lien Term Loan	282.9	271.9	285.0	276.3
Second Lien Term Loan	55.0	47.0	55.0	44.2
Finance lease	1.7	1.7	2.3	2.2

On 27 July 2015 the Peacock Group raised capital to fund its acquisition of L&L and repay its existing senior debt with lenders. The Peacock Group entered into a new $320 million First Lien Credit Facilities consisting of a $35 million Senior Secured Revolving Credit Facility (the "**Revolver**") and a $285 million Senior Secured First Lien Term Loan ("**Senior Term Loan**"). The Revolver has a 5 year term to maturity while the Senior Term Loan has a 7 year term to maturity. Additionally, the Peacock Group raised a $55 million Second Lien Senior Secured Term Loan (the "**Second Lien Loan**") which has an 8 year term to maturity. These secured credit facilities are secured by perfected security interests in substantially all of the real and personal property of the Peacock Group, without limitation.

The new Revolver and Senior Term Loan carry an interest rate of London Interbank Offered Rate ("**LIBOR**") plus 4.25% or the prime rate plus 3.25% depending on the Peacock Group's election with a LIBOR floor of 1.0%. The Revolver also contains an unused line of credit charge of 0.5% on the unused

portion of the line of credit. There is $10 million carve-out availability for letters of credit, if needed. The Peacock Group maintains standby letters of credit for the benefit of three of its facility lessors. At 25 September 2016, the Peacock Group had three letters of credit for $3.4 million outstanding. The Senior Term Loan requires a 1% per annum minimum principal payment in four equal quarterly instalments of $0.7 million each and additionally requires the Peacock Group to begin an annual Excess Cash Flow calculation with the annual period ending 1 January 2017 and to pay additional principal on the Senior Term Loan of either 50%, 25% or 0% of the Excess Cash Flow depending on the First Lien Leverage Ratio as defined in the agreement. The Peacock Group would expect to be subject to the Excess Cash Flow Provisions and make a principal payment accordingly in April 2017 the 50% of Excess Cash Flow amount at its anticipated leverage rate. The Senior Term Loan has a springing Senior Lien Net Leverage financial covenant test only when the Revolver usage exceeds 35% of the $35 million line of credit. The Peacock Group was in compliance with its other debt covenants at 25 September 2016 and there was no financial covenant since the Peacock Group had less than 35% used under the Revolver (letters of credit only).

The Second Lien Loan carries an interest rate of LIBOR plus 8.0% (with a LIBOR floor of 1%) or the prime rate (Base Rate) plus 7.0% depending on the Peacock Group's election. The Second Lien Loan has call protection clause of 2% in the first year and 1% in the second year in the event of early prepayment. The loan has no financial covenants.

10. Provisions for liabilities

	52 Weeks Ended 25 September 2016			
	Other Long-term Liabilities	*Asset Retirement Obligations*	*Short-term Liabilities*	*Total*
	$m	*$m*	*$m*	*$m*
At beginning of year	5.4	1.8	10.9	18.1
Net utilised/Provided in year	0.5	1.2	(1.7)	–
At end of year	5.9	3.0	9.2	18.1

	52 Weeks Ended 27 September 2015			
	Other Long-term Liabilities	*Asset Retirement Obligations*	*Other Accrued Liabilities*	*Total*
	$m	*$m*	*$m*	*$m*
At beginning of year	5.7	2.4	8.6	16.7
Net utilised/Provided in year	(0.3)	(0.6)	2.3	1.4
At end of year	5.4	1.8	10.9	18.1

Analysed as

	25 September 2016	*27 September 2015*
	$m	*$m*
Non-current liabilities	8.9	7.2
Current liabilities	9.2	10.9
	18.1	18.1

11. Benefit plan

The Peacock Group provides a 401(k) savings plans covering all salaried employees. Under the plans, employees can voluntarily contribute up to 75% of their total compensation subject to certain income tax limitations. The Peacock Group matches 100% of the first 3% of employee contributions and 50% of the following 2% of employee contributions. All contributions vest immediately. Contributions made and

expensed by the Peacock Group as of the 52 weeks ended 25 September 2016 Peacock Group amounted to $0.9 million (27 September 2015: $0.7 million).

12. Auditor review

The condensed consolidated financial statements for the 52 weeks ended 25 September 2016, and 27 September 2015 have not been audited or reviewed by the auditor of the Peacock Group pursuant to the Auditing Practices Board guidance on Review of Interim Financial Statements.

13. Responsibility statement

The Directors are responsible for preparing the interim financial statements in accordance with the Transparency Regulations and with IAS 34 Interim Financial Reporting.

SECTION C: HISTORICAL FINANCIAL INFORMATION OF THE L&L GROUP FOR THE FINANCIAL YEARS ENDED 27 DECEMBER 2015, 31 DECEMBER 2014 AND 31 DECEMBER 2013

The following tables set out consolidated financial information of L&L for the financial years ended 27 December 2015, 31 December 2014 and 31 December 2013 prepared under IFRS as issued by the IASB and adopted in the European Union, and the accountant's report thereto, which was prepared in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom.

The consolidated financial information of L&L is presented in a form that is consistent with the accounting policies adopted by Greencore in its latest annual consolidated accounts.

The financial information relating to L&L is included in this Circular for the purposes of paragraph 13.5.17AR of the Listing Rules, which provides that, if the target has made an acquisition or a series of acquisitions that were made during, or subsequent to, the reporting periods set out in paragraph 13.5.13R of the Listing Rules, the listed company must include additional financial information tables so that the financial information presented by the listed company represents at least 75% of the enlarged target for the period from the commencement of the relevant three year reporting period set out in paragraph 13.5.13R(1) of the Listing Rules up to the date of the acquisition by the listed company or the last balance sheet date presented by it under paragraph 13.5.13R(1) of the Listing Rules, whichever of the two is earlier.

INDEPENDENT ACCOUNTANT'S REPORT OF L&L GROUP

The Directors
Greencore Group plc
2 Northwood Avenue
Northwood
Santry
Dublin
D09 X5N9
Ireland

14 November 2016

Dear Sir or Madam,

L&L Foods Holdings, LLC

We report on the financial information set out in Part IV (*Historical Financial Information*) of the class 1 circular dated 14 November 2016 of Greencore Group plc (the "**Circular**") for the years ended 27 December 2015, 31 December 2014 and 31 December 2013. This financial information has been prepared for inclusion in the Circular relating to the acquisition of Peacock on the basis of the accounting policies set out in Note 2. This report is required by paragraph 13.5.21R of the Listing Rules of the Financial Conduct Authority and is given for the purpose of complying with that paragraph and for no other purpose.

Responsibilities

The Directors of Greencore Group plc (the "**Company**") are responsible for preparing the financial information on the basis of preparation set out in Note 2 and in accordance with International Financial Reporting Standards as adopted by the European Union.

It is our responsibility to form an opinion on the financial information and to report our opinion to you.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and which we may have to Ordinary shareholders of the Company as a result of the inclusion of this report in the Circular, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with paragraph 13.4.1R(6) of the Listing Rules of the Financial Conduct Authority, consenting to its inclusion in the Circular.

Basis of opinion

We conducted our work in accordance with Standards for Investment Reporting issued by the Auditing Practices Board of the United Kingdom and Ireland. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of the significant estimates and judgments made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Opinion on financial information

In our opinion, the financial information gives, for the purposes of the Circular, a true and fair view of the state of affairs of L&L as at 27 December 2015, 31 December 2014 and 31 December 2013 and of its profits/losses, cash flows and recognised gains and losses for the years ended thereon in accordance with the basis of preparation set out in Note 2 and in accordance with International Financial Reporting Standards as adopted by the European Union as described in Note 2.

Yours faithfully,

KPMG
Chartered Accountants
Dublin, Ireland

Statements of Comprehensive Income

	Notes	*Fiscal Year Ended* 27 December 2015 *$m*	31 December 2014 *$m*	31 December 2013 *$m*
Revenue	2	157.0	100.1	63.9
Cost of sales		133.3	85.2	53.3
Gross Profit		23.7	14.9	10.6
Operating costs				
Payroll related costs		7.9	3.1	1.9
General and administrative		5.1	2.3	1.8
Depreciation and amortisation		2.0	1.5	1.2
		15.0	6.9	4.9
Operating profit		8.7	8.0	5.7
Gain on sale of asset		–	0.1	–
Finance costs	4	1.3	1.3	1.4
Profit before taxation		7.4	6.8	4.3
Tax expense		–	–	–
Profit		7.4	6.8	4.3
Other comprehensive income		–	–	–
Total comprehensive income		7.4	6.8	4.3

Statements of Financial Position

	Notes	*Fiscal Year Ended* 27 December 2015 $	31 December 2014 $	31 December 2013 $
Assets				
Non-current assets:				
Goodwill	6	22.4	22.4	22.4
Intangible assets	6	10.4	11.3	12.2
Property, plant and equipment	7	7.3	5.3	1.5
Prepaid	4	–	0.2	0.2
Total non-current assets		40.1	39.2	36.3
Current assets:				
Inventories	8	9.3	8.7	3.5
Trade and other receivables	9	8.0	6.7	4.0
Cash and cash equivalents		2.6	–	1.8
Other current assets		0.3	0.3	0.3
Total current assets		20.2	15.7	9.6
Total assets		60.3	54.9	45.9
Equity				
Capital and reserves attributable to equity holders of the Company:				
Contributed capital	15	50.6	19.4	19.4
Retained loss	15	(2.3)	(7.8)	2.6
Total equity		48.3	11.6	22.0
Liabilities				
Non-current liabilities:				
Borrowings	11	1.5	30.7	17.8
Other payables	10	1.3	–	–
Provisions for liabilities	14	–	–	–
Total non-current liabilities		2.8	30.7	17.8
Current liabilities:				
Borrowings	11	0.6	2.7	1.6
Trade and other payables	10	7.8	9.2	3.9
Provisions for liabilities	14	0.8	0.7	0.6
Total current liabilities		9.2	12.6	6.1
Total liabilities		12.0	43.3	23.9
Total equity and liabilities		60.3	54.9	45.9

Statement of Changes in Equity

	Contributed capital $m	*Retained loss $m*	*Total members' equity $m*
Balance at 31 December 2012	19.4	(0.5)	18.9
Distributions to Members	–	(1.2)	(1.2)
Profit	–	4.3	4.3
Balance at 31 December 2013	19.4	2.6	22.0
Distributions to Members	–	(17.2)	(17.2)
Profit	–	6.8	6.8
Balance at 31 December 2014	19.4	(7.8)	11.6
Distributions to Members	–	(1.9)	(1.9)
Contribution from Parent	31.2	–	31.2
Profit	–	7.4	7.4
Balance at 27 December 2015	50.6	(2.3)	48.3

Statement of Cash Flows

		Fiscal Year Ended		
		27 December 2015	*31 December 2014*	*31 December 2013*
	Notes	*$m*	*$m*	*$m*
Operating Activities				
Profit		7.4	6.8	4.3
Non-cash adjustment to reconcile net income to net cash flows:				
Depreciation and amortisation	7	2.0	1.5	1.2
Gain on sale of equipment		–	(0.1)	–
Working capital movement:				
Trade accounts receivable, net	9	(1.3)	(2.6)	(0.7)
Inventories	8	(0.6)	(5.2)	(1.0)
Prepaid expenses and other		0.3	(0.1)	–
Trade accounts payable	10	(1.4)	5.4	0.7
Provisions for liabilities	14	0.1	0.1	(0.7)
Net cash provided by operating activities		6.5	5.8	3.8
Investing Activities				
Purchases of property and equipment	7	(3.2)	(2.8)	(0.7)
Proceeds on disposal	7	–	0.2	–
Net cash used in investing activities		(3.2)	(2.6)	(0.7)
Financing Activities				
Borrowings under/(repayment) of finance leases	16	0.2	(0.4)	0.1
Borrowings under line of credit, net of repayments	11	(0.9)	0.8	0.7
Borrowings on long-term debt	11	–	29.4	–
Repayments on long-term debt	11	(29.3)	(12.2)	(1.3)
Debt issuance costs		–	(0.1)	–
Principal payments on seller notes	11	–	(5.3)	–
Contribution from parent	15	31.2	–	–
Distributions to members	15	(1.9)	(17.2)	(1.2)
Net cash used in financing activities		(0.7)	(5.0)	(1.7)
Net increase/(decrease) in cash and cash equivalents		2.6	(1.8)	1.4
Cash and cash equivalents at beginning of year		–	1.8	0.4
Net cash and cash equivalents at end of year		2.6	–	1.8
Supplemental disclosure of cash flow information				
Cash paid for interest		–	0.5	1.1

Notes to the Consolidated Financial Statements
27 December 2015

1. Corporate information

L&L Foods Holdings, LLC ("**L&L**") was formed as an acquisition company, on 3 October 2012. The Company began operations effective 19 October 2012 with the acquisition of the net assets of L&L Foods, Inc. ("**L&L Foods**"), a California corporation. The Company was subsequently acquired by Peacock Holding Company, a subsidiary of CB-Peacock Holdings Inc. ("**Peacock**" or "**Parent**"), on 27 July 2015.

L&L is primarily engaged in custom packaging of food and food products. L&L services two main business segments: retail salad producers and food service companies. L&L's registered office is located at 333 N. Euclid Way, Anaheim, California, USA.

2. Consolidated statement of accounting policies

Statement of compliance

The consolidated financial statements of L&L have been prepared in accordance with International Financial Reporting Standards, as adopted by the EU ("**IFRS**") and their interpretations approved by the International Accounting Standards Board ("**IASB**").

These financial statements for the year ended 27 December 2015 are the first L&L has prepared in accordance with IFRS. IFRS was adopted on 1 January 2013 along with the principles of IFRS 1. Refer to Note 3 for information on how L&L adopted IFRS.

Basis of preparation

The consolidated financial statements, which are presented in US dollars and rounded to millions (unless otherwise stated), have been prepared under the historical cost convention, as modified by the measurement at fair value of certain financial assets and financial liabilities, including share options and financial instruments. For cash-settled share-based payment transactions, IFRS requires an entity to measure the goods or services acquired and the liability incurred at the fair value of the liability. Until the liability is settled, the entity is required to re-measure the fair value of the liability at each reporting date and at the date of settlement, with any changes in value recognised in profit or loss for the period.

The accounting policies set out below have been applied consistently across L&L to all years presented, unless otherwise stated. The consolidated financial information of L&L is presented in a form that is consistent with the accounting policies adopted by Greencore in its latest annual consolidated accounts.

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, as well as the disclosure of contingent assets and liabilities at the Statement of Financial Position date and the reported amounts of revenues and expenses during the reporting period. Although these estimates, which are set out in Note 6, are based on management's best estimate of the amount, event or actions, actual results ultimately may differ from those estimates.

L&L's fiscal year ends on 27 December 2015. The comparative financial statements are for the years ended 31 December 2014 and 31 December 2013. Management determined the year end for 2015 would be 27 December 2015 due to the acquisition by Peacock.

In compliance with the requirements of IAS 1.36, *Presentation of Financial Statements*, the reason for the four day shorter period is the change-in-control that occurred during the year and the accompanying alignment of the reporting period with the new parent, Peacock. Peacock's fiscal year ends on the 52nd Sunday following the end of the prior fiscal year. The Statements of Financial Position for 2015, 2014, and 2013 fiscal years have been prepared as at 27 December 2015, 31 December 2014, and 31 December 2013, respectively. Management determined that the four day shorter period presented would not materially affect the comparability of the amounts presented in these financial statements.

New standards and interpretations

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 27 December 2015 and have not been applied in preparing these consolidated financial statements. None of these is expected to have a significant effect on the consolidated financial statements, except the following set out below:

IFRS 15, *Revenue from Contracts with Customers*, specifies how and when an IFRS reporter will recognise revenue as well as requiring such entities to provide users of financial statements with more informative, relevant disclosures. The standard provides a single, principles based five-step model to be applied to all contracts with customers. L&L is currently evaluating the impact that IFRS 15 will have on its financial statements. IFRS 15 is expected to be effective in 2018.

IFRS 9, *Financial Instruments*, addressed the classification, measurement and recognition of financial assets and liabilities. The Standard includes requirements for recognition and measurement, impairment, de-recognition and general hedge accounting. The IASB completed its project to replace IAS 39 in phases, adding to the standard as it completed each phase. L&L is currently evaluating the impact that IFRS 9 will have on its financial statements. IFRS 9 is expected to be effective in 2018.

IFRS 16 *Leases* is intended to replace IAS 17 *Leases* and IFRIC 4 *Determining whether an arrangement contains a lease*. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, the customer ("**lessee**") and the supplier ("**lessor**"). The standard brings most leases onto the Statement of Financial Position for lessees under a single model, eliminating the previous classifications of operating and finance leases. The only exemption to this treatment is for lease contracts with duration of less than one year. The onto the Statement of Financial Position sheet treatment will result in the grossing up of the Statement of Financial Position due to a right-of-use asset being recognised with an offsetting liability. Lessor accounting under the standard remains largely unchanged with previous classifications of operating and finance leases being maintained. L&L is currently evaluating the impact that IFRS 16 will have on its financial statements. It was issued in January 2016 and is expected to be effective in 2019, to be applied retrospectively or on a modified retrospective basis.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on L&L.

Revenue recognition

Revenue represents the fair value of the sale of goods and rendering of services to external customers in the ordinary course of L&L's activities. Revenue related to packaging is recognised when significant risks and rewards of ownership of the goods are transferred to the buyer, it is probable that the economic benefits will flow to L&L and the amount of revenue can be measured reliably, which generally arises when packaged products are shipped to customers or in accordance with specific terms and conditions agreed with customers.

L&L reports revenue on a gross basis, recognising the price for packaging services provided to the customer as revenue and the cost of the delivered inventory within cost of services. L&L recognises revenue gross based on the criteria of IAS18.IE21, *Revenue Recognition*, because L&L bears the risks and rewards of ownership on food product and packaging material inventory used to complete the packaging services and L&L is the primary obligor in the arrangement with the customer.

Property, plant and equipment

Property and equipment is stated at cost, less accumulated depreciation. The cost of property and equipment purchased prior to 19 October 2012 is being depreciated over its estimated economic life using an accelerated method of depreciation, while acquisitions made subsequent to that date are being depreciated over their estimated economic lives on a straight-line basis. Depreciation for financial reporting purposes commences when the assets are placed in service.

The following lives are used for the various categories of assets:

Plant and machinery	5 years
Leasehold improvements	15 years

Useful lives and residual values are reassessed annually.

Subsequent costs incurred relating to specific assets are included in an asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to L&L and the cost of the item can be measured reliably. All other costs are charged to the Statement of Comprehensive Income during the financial period in which they are incurred.

The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amounts may not be recoverable. When the carrying amount exceeds the estimated recoverable amount, the assets are written down to their recoverable amount.

The recoverable amount of property, plant and equipment is the greater of fair value less costs to sell and value in use. In assessing value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses are recognised in the Statement of Comprehensive Income.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Comprehensive Income. Following the recognition or reversal of an impairment loss, the depreciation charge applicable to the asset is adjusted prospectively in order to systematically allocate the revised carrying amount, net of any residual value, over the remaining useful life.

Impairment of long-lived assets

Depreciable and amortisable long-lived assets that are held and used are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If such assets are considered to be impaired, the impairment to be recognised is measured by the amount by which the carrying amount of the assets exceeds their fair value. Assets to be disposed of are reported at the lower of their carrying amount or fair value less cost to sell. No long-lived asset impairments were recorded in 2015, 2014 or 2013 and no long-lived assets were being held for disposal as of 27 December 2015.

Finance leases

Leases of property, plant and equipment, where L&L obtains substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased item and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charge so as to achieve a constant interest charge on the finance balance outstanding. The interest element of the finance cost is charged to the Statement of Comprehensive Income over the lease period. Assets held under finance leases are depreciated over the shorter of their expected useful lives or the lease term, taking into account the time period over which benefits from the leased assets are expected to accrue to L&L.

Goodwill

Goodwill represents the difference between the fair value of the consideration given over the fair value of L&L's share of the identifiable net assets of the acquired subsidiary at the date of acquisition. Any excess of the fair value of the net assets acquired over the fair value of the consideration given (*i.e.* discount on acquisition) is credited to the Statement of Comprehensive Income in the period of acquisition.

Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. On acquisition, goodwill is allocated to cash-generating units expected to benefit from the combination's synergies. Goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Any impairment is recognised immediately in the Statement of Comprehensive Income.

Inventories

Inventories consist of raw materials and finished goods. Inventories are valued at the lower of cost or market, determined using the average cost method. Inventory cost represents the cost of purchased assets less any vendor discounts. Inventories are purchased on an as-needed basis, resulting in little to no inventory obsolescence. The inventory reserve was $0.1 million, $0.0 million, and $0.0 million as of 27 December 2015, 31 December 2014 or 2013.

Trade and other receivables

Accounts receivable are customer obligations due under normal trade terms. L&L performs continuing credit evaluations of its customers' financial condition and generally does not require collateral. L&L carries its accounts receivable at cost, and uses the direct write-off method to account for uncollectible accounts receivable, which management believes is not materially different from the allowance method. Management reviews accounts receivable on a regular basis to determine if any receivables are uncollectible. After all attempts to collect have failed, the receivable is written off. No accounts receivables were written off as bad debt during the year ended 27 December 2015, 31 December 2014 and 2013.

Cash and cash equivalents

L&L considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. L&L had no cash equivalents as of 27 December 2015, 31 December 2014 or 2013.

L&L maintains cash deposits with federally insured financial institutions that may, at times, exceed federally insured limits. The amounts outstanding in excess of federally insured limits as of 27 December 2015, 31 December 2014 and 31 December 2013, were $2.4 million, $0.0 million and $1.5 million. L&L has not incurred any losses from such accounts, and management considers the risk to be minimal.

Trade and other payables

Trade and other payables are initially recorded at fair value. Where the time value of money is material, payables are carried at amortised cost.

Provisions

Provisions are recognised when L&L has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligation as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligation may be small.

Where L&L expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of Comprehensive Income net of any reimbursement.

A contingent liability is disclosed where the existence of an obligation will only be confirmed by future events, or where the amount of the obligation cannot be measured with reasonable reliability. Contingent assets are not recognised, but are disclosed where an inflow of economic benefits is probable.

Borrowings

All loans and borrowings are initially recognised at fair value less any directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses arising on the settlement or cancellation of liabilities are recognised in finance income and finance costs as appropriate.

Borrowings are classified as current liabilities unless L&L has an unconditional right to defer settlement of the liability for at least 12 months after the Statement of Financial Position date.

Finance costs

Finance costs includes interest on borrowings and unwind of discount on liabilities that are recognised in profit or loss.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Deferred loan costs

Deferred loan costs were amortised over the contractual term of the underlying debt instruments using the straight-line method of amortisation, which approximates the effective interest method. Amortisation of deferred loan costs included in interest expense on the accompanying statements of operations for the years ended 27 December 2015, 31 December 2014 and 2013 was $0.0 million, $0.04 million and $0.04 million, respectively. There is no estimated future amortisation expense as the debt was extinguished in the year ending 27 December 2015.

Income taxes

L&L is a Delaware limited liability company and is not required to pay federal income tax. Accordingly, no federal income tax expense has been recorded in the financial statements for the years ended 27 December 2015, 31 December 2014 and 2013. L&L's federal taxable income is included in the personal tax returns of the members, however, L&L may pay state income taxes as part of a combined filing of affiliated entities. The provision for state margin tax was approximately $0.0 million, $0.0 million, and $0.0 million for the years ended 27 December 2015, 31 December 2014 and 2013, respectively. In addition, through its ongoing operations, L&L may be subject to other taxes of different states.

Employee benefits

Wages, salaries, bonuses, social security contributions, paid annual leave and sick leave are accrued in the period in which the associated services are rendered by the employees of L&L. Termination benefits are payable when employment is terminated by L&L before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. L&L recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without the possibility of withdrawal, or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

3. First-time adoption of IFRS

IFRS 3 Business Combinations

IFRS 1 provides the option to apply IFRS 3 *Business Combinations*, prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date. Business combinations occurring prior to the transition date have therefore not been restated.

Mandatory exceptions

Set out below are the applicable mandatory exceptions in IFRS 1 applied in the conversion from US GAAP to IFRS:

Exception for estimates

IFRS estimates as of 1 January 2013 are consistent with the estimates as of the same date made in conformity with US GAAP.

Classification and measurement of financial assets

Classification and measurement of financial assets must be based on facts and circumstances existing at the IFRS transition date. L&L has trade and other receivables, amounts due from related parties, and cash and cash equivalents which are considered financial assets and have been classified and measured at the IFRS transition date.

Reconciliations of US GAAP to IFRS

IFRS 1 requires L&L to reconcile equity, comprehensive income, and cash flows for certain dates and periods. L&L's first-time adoption of IFRS did not result in any re-measurements as of 1 January 2013 and for the year ending 31 December 2013.

4. Finance costs

	Fiscal Year Ended		
	27 December 2015	*31 December 2014*	*31 December 2013*
	$m	*$m*	*$m*
Finance Costs			
Bank Loans	1.0	1.3	1.4
Interest on obligations under finance leases	0.1	–	–
Other borrowings	0.2	–	–
Total finance costs	1.3	1.3	1.4

Deferred financing costs

Deferred financing costs at 27 December 2015, 31 December 2014, and 31 December 2013 of $0.0 million, $0.02 million, and $0.02 million, respectively, are amortised over the term of the related debt as a component of interest expense and reflected as a prepaid on the Statement of Financial Position. There were no deferred financing costs at 27 December 2015 as the Term Note, the revolving credit line ("**LOC**"), and the Master Non-Revolving Note were paid in full during the year ended 27 December 2015.

5. Income taxes

L&L is a Delaware limited liability company and is not required to pay federal income tax. Accordingly, no federal income tax expense has been recorded in the financial statements for the years ended 27 December 2015, 31 December 2014 and 2013. There was no state tax provision or benefit for the years ended 27 December 2015, 31 December 2014 or 31 December 2013. In addition, through its ongoing operations, L&L may be subject to other taxes of different states.

6. Goodwill and intangible assets

	27 December 2015		31 December 2014		31 December 2013	
	Original Cost	*Accumulated Amortisation*	*Original Cost*	*Accumulated Amortisation*	*Original Cost*	*Accumulated Amortisation*
	$m	*$m*	*$m*	*$m*	*$m*	*$m*
Goodwill	22.4	–	22.4	–	22.4	–
Customer relationships	13.2	2.8	13.2	2.0	13.2	1.1
Non-compete	0.1	0.1	0.1	–	0.1	–
Total	35.7	2.9	35.7	2.0	35.7	1.1

	Goodwill	*Customer*	*Non-compete*	*Total*
	$m	*$m*	*$m*	*$m*
Year ended 27 December 2015				
Opening net book amount	22.4	11.2	0.1	33.7
Additions	–	–	–	–
Amortisation	–	(0.9)	–	(0.9)
Total	22.4	10.3	0.1	32.8

	Goodwill	*Customer*	*Non-compete*	*Total*
	$m	*$m*	*$m*	*$m*
Year ended 31 December 2014				
Opening net book amount	22.4	12.1	0.1	34.6
Additions	–	–	–	–
Amortisation	–	(0.9)	–	(0.9)
Total	22.4	11.2	0.1	33.7

	Goodwill	*Customer*	*Non-compete*	*Total*
	$m	*$m*	*$m*	*$m*
Year ended 31 December 2013				
Opening net book amount	22.4	13.0	0.1	35.5
Additions	–	–	–	–
Amortisation	–	(0.9)	–	(0.9)
Total	22.4	12.1	0.1	34.6

The non-compete agreement, which had an initial value of $0.1 million, is being amortised on a straight line basis over a five year useful life. The customer list, which had an initial value of $13.2 million, is being amortised on a straight-line basis over a fifteen year estimated useful life. Amortisation expense was $0.9 million for the years ended 27 December 2015, 31 December 2014 and 2013, respectively.

Impairment testing and goodwill

On acquisition, goodwill is allocated to cash-generating units expected to benefit from the combination's synergies. Goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Goodwill acquired through business combinations has been allocated to CGUs for the purposes of impairment testing. When the carrying amount exceeds the estimated recoverable amount, the assets are written down to their recoverable amount. The recoverable amount of all of L&L's CGUs has been determined based on a value in use calculation.

Key assumptions

Estimation of the carrying value of goodwill is a key judgmental estimate in the preparation of the financial statements. The following key assumptions are used in the value in use calculation.

Profitability growth

Future profitability is based on a five year forecast period. The forecast considers historical experience, known trends, and expected performance to determine the outlook for future periods. L&L's history of revenue and earnings growth forecast are significant to the analysis. L&L may consider external source data regarding market and category growth, along with the current and expected relationships with key customers. Development of existing customer relationships, creation of new customer relationships, and attrition of the current customer base are all considerations. L&L takes a conservative approach with respect to key assumptions where significant uncertainty exists.

Capital expenditure

Capital expenditures are forecast at the levels required to maintain the existing capital base and make capital investments to develop new business in accordance with the estimated future profitability. The amount of capital expenditures are based, in part, on historical experience in existing facilities.

Working capital

Working capital requirements are based on historical trends and consider the working capital levels required to support the forecasted business growth.

Inflation

Management considers the US inflation rate. Values assigned to the inflation rate are consistent with external sources and historical trends.

No impairment losses were recognised for the 2013, 2014 and 2015 fiscal years.

7. Property, plant and equipment

	Plant and Machinery $m	*Leasehold improvements $m*	*Capital work in progress $m*	*Total $m*
Accumulated Cost				
At 1 January 2013	1.0	–	–	1.0
Additions	0.4	–	0.4	0.8
Disposals	–	–	–	–
CIP transfer	–	–	–	–
At 31 December 2013	1.4	–	0.4	1.8
Additions	3.0	0.7	0.8	4.5
Disposals	(0.2)	–	–	(0.2)
CIP transfer	–	–	–	–
At 31 December 2014	4.2	0.7	1.2	6.1
Additions	1.0	0.1	2.1	3.2
Disposals	–	–	–	–
CIP transfer	1.4	0.3	(1.7)	–
At 27 December 2015	6.6	1.1	1.6	9.3

	Plant and Machinery $m	*Leasehold improvements $m*	*Capital work in progress $m*	*Total $m*
Accumulated Depreciation				
At 1 January 2013	–	–	–	–
Depreciation charge for the year	0.3	–	–	0.3
Disposals	–	–	–	–
At 31 December 2013	0.3	–	–	0.3
Depreciation charge for the year	0.5	–	–	0.5
Disposals	–	–	–	–
At 31 December 2014	0.8	–	–	0.8
Depreciation charge for the year	1.0	0.2	–	1.2
Disposals	–	–	–	–
At 27 December 2015	1.8	0.2	–	2.0
Net book amount				
At 31 December 2013	1.1	–	0.4	1.5
At 31 December 2014	3.4	0.7	1.2	5.3
At 27 December 2015	4.8	0.9	1.6	7.3

There was no impairment of L&L's long-lived assets, during the fiscal years ended 27 December 2015, 31 December 2014, and 31 December 2013. Depreciation expense was $1.2 million, $0.5 million, and $0.3 million for the fiscal years ended 27 December 2015, 31 December 2014, and 31 December 2013.

8. Inventory

	27 December 2015 $m	*31 December 2014 $m*	*31 December 2013 $m*
Raw materials and consumables	8.2	7.6	2.8
Finished goods	1.1	1.1	0.7
Total	9.3	8.7	3.5

The amount recognised as an expense for inventory write-downs in 2015 was $0.2 million (2014: $0.0 million, 2013: $0.3 million).

The amount of inventory recognised as expense in 2015 was $133.3 million (2014: $85.2 million, 2013: $53.3 million).

9. Trade and other receivables

	27 December 2015 $m	*31 December 2014 $m*	*31 December 2013 $m*
Current			
Trade receivables	8.0	6.7	4.0
Less allowance for doubtful debts	–	–	–
Subtotal – current	8.0	6.7	4.0
Non-current			
Other receivables	–	–	–
Total	8.0	6.7	4.0

The fair value of current receivables approximates book value due to their size and short-term nature.

L&L's exposure to credit risk and impairment losses related to trade and other receivables is set out in Note 12.

10. Trade and other payables

	27 December 2015 $m	*31 December 2014 $m*	*31 December 2013 $m*
Current			
Trade payables	7.8	9.2	3.9
Subtotal – current	7.8	9.2	3.9
Non-current			
Other payables	1.3	–	–
Total	9.1	9.2	3.9

L&L's exposure to liquidity and currency risk is disclosed in Note 12.

11. Borrowings

	27 December 2015 $m	*31 December 2014 $m*	*31 December 2013 $m*
Non-current			
Line of Credit	–	2.2	1.4
Bank borrowings	–	27.1	10.8
Seller Note Payable	–	–	5.3
Finance leases	1.5	1.4	0.3
Less unamortised debt discount	–	–	–
Subtotal – non-current	1.5	30.7	17.8
Current			
Bank borrowings	–	2.2	1.3
Finance leases	0.6	0.5	0.3
Subtotal – current	0.6	2.7	1.6
Total borrowings	2.1	33.4	19.4

Bank borrowings and line of credit

On 19 October 2012, as part of the purchase of L&L Foods, L&L entered into an instalment term note (the "**Term Note**"), a revolving credit line ("**LOC**"), and a master non-revolving note (the "**Master Non-Revolving Note**") for $13.5 million, $3.0 million, and $2.5 million, respectively. All three notes had an original maturity date of 19 October 2016. The LOC and the Term Note bore interest at LIBOR plus 4% (effectively 4.24% as of 31 December 2013) and plus 4.5% (effectively 4.74% at 31 December 2014) per annum, respectively. The Master Non-Revolving Note bore interest at LIBOR plus the applicable margin, but has not been drawn on. Interest on the Term Note was accrued and payable quarterly, subject to certain required quarterly principal payments of $0.3 million. As of 31 December 2014 these notes had been refinanced and there was no outstanding principal balance. As of 31 December 2013, the total principal balance outstanding on these notes was $14.0 million. These notes also contained various financial and non-financial covenants, including maintaining certain minimum fixed charge coverage and maximum funded debt to EBITDA ratios.

On 22 October 2014, L&L restructured the Term Note, the LOC, and the Master Non-Revolving Note and entered into a new Term Note and Master Revolving Note for $29.4 million and $5.0 million, respectively. Both notes were set to mature on 17 October 2019. As defined by the Term Note Agreement, the Term Note bore interest at variable rates based on the amount of senior debt (as defined) to EBITDA (as defined) ratio. The base rate ranged from 1.75% to 2.25%, while the margin rate (as defined) ranged from 2.75% plus LIBOR to 3.25% plus LIBOR. As of 31 December 2014, the effective rate on the Term Note was 5.50%. Escalating principal payments (as defined) were due quarterly beginning in January 2015 with an initial principal payment of $0.6 million. A final lump sum payment was to be due 17 October 2019. Based on the Master Revolving Note agreement, the Master Revolving Note also bore interest at variable rates based on the amount of senior debt (as defined) to EBITDA (as defined) ratio. The base rate ranged from 1.50% to 2.00%, while the margin rate (as defined) ranged from LIBOR 2.50% to LIBOR plus 3.00%. As of 31 December 2014, the effective rate on the Master Revolving Note was 5.25%. All outstanding principal and interest related to the Master Revolving Note were to be due upon maturity. These agreements also contain various financial and non-financial covenants, including maintaining certain minimum fixed charge coverage and maximum funded debt to EBITDA ratios.

The Term Note, the LOC, and the Master Non-Revolving Note were paid in full during the year ended 27 December 2015 upon change of control.

Finance leases

L&L has entered into finance lease agreements with TCF Equipment Finance, Inc., Comerica Leasing Corporation, GE Capital, Wells Fargo Equipment Finance, and De Lange Landen Financial Services. The lease terms and interest rates vary for these finance leases. The balance on finance lease obligations at 27 December 2015, 31 December 2014 and 31 December 2013 was $2.1 million, $1.9 million, and $0.5 million, respectively.

Seller Note payable

On 19 October 2012, as part of the purchase of L&L Foods, L&L entered into a $5.0 million subordinated 10% unsecured note with the Seller (the "Seller Note"). The Seller Note had a maturity date of 19 October 2015 and bore cash and payment-in-kind interest at 5% per annum each. The cash interest portion was payable annually while the paid-in-kind interest portion was capitalised annually and payable at maturity. The Seller Note was paid in full during the year ended 31 December 2014. As of 31 December 2013, the principal outstanding on the Seller Note was $5.0 million.

Fair value of debt

The fair value of long-term debt at 27 December 2015, 31 December 2014, and 31 December 2013, was $0.0 million, $31.5 million, and $18.9 million, respectively. The corresponding carrying value of long-term debt at 27 December 2015, 31 December 2014, and 31 December 2013, was $0.0 million, $29.4 million, and $12.1 million respectively. This is a Level 3 fair value measurement because L&L used unobservable inputs (primarily its credit risk) to measure fair value using discounted cash flows.

12. Financial risk management and financial instruments

L&L's activities expose it to a variety of financial risks that include interest rate risk, liquidity risk, credit risk and price risk. These financial risks are actively managed by L&L under policies and guidelines approved by the board of directors of L&L. L&L actively monitors market conditions with a view to minimising the exposure of L&L to changing market factors while at the same time minimising the volatility of the funding costs of L&L.

Fair value of financial instruments

L&L considers carrying amounts of cash equivalents, receivables, and accounts payable to approximate fair value due to the short maturity of these financial instruments. L&L determines the fair value of amounts outstanding under long-term debt agreements and the contingent consideration liability using discounted cash flow techniques. Refer to Note 11 for additional information.

	27 December 2015		
	FV through income statement	*Financial liabilities at amortised cost*	*Fair Value*
	$m	*$m*	*$m*
Finance Leases	–	2.1	2.1
Total	–	2.1	2.1

	31 December 2014		
	FV through income statement	*Financial liabilities at amortised cost*	*Fair Value*
	$m	*$m*	*$m*
Finance Leases	–	1.9	1.9
Debt – Term Note	–	29.4	29.4
Revolving credit facility	–	2.1	2.1
Total	–	33.4	33.4

	31 December 2013		
	FV through income statement	*Financial liabilities at amortised cost*	*Fair Value*
	$m	*$m*	*$m*
Finance Leases	–	0.5	0.3
Debt – Term Note	–	12.2	12.2
Note Payable	–	5.3	5.3
Revolving credit facility	–	1.4	1.4
Total	–	19.4	19.2

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (*i.e.* as prices) or indirectly (*i.e.* derived from prices).

Level 3: Inputs for the asset or liability that are not observable market data (unobservable inputs).

During the year, there were no transfers between the different levels identified above. All financial instruments were considered Level 2.

Interest rate risk

L&L's exposure to market risk for changes in interest rates arises from its floating rate borrowings, cash and cash equivalents and financial instruments. L&L's policy is to optimise interest cost and reduce volatility in reported earnings. This is managed by reviewing the debt profile of L&L regularly. Note that L&L does not have any fixed rate borrowings.

A reasonably possible change of 100 basis points in interest rates on floating rate borrowings at the reporting date would have increased (decreased) profit by the amounts shown below. This analysis assumes all other variables are constant.

	On profit		
	2015	*2014*	*2013*
	$m	*$m*	*$m*
Effect of a downward movement of 100 basis points (positive=gain)	–	0.3	0.2
Effect of an upward movement of 100 basis points (negative=loss)	–	(0.3)	(0.2)

Liquidity risk

L&L's policy on funding capacity is to ensure that it always has sufficient long-term funding and committed bank facilities in place to meet foreseeable peak borrowing requirements with an appropriate level of additional headroom. A prudent approach to liquidity risk management is taken by L&L by spreading the maturities of its debt using long-term financing. L&L's treasury department actively monitors the current and future funding requirements of the business on a daily basis. Excess funds are placed on short-term deposit for up to one month whilst ensuring that sufficient cash is available on demand to meet expected operational requirements.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

				2015			
				Contractual cash flows $m			
	Carrying amount	*Total*	*6 months*	*6 –12 months*	*1 – 2 years*	*2 – 5 years*	*More than 5 years*
Non-derivative financial liabilities							
Finance Leases	2.1	(2.3)	(0.3)	(0.3)	(0.6)	(1.1)	–
Trade and other payables	7.8	(7.8)	(7.8)	–	–	–	–

				2014			
				Contractual cash flows $m			
	Carrying amount	*Total*	*6 months*	*6 –12 months*	*1 – 2 years*	*2 – 5 years*	*More than 5 years*
Non-derivative financial liabilities							
Debt – Term Note	29.4	(32.8)	(1.7)	(1.7)	(4.1)	(25.3)	–
Revolving credit facility	2.1	(2.1)	(2.1)	–	–	–	–
Finance Leases	1.9	(2.1)	(0.2)	(0.2)	(0.5)	(1.2)	–
Trade and other payables	9.2	(9.2)	(9.2)	–	–	–	–

				2013			
				Contractual cash flows $m			
	Carrying amount	*Total*	*6 months*	*6 –12 months*	*1 – 2 years*	*2 – 5 years*	*More than 5 years*
Non-derivative financial liabilities							
Debt – Term Note	12.2	(13.3)	(0.9)	(0.9)	(1.7)	(9.8)	–
Note Payable	5.3	(7.1)	–	–	–	(7.1)	–
Revolving credit facility	1.4	(1.4)	(1.4)	–	–	–	–
Finance Leases	0.5	(0.5)	(0.1)	(0.1)	(0.1)	(0.2)	–
Trade and other payables	3.9	(3.9)	(3.9)	–	–	–	–

Credit risk

Credit risk refers to the risk of financial loss to L&L if a counterparty defaults on its contractual obligations on financial assets held in the Statement of Financial Position. Risk is monitored both centrally and locally. L&L derives a significant proportion of its revenue from sales to a limited number of major customers. Sales to individual customers can be of significant value and the failure of any such customer to honour its debts could materially impact L&L's results. L&L derives significant benefit from trading with its large customers and manages the risk by regularly reviewing the credit history and rating of all significant customers.

L&L assessed the carrying value of other receivables based on management's assessment and knowledge of the counterparty. The amounts due were neither past due nor impaired at 27 December 2015, 31 December 2014, and 31 December 2013.

Financial instruments that potentially subject L&L to significant concentrations of credit risk consist principally of cash and accounts receivable. L&L maintains deposits with two financial institutions, which often exceed Federal Deposit Insurance Corporation insurance limits. L&L believes its deposits are at institutions with strong credit ratings.

Four customers accounted for 83%, 93%, and 94% of net sales for the fiscal years ended 27 December 2015, 31 December 2014, and 31 December 2013, respectively. Approximately 91%, 87%, and 87% of trade

accounts receivable are due from these customers at 27 December 2015 and 31 December 2014, and 31 December 2013, respectively.

Three suppliers accounted for approximately 46%, 46%, and 48% of total inventory purchases for the fiscal years ended 27 December 2015, 31 December 2014, and 31 December 2013, respectively. Approximately 28%, 37%, and 32% of trade accounts payable were due to these suppliers at 27 December 2015, 31 December 2014, and 31 December 2013, respectively.

13. Benefit Plan

L&L sponsors the 401(k) Profit Sharing Plan of L&L (the "**Plan**"). The Plan is a defined contribution plan, subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"). The Plan was established and adopted effective 1 September 2010 for the benefit of eligible employees of L&L.

All non-union and non-leased employees of L&L who have attained an age of twenty-one and have completed a probationary period of six months of employment are eligible to participate in the Plan. L&L matches 100% of the contribution of the employee's first 3% and 50% of the contribution of the next 2% contributed. Employee contributions and L&L matching contributions are vested immediately as the Plan is a safe harbour plan. During the years ended 27 December 2015, 31 December 2014 and 2013, L&L made contributions to the plan of $0.1 million, $0.07 million and $0.04 million, respectively.

14. Provisions for liabilities

	Fiscal Year Ended 27 December 2015	
	Other Accrued Liabilities	*Total*
	$m	*$m*
At beginning of year	0.7	0.7
Net (utilised)/provided in year	0.1	0.1
At end of year	0.8	0.8

	Fiscal Year Ended 31 December 2014	
	Other Accrued Liabilities	*Total*
	$m	*$m*
At beginning of year	0.6	0.6
Net (utilised)/provided in year	0.1	0.1
At end of year	0.7	0.7

	Fiscal Year Ended 31 December 2013	
	Other Accrued Liabilities	*Total*
	$m	*$m*
At beginning of year	1.5	1.5
Net (utilised)/provided in year	(0.9)	(0.9)
At end of year	0.6	0.6

Analysed as:

	2015	*2014*	*2013*
	$m	*$m*	*$m*
Non-current liabilities	–	–	–
Current liabilities	0.8	0.7	0.6
	0.8	0.7	0.6

15. Members capital

L&L is governed by the Second Amended and Restated Limited Liability Company Agreement (the "**L&L Agreement**").

Voting rights

Each Member shall be entitled to vote in proportion to their ownership interest on each matter that applicable law requires to be submitted. For as long as the Seller Note remains unpaid, the affirmative vote of at least one Director, not related to the Controlling Member (as defined in the L&L Agreement), shall be required in order for L&L to incur indebtedness for borrowed money in excess of the maximum amount of credit provided for under L&L's credit facility with the Bank.

Conversion

At any time during the 90 day period commencing on the fifth anniversary of 18 October 2012, each Non-Controlling Member (as defined in the L&L Agreement) shall have the option to convert all of their allocable interest in L&L with a distribution preference that is equal to the option price calculated by an accounting firm at that date.

Following the death, disability, or termination of employment with L&L, disinterested directors shall have the option to convert all of the allocable interest of involved member shareholder.

Allocation

After adjusting for all capital contributions and distributions made during the allocation year, L&L shall allocate profits, losses and, to the extent necessary, individual items of income, gain, loss or deduction, for each allocation year proportionately equal among each Member's capital account.

Distributions

Distributions will be made to members in proportion to their ownership in L&L. In accordance with the Seller Note payable agreement, L&L cannot make distributions until the Seller Note has been paid in full; except for tax distributions as specified in L&L's operating agreement.

Liquidation

In the event of the liquidation or termination of L&L, distributions shall be as follows:

- First, to the Non-Controlling Member (as defined in the L&L Agreement) until they have received cumulative distributions equal to the distribution preference with respect to any outstanding preferred interest,
- Second, to the Controlling Member (as defined in the L&L Agreement) up to an amount necessary to return the original capital contributed by the Controlling Member (as defined in the L&L Agreement),
- Third, to the Non-Controlling Member (as defined in the L&L Agreement) up to an amount equal to the product of the amount distributed to the Controlling Member (as defined in the L&L Agreement) by a ratio determined by dividing the sum of the percentage interests of the Non-Controlling Member (as defined in the L&L Agreement) by the percentage interest of the Controlling Member (as defined in the L&L Agreement), and
- Thereafter, to the Members *pro rata*.

Contribution from Parent

Concurrent with the acquisition of L&L by the Parent, the Parent contributed $31.2 million to L&L, which was used to pay off the term loan, the line of credit, and pay certain management bonuses.

16. Commitments under finance leases

L&L leases its office and warehouse space from an unrelated party under non-cancellable operating leases. As of 27 December 2015, future minimum lease payments required under non-cancellable operating leases are as follows:

	27 December 2015		*31 December 2014*		*31 December 2013*	
	Minimum payments $m	*Present value of payments $m*	*Minimum payments $m*	*Present value of payments $m*	*Minimum payments $m*	*Present value of payments $m*
Within one year	0.6	0.6	0.5	0.5	0.2	0.1
After one year but not more than five years	1.7	1.5	1.6	1.4	0.3	0.2
More than five years	–	–	–	–	–	–
Total minimum lease payments	2.3	2.1	2.1	1.9	0.5	0.3
Less: Amounts allocated to future finance costs	–	–	–	–	–	–
Present value of minimum lease payments	2.3	2.1	2.1	1.9	0.5	0.3

17. Related party disclosures

On 3 October 2012, L&L entered into a management services agreement with the majority owner of L&L at that time. Under the terms of the agreement, L&L is required to pay an annual management fee of $0.25 million, plus reimbursement of reasonable out-of-pocket expenses incurred by the Controlling Member (as defined in the L&L Agreement). Management fees are paid quarterly in advance and totalled $0.14 million, $0.25 million, and $0.25 million during the years ended 27 December 2015, 31 December 2014 and 2013, respectively.

18. Subsequent events

There were no significant subsequent events after the Statement of Financial Position date.

19. Board approval

The consolidated financial statements, for the years ended 27 December 2015, 28 December 2014, and 29 December 2013 were approved by the Board of Directors and authorised for issue on 14 November 2016.

PART V

UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE COMBINED GROUP

SECTION A: UNAUDITED PRO FORMA FINANCIAL INFORMATION

1. Unaudited pro forma financial information relating to the Combined Group

Set out below is the consolidated pro forma income statement of the Combined Group for the 12 months ended 30 September 2016 and the consolidated pro forma statement of net assets of the Combined Group as at 30 September 2016 (the "**pro forma financial information**").

The unaudited pro forma income statement of the Combined Group has been prepared to illustrate the effect of the proposed Acquisition on the earnings of the Greencore Group as if the Acquisition had taken place on 26 September 2015.

The unaudited pro forma statement of net assets of the Combined Group has been prepared to illustrate the effect of the Acquisition of Peacock, the Rights Issue and the Acquisition Refinancing on the consolidated net assets of the Greencore Group as at 30 September 2016 as if the Acquisition, the Rights Issue and the Acquisition Refinancing had taken place on that date.

The pro forma financial information has been prepared on the basis set out in the notes below and is based on the Greencore 2016 Preliminary Financial Statements and the unaudited income statement and balance sheet of Peacock for the 12 months ended 25 September 2016.

The pro forma financial information has been prepared for illustrative purposes only and, because of its nature, addresses a hypothetical situation and therefore does not represent the Greencore Group's or the Peacock Group's actual financial position or results.

The pro forma financial information has been prepared in accordance with paragraph 13.3R of the Listing Rules of the Financial Conduct Authority and has been prepared in a manner consistent with the accounting policies of the Greencore Group for the financial year ended 30 September 2016.

KPMG's report on the unaudited pro forma financial information is set out in Section B of this Part V (*Unaudited Pro Forma Financial Information of the Combined Group*).

2. Unaudited pro forma income statement of the Combined Group for the 12 months ended 30 September 2016

Unaudited pro forma income statement of the Combined Group for the year ended 30 September 2016

				Pro forma adjustments	
	Income statement of Greencore for the year ended 30 September 2016	*Income statement of Peacock for the 12 months ended 25 September 2016*	*Income statement of Peacock for the 12 months ended 25 September 2016*	*Costs of transaction*	*Pro forma income statement for the Combined Group*
	£m[1]	*$m[2]*	*£m[3]*	*£m[4]*	*£m[5]*
Revenue[6]	1,481.9	993.1	700.7	–	2,182.6
Cost of sales	(1,009.5)	(918.7)	(648.3)	–	(1,657.8)
Gross profit	472.4	74.4	52.5	–	524.9
Operating costs, net	(387.8)	(27.1)	(19.1)	(16.0)	(422.9)
Group operating profit before acquisition related amortisation	84.6	47.3	33.4	(16.0)	102.0
Amortisation of acquisition intangibles	(9.2)	(11.7)	(8.3)		(17.5)
Group operating profit	75.4	35.6	25.1	(16.0)	84.5
Net finance (costs)/income	(27.9)	4.5	3.2		(24.7)
Share of profit of associates after tax	0.7	–	–		0.7
Profit before tax	48.2	40.1	28.3	(16.0)	60.5
Taxation	0.3	(2.7)	(1.9)		(1.6)
Profit after tax	48.5	37.4	26.4	(16.0)	58.9
Operating Profit[7]	102.0	49.1	34.6	–	136.6
Adjusted EBITDA[7]	138.4	72.1	50.9	–	189.3
Adjusted EBITDA for covenant purposes[8]	147.7	72.1	50.9	–	198.6

Notes to unaudited pro forma income statement of the Combined Group for the 12 months ended 30 September 2016:

(1) The Greencore Group's income statement has been extracted, without adjustment, from the unaudited income statement for the 53 week financial year ended 30 September 2016, as published in the Greencore 2016 Preliminary Financial Statements.

(2) The Peacock Group's US dollar income statement has been extracted, without adjustment, from the unaudited financial statements of Peacock for the 52 week period ended 25 September 2016.

(3) The Peacock Group's sterling income statement has been calculated by converting the Peacock Group's US dollar income statement into pounds sterling at a rate of $1.4172:£1 which was the average rate for the year ended 30 September 2016.

(4) Estimated costs associated with the Acquisition (excluding costs associated with the Rights Issue and Acquisition Refinancing) are £16.0 million. Costs related to the Rights Issue will not impact the income statement of the Combined Group.

(5) No adjustment has been made to the unaudited pro forma income statement to reflect trading results of the Greencore Group or the Peacock Group since 30 September 2016. Neither has any adjustment been made for any synergies or for the impact of the Acquisition Refinancing.

(6) Revenue is analysed as follows:

	Pro forma of the Combined Group	
	£m	%
UK	1,202.4	55.1%
US	923.8	42.3%
Other	56.4	2.6%
	2,182.6	100.0%

US revenue is analysed (in US dollars) as follows:

	Pro forma of the Combined Group	
	$m	%
Frozen Breakfast sandwiches	387.7	29.6%
Kid's chilled meal kits	172.3	13.1%
Salad kits	164.3	12.5%
Fresh Food to Go	172.4	13.1%
Other	414.9	31.6%
	1,311.6	100.0%

Based on an exchange rate of $1.2577:£1 (being the closing rate on Friday 11th November 2016), the Peacock Group's revenue for the year ended 25 September 2016 was £789.6 million and the Combined Group's revenue for the year ended 30 September 2016 on a pro forma basis was £2,271.5 million.

(7) The Greencore Group calculates Operating Profit as statutory profit before taxation, net finance costs, share of profit of associates after tax, exceptional items and amortisation of acquisition related intangibles. The Greencore Group calculates Adjusted EBITDA as Operating Profit excluding depreciation and amortisation. See the section entitled "*Non-IFRS Financial Measures – Peacock" in "Presentation of Financial and Other Information*".

	Greencore	Peacock
	£m	$m
Profit after tax	48.5	37.4
Taxation	(0.3)	2.7
Net finance (costs)/income	27.9	(4.5)
Share of profit of associates after tax	(0.7)	–
Amortisation of acquisition related intangibles	9.2	11.7
Exceptional items	17.4	1.8
Operating Profit	102.0	49.1
Depreciation and amortisation[(a)]	36.4	23.0
Adjusted EBITDA	138.4	72.1

(a) Excludes amortisation of acquisition related intangibles (which are also excluded from Operating Profit).

Based on an exchange rate of $1.2577:£1 (being the closing rate on Friday 11th November 2016), the Peacock Group's Operating Profit for the year ended 25 September 2016 was £39.0 million and the Combined Group's Operating Profit for the year ended 30 September 2016 on a pro forma basis was £141.0 million.

Based on an exchange rate of $1.2577:£1 (being the closing rate on Friday 11th November 2016), the Peacock Group's Adjusted EBITDA for the year ended 25 September 2016 was £57.3 million and the Combined Group's Adjusted EBITDA for the year ended 30 September 2016 on a pro forma basis was £195.7 million.

(8) Under the terms of the Greencore Group's Facilities Agreement, a number of adjustments are required to Adjusted EBITDA for covenant calculation purposes. These adjustments relate to share based payments, pension fair value and interest adjustments and share of associate profits. For covenant calculation purposes, it is assumed that the investment in the Peacock Group comprised an effective net investment hedge against US dollar denominated borrowings for the year ended 30 September 2016.

Based on an exchange rate of $1.2577:£1 (being the closing rate on Friday 11th November 2016), the Combined Group's Adjusted EBITDA for covenant purposes for the year ended 30 September 2016 on a pro forma basis was £205.0 million.

3. Unaudited pro forma statement of net assets of the Combined Group as at 30 September 2016

				Pro forma adjustments		
	Greencore as at 30 September 2016 £m(1)	*Peacock as at 25 September 2016 $m*(2)	*Peacock as at 25 September 2016 £m*(3)	*Rights Issue and acquisition borrowings £m*(4)	*Acquisition consideration £m*(5)	*Pro forma statement of net assets of the Combined Group £m*(7)
Assets						
Non-current assets						
Goodwill and intangible assets	552.4	331.2	255.3		267.1	1,074.8
Property, plant and equipment	367.4	109.6	84.5			451.9
Investment property	6.2	–	–			6.2
Investment in associates	1.0	–	–			1.0
Deferred financing fees, net	–	0.8	0.6			0.6
Other receivables	2.5	0.6	0.5			3.0
Retirement benefit assets	16.7	–	–			16.7
Derivative financial instruments	0.2	–	–			0.2
Deferred tax assets	60.1	2.5	1.9			62.0
Total non-current assets	1,006.5	444.7	342.8	–	267.1	1,616.4
Current assets						
Inventories	65.7	30.6	23.6			89.3
Trade and other receivables	157.6	66.9	51.6			209.2
Derivative financial instruments	0.6	–	–			0.6
Cash and cash equivalents	25.5	30.6	23.6	610.3	(633.9)	25.5
Total current assets	249.4	128.1	98.8	610.3	(633.9)	324.6
Total assets	1,255.9	572.8	441.6	610.3	(366.8)	1,941.0
Liabilities						
Non-current liabilities						
Preference shares	–	175.8	135.5		(135.5)	–
Borrowings	357.3	324.0	249.8	186.6	(249.8)	543.9
Derivative financial instruments	23.0	–	–			23.0
Retirement benefit obligations	179.0	–	–			179.0
Equity incentive plan liabilities	–	2.3	1.8			1.8
Other payables	1.7	8.7	6.7			8.4
Provisions for liabilities	3.7	8.9	6.9			10.6
Deferred tax liabilities	9.3	28.4	21.8			31.1
Total non-current liabilities	574.0	548.1	422.5	186.6	(385.3)	797.8
Current liabilities						
Borrowings	–	2.9	2.2		(2.2)	–
Derivative financial instruments	0.3	–	–			0.3
Trade and other payables	376.2	60.2	46.4			422.6
Provisions for liabilities	6.3	9.2	7.2			13.5
Current tax payable	13.5	–	–			13.5
Total current liabilities	396.3	72.3	55.8	–	(2.2)	449.9
Total liabilities	970.3	620.4	478.3	186.6	(387.5)	1,247.7
Total net assets/(liabilities)	285.6	(47.6)	(36.7)	423.7	20.7	693.3
Net Debt(6)	(331.8)	(472.1)	(363.9)	423.7	(246.4)	(518.4)
Net debt/Adjusted EBITDA for covenant purposes						2.6

Notes to unaudited pro forma statement of net assets of the Combined Group as at 30 September 2016:

(1) The net assets of the Greencore Group have been extracted without adjustment from the unaudited balance sheet as at 30 September 2016 as published in the Greencore 2016 Preliminary Financial Statements.

(2) The US dollar net assets of the Peacock Group have been extracted without adjustment from the Peacock Group's unaudited balance sheet as at 25 September 2016.

(3) The sterling net assets of the Peacock Group have been calculated by converting the US dollar net assets into pounds sterling at a rate of $1.2972:£1, which was the rate at 30 September 2016.

(4) It has been assumed that the gross proceeds from the Rights Issue will be £439.4 million. The adjustment assumes that each Shareholder will have the right to subscribe for 9 New Greencore Shares for every 13 Existing Greencore Shares held by such Shareholder on the Record Date. The Rights Issue Price of 153 pence per New Greencore Share represents a 47.6% discount to the Closing Price of 291.9 pence per Existing Greencore Share on the Latest Practicable Date and a 34.9% discount to the theoretical ex-rights price of 235.1 pence per New Greencore Share calculated by reference to the Closing Price on the same day.

It has been assumed that the Acquisition will involve additional borrowings drawn from committed facilities of £186.6 million, with the balance being paid from the proceeds of the Rights Issue.

Net of estimated costs attributable to the Rights Issue and Acquisition Refinancing of £15.7 million, the net financing raised from the Rights Issue and the Acquisition Refinancing will be £610.3 million.

(5) Consideration for the Acquisition is $747.5 million (without interest and calculated on a debt free/cash free basis and subject to working capital and other customary obligations), being approximately £594.3 million at a conversion rate of $1.2577:£1 (being the closing rate on Friday 11th November 2016). Estimated costs attributable to the acquisition are £16.0 million.

Based on this proposed consideration and the net liabilities of the Peacock Group at 25 September 2016, incremental goodwill and other Acquisition-related intangibles of £267.1 million will arise on the Acquisition, as follows:

	$m	*£m*
Consideration payable	(747.5)	(594.3)
Estimated costs of acquisition		(16.0)
Eliminate cash on balance sheet at acquisition		(23.6)
Pro forma cash movement on acquisition		(633.9)

	$m	*£m*
Gross consideration payable	747.5	594.3
Net debt/cash at 25 September 2016:		
Borrowings (non-current and current)	(326.9)	(252.0)
Preference shares	(175.8)	(135.5)
Cash	30.6	23.6
Net consideration payable	275.4	230.4
Net liabilities of Peacock at 25 September 2016	47.6	36.7
Pro forma goodwill adjustment	323.0	267.1
Existing Peacock goodwill and intangible assets	331.2	255.3
Total pro forma goodwill and intangibles	654.2	522.4

(6) Net debt is calculated as the as the net of cash and cash equivalents, preference shares and borrowings (both current and non-current components).

On a pro forma basis the Combined Group's Net Debt to Adjusted EBITDA (for covenant purposes) leverage ratio as at 30 September 2016 would have been 2.6x. This calculation applies the average US dollar to pounds sterling exchange rate for the year to 30 September 2016 to the Peacock Group's earnings.

Based on an exchange rate of $1.2577:£1 (being the closing rate on Friday 11th November 2016) applied to the Peacock Group's earnings, the Combined Group's Net Debt to Adjusted EBITDA leverage ratio as at 30 September 2016 would have been 2.5x.

(7) No adjustment has been made to the unaudited pro forma statement of net assets to reflect trading results of the Greencore Group or the Peacock Group since 30 September 2016. Neither has any adjustment been made for any synergies or costs related thereto.

In addition, no adjustment has been made to the unaudited pro-forma statement of net assets to reflect the difference between the actual working capital of the Peacock Group as at 25 September 2016 and the target working capital level at Completion.

SECTION B: ACCOUNTANT'S REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION

The Directors
Greencore Group plc
No. 2 Northwood Avenue
Northwood Business Park
Santry
Dublin
D09 X5N9

14 November 2016

Dear Sirs,

Greencore Group plc (the "Company")

We report on the pro forma financial information (the "**Pro forma financial information**") set out in Part V (*Unaudited Pro Forma Financial Information of the Combined Group*) of the Company's circular dated 14 November 2016 (the "**Circular**") which has been prepared on the basis described in the notes thereto, for illustrative purposes only, to provide information about how the proposed class I acquisition of CB-Peacock Holdings Inc., proposed rights issue of new Ordinary Shares by the Company and application for the admission of the new Ordinary Shares to the premium segment of the Official List of the UK Listing Authority and to trading on the London Stock Exchange and proposed drawdown of acquisition borrowings might have affected the financial information presented on the basis of the accounting policies to be adopted by the Company in preparing the financial statements for the year ended 30 September 2016. This report is required by paragraph 13.3.3R of the Listing Rules of the Financial Conduct Authority and is given for the purpose of complying with that paragraph and for no other purpose.

Responsibilities

It is the responsibility of the directors of the Company to prepare the Pro forma financial information in accordance with paragraph 13.3.3R of the Listing Rules of the Financial Conduct Authority.

It is our responsibility to form an opinion, as required by paragraph 7 of Annex II of Commission Regulation (EC) No. 809/2004 as to the proper compilation of the Pro forma financial information and to report that opinion to you.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro forma financial information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and which we may have to ordinary shareholders of the Company as a result of the inclusion of this report in the Circular, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with paragraph 13.4.1R(6) of the Listing Rules of the Financial Conduct Authority, consenting to its inclusion in the Circular.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom and Ireland. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents,

considering the evidence supporting the adjustments and discussing the Pro forma financial information with the directors of the Company.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro forma financial information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America or other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion:

a) the Pro forma financial information has been properly compiled on the basis stated; and

b) such basis is consistent with the accounting policies of the Company.

Yours faithfully,

KPMG
Chartered Accountants,
Dublin, Ireland

PART VI

DETAILS OF THE ACQUISITION

1. Structure of the Acquisition

The Acquisition will be effected by Greencore, indirectly, acquiring all of the outstanding equity securities in Peacock from the Peacock Securityholders. As a result of the Acquisition, Peacock will be an indirect wholly owned subsidiary of Greencore.

2. Principal terms of the Acquisition Agreement

2.1 *Introduction*

On 14 November 2016, Greencore, the Peacock Securityholders and Peacock, amongst others, entered into the Acquisition Agreement which sets out the terms and conditions upon which Greencore has agreed to acquire Peacock for $747.5 million, without interest and calculated on a debt-free/cash-free basis and subject to working capital and other customary adjustments calculated as at the Completion Date. The consideration is to be paid in cash. The enterprise value of $747.5 million represents a multiple of 10.4x to Peacock's Adjusted EBITDA for the 12 months ended September 2016. Taking into account the value of the Peacock tax assets acquired by the Greencore Group at Completion ($65 million multiplied by an assumed US tax rate of 40%), the enterprise value represents a multiple of 10.0x. Also factoring in the estimated run-rate cost synergy benefits for the Combined Group of approximately $15 million and the implementation cost to achieve the synergies of up to $20 million, the enterprise value represents a multiple of 8.5x.

On Completion, amongst other things:

- each Peacock Securityholder shall deliver to Greencore an executed stock transfer power together with the certificates representing the equity securities owned by such Peacock Securityholder;
- Peacock shall deliver to Greencore letters of resignation from certain directors and officers of the Peacock Group;
- Peacock shall deliver to Greencore an officer's certificate certifying the accuracy of certain representations and warranties, the performance of certain obligations and covenants and that there has been no material adverse effect on Peacock's business since the date of the Acquisition Agreement;
- Greencore shall execute its payment obligations pursuant to the Acquisition Agreement; and
- Greencore, the Peacock Securityholders and Peacock shall deliver certain customary completion documentation.

2.2 *Consideration*

The total net consideration for the Acquisition will be $747.5 million, subject to certain customary adjustments and payments.

Pursuant to the terms of the Acquisition Agreement, the consideration will be: (i) increased by the amount of cash and cash equivalents held by the Peacock Group as at the Completion Date; (ii) decreased by the amount of indebtedness of the Peacock Group as at the Completion Date; (iii) increased (or decreased) by the amount of any working capital (as determined as at the Completion Date) excess (or shortfall) over (or less than) a target level of working capital; (iv) decreased by the aggregate amount payable to all holders of Peacock preferred stock; decreased by the amount of certain transaction expenses incurred by the Peacock Group in respect of the Acquisition and the aggregate amount owed to all holders of Peacock LTIP units as triggered by Completion; (v) decreased by certain amounts to be placed in escrow in respect of the working capital

adjustment; (vi) decreased by certain expenses to be paid to the representative of the Peacock Securityholders; and (vii) decreased by the aggregate amount payable to all holders of Peacock Restricted Stock.

The consideration for the Acquisition will be satisfied through (i) new equity raised by way of the Rights Issue with expected net proceeds of £426.4 million ($536.3 million); and (ii) the balance of the purchase price for Peacock funded through new debt of up to $250 million pursuant to the Facilities Agreement (which comprises a new facility of $250 million and a facility of £300 million to refinance existing Greencore Group facilities).

2.3 ***Conditions***

Completion is conditional upon the satisfaction of certain conditions prior to Completion, including, among other things:

- US anti-trust clearance under the HSR Act;
- the Shareholders passing the Transaction Resolutions;
- the accuracy of Peacock's, the Peacock Securityholders' and Greencore's representations and warranties, subject to specified materiality standards;
- a material adverse effect on Peacock's business not having occurred since the date of the Acquisition Agreement;
- admission of the New Greencore Shares (nil paid and fully paid) to the Official List;
- no notice of termination from the counterparties to certain of Peacock's significant contracts having been received; and
- there not being any law, rule, regulation, order, judgement, injunction, temporary restraining order or decree entered, enacted, issued, promulgated, enforced or issued by any government, regulatory, judicial or administrative authority, agency or commission of competent authority which is in effect and has the effect of making the Acquisition illegal, or otherwise prohibits, restrains or prevents the consummation of the Acquisition.

Upon Completion, Greencore will, indirectly, hold all outstanding equity securities in Peacock.

2.4 ***Conduct of Peacock business prior to Completion***

The Acquisition Agreement provides that, during the period between the date of the Acquisition Agreement and the earlier of the date of termination of the Acquisition Agreement and Completion, subject to certain limited exceptions, Peacock shall and shall cause each other company in the Peacock Group to:

- conduct its business in the ordinary course of business; and
- not undertake certain actions as specified in the Acquisition Agreement.

2.5 ***Other Covenants***

The Greencore Group has given certain commitments to the Peacock Securityholders in the Acquisition Agreement in relation to obtaining all required regulatory approvals. The Acquisition Agreement provides that, Greencore will use reasonable best efforts to take all steps to obtain all approvals and waivers under anti-trust laws so as to enable the consummation of the Acquisition as soon as practicable, provided that, notwithstanding anything to the contrary, the Greencore Group shall not be required to divest or hold separate any of its other assets or businesses.

The Greencore Group does not anticipate any significant obstacle to obtaining all required regulatory approvals to the Acquisition Agreement.

2.6 ***Representations and warranties***

The Acquisition Agreement contains warranties given by Peacock that are customary in relation to, among other things:

- incorporation and corporate power and authority to enter into the Acquisition Agreement;
- capitalisation of the Peacock Group companies;
- consents, approvals and absence of violations in connection with entry into the Acquisition Agreement and consummation of the Acquisition;
- financial statements;
- absence of default and title to personal property, absence of any events or changes which would have a material adverse effect on Peacock and absence of litigation;
- permits and compliance with laws, employee benefit programs, brokers, tax matters, environmental matters, product warranty and regulatory matters, intellectual property, real property and significant contracts; and
- labour and employment matters, insurance, affiliate transactions, books and records, bank accounts, customers and suppliers/vendors.

The Acquisition Agreement contains warranties given by the Peacock Securityholders that are customary in relation to, among other things:

- incorporation, if such Peacock Securityholder is an entity, and power and authority to enter into the Acquisition Agreement;
- ownership/title to Peacock Securities; and
- absence of conflicts, litigation and brokers' or finders' fees.

The Acquisition Agreement also contains warranties given by Greencore that are customary in relation to, among other things:

- incorporation and corporate power and authority to enter into the Acquisition Agreement;
- consents, approvals and absence of violations in connection with entry into the Acquisition Agreement and consummation of the Acquisition; and
- brokers' fees, litigation, investment intent, financing, debt financing, equity financing, inspection and solvency.

2.7 ***Termination***

The Acquisition Agreement provides for a long-stop termination date of 30 December 2016 (which may be extended in certain circumstances to 15 January 2017) and, subject to certain exceptions, may be terminated by the parties if Completion has not occurred by that date.

In addition, the Acquisition Agreement may be terminated before Completion, subject to certain exceptions, by:

- mutual written agreement of the parties to the Acquisition Agreement;
- either Greencore or Peacock, if any governmental authority enjoins, restrains or prohibits the Acquisition, or if any other legal restraint or prohibition preventing consummation of the Acquisition shall be in effect;
- Greencore, if Peacock breaches or fails to perform any of its representations, warranties, covenants or agreements which breach would give rise to a failure of a condition (subject to certain rights to cure a breach);

- Peacock, if Greencore breaches or fails to perform any of its representations, warranties, covenants or agreements which breach would give rise to a failure of a condition (subject to certain rights to cure a breach);
- Peacock, if the Greencore Board withdraws, modifies or qualifies its recommendation to Shareholders that they vote in favour of the Acquisition; and/or
- either Peacock or Greencore, if the Acquisition is not approved by the Shareholders at the Greencore EGM.

2.8 ***Break Fee***

If the Acquisition Agreement is terminated for any of the following reasons, a reverse termination fee of approximately $15,230,084 in total (equivalent to 1% of Greencore's market capitalisation immediately prior to the date of the Acquisition Agreement calculated in US dollars at the then exchange rate) will be payable by Greencore to Peacock:

- Greencore fails to consummate the Acquisition within a specified time period after the delivery of notice by the Peacock Securityholders to Greencore that all of the conditions to the consummation of the Acquisition have been satisfied and Peacock and the Peacock Securityholders are in a position to consummate the Acquisition;
- Greencore breaches or fails to perform any of its representations, warranties or covenants contained in the Acquisition Agreement and such breach or failure would give rise to the failure of a condition to Completion, cannot be or has not been cured within 30 days following notice of the breach or failure to perform, and has not been waived by the Peacock Securityholders;
- the Transaction Resolutions are not approved by the Shareholders at the Greencore EGM, or at any adjournment or postponement thereof; and/or
- the Greencore Board withdraws, modifies or qualifies its recommendation to Shareholders to vote in favour of the Acquisition in a manner adverse to Peacock or the Peacock Securityholders or makes any public announcement inconsistent with such recommendation.

PART VII

ADDITIONAL INFORMATION

1. Responsibility

Greencore and the Directors, whose names appear below, accept responsibility for the information contained in this Circular. To the best of the knowledge and belief of Greencore and the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Directors

The Directors are as follows:

Name	*Age*	*Position*
Gary Kennedy	58	(Chairman)
Patrick Coveney	46	(Chief Executive Officer)
Eoin Tonge	44	(Chief Financial Officer)
Sly Bailey	54	(Non-executive Director)
Heather Ann McSharry	55	(Non-executive Director)
John Moloney	62	(Non-executive Director)
Eric Nicoli	66	(Non-executive Director)
John Warren	63	(Non-executive Director)

3. Directors' interests and service contracts

3.1 *Interests in Ordinary Shares*

None of the Greencore Directors beneficially hold more than 1% of the share capital of Greencore on an individual basis. Greencore Directors beneficially own approximately 0.56% of the share capital of Greencore in the aggregate as a group.

The Directors intend either to take up in full their Rights to acquire New Greencore Shares or to subscribe for not less than the number of New Greencore Shares as can be funded by the sale of their Nil Paid Rights. In addition to their interests in Ordinary Shares through their holding of share options, performance share plan awards and deferred share awards, the beneficial interests of the Greencore Directors and of their spouses and minor children in Ordinary Shares as at the Latest Practicable Date and the maximum potential interests held by the Directors following the implementation of the Rights Issue are set out in the following table:

	Ordinary Shares in Greencore on Latest Practicable Date	*Percentage of Ordinary Shares in Greencore on Latest Practicable Date*	*Maximum Potential of Ordinary Shares in Greencore immediately following Admission*[1]	*Maximum Potential Percentage of Ordinary Shares in Greencore immediately following Admission*[1]
Gary Kennedy	48,954	0.012	82,845	0.012%
Patrick Coveney	2,008,551	0.484	3,399,086	0.484%
Eoin Tonge	169,533	0.041	286,902	0.041%
Sly Bailey	25,000	0.006	42,308	0.006%
Heather Ann McSharry	13,110	0.003	22,186	0.003%
John Moloney	25,000	0.006	42,308	0.006%
Eric Nicoli	17,000	0.004	28,769	0.004%
John Warren	25,000	0.006	42,308	0.006%
Total	2,332,148	0.562	3,946,712	0.562%

(1) The maximum potential number of Ordinary Shares held following the Rights Issue assumes: (i) all the Directors take up in full their Rights to acquire New Greencore Shares and (ii) the size of the Rights Issue is set at the maximum size of £439.4 million.

Save as disclosed above and in paragraph 4 of this Part VII (*Additional Information*), no other person involved in the Acquisition or Admission has an interest, including a conflicting interest, which is material to the Acquisition or Admission.

3.2 ***Interests in Greencore Share Options***

As at the Latest Practicable Date, the Greencore executive Directors held options under the schemes, further details of which are set out below, over a total of 2,332,148 Ordinary Shares, representing 0.56% of the total Ordinary Shares in issue as at that date.

Deferred Bonus Plan

The Greencore executive Directors' outstanding awards under the Deferred Bonus Plan are as follows:

Grant Date	*December 2013*	*December 2014*	*December 2015*
Deferred Share Award Price	£1.86	£2.82	£3.19
Patrick Coveney	224,219	158,176	95,379
Eoin Tonge	88,127	69,181	49,137

(1) The allocation of the number of shares under the Deferred Bonus Plan for the financial year ended 30 September 2016 will be determined in January 2017.

Share Save Schemes

The Greencore executive Directors' outstanding awards under the Share Save Schemes are as follows:

Grant Date	*July 2015*	*July 2016*
Share Save Schemes Award Price	£2.53	€3.14
Patrick Coveney	–	5,761
Eoin Tonge	7,114	–

Performance Share Plan

This is a long term share incentive plan under which share awards are granted in the form of a provisional allocation of Ordinary Shares for which no exercise price is payable. Details of outstanding awards under the Performance Share Plan to executive Greencore Directors are set out below:

Grant Date	*December 2013*	*December 2014*	*December 2015*
Performance Share plan Award Price	£1.86	£2.82	£3.19
Patrick Coveney	344,306	219,510	173,572
Eoin Tonge	138,437	99,562	88,820

(1) The shares vest three years after grant to the extent that performance conditions are achieved.

(2) The allocation of the number of shares under the Performance Share Plan for the financial year ended 30 September 2016 will be determined in February 2017.

3.3 ***Greencore Directors' Remuneration Details***

The remuneration of the Greencore Directors for the financial year ended 30 September 2016 is set out in the following table.

				Annual Bonus			
	Fees (£'000)	*Salary (£'000)*	*Benefits (£'000)*	*Cash (£'000)*	*Deferred Share Award (£'000)*	*Pension (£'000)*	*Total remuneration (£'000)*
Gary Kennedy (non-executive)	189	–	–	–	–	–	189
Patrick Coveney (CEO)	–	610	44	380	380	228	1,642
Eoin Tonge (CFO)	–	283	24	174	174	31	686
Sly Bailey (non-executive)	52	–	–	–	–	–	52
Heather Ann McSharry (non-executive)	46	–	–	–	–	–	46
John Moloney (non-executive)	50	–	–	–	–	–	50
Eric Nicoli (non-executive)	66	–	–	–	–	–	66
John Warren (non-executive)	66	–	–	–	–	–	66

* The exchange rate used for the conversion of fees from euro to sterling was €1:£0.7743, which was the average exchange rate for the financial year ended 30 September 2016.

** Eoin Tonge was appointed a director on 3 October 2016 and was not a director for the financial year ended 30 September 2016.

In addition to the above, the Chief Executive Officer and the Chief Financial Officer will receive awards under the Performance Share Plan, deferred for three years, which are subject to performance conditions for the period from the financial year commencing 1 October 2016 to the financial year ended September 2019. The allocation of the number of shares under the Performance Share Plan will be determined in February 2017.

3.4 ***Executive Greencore Directors' service agreements***

Greencore has entered into the following service agreements with the existing executive Greencore Directors:

Each of the executive Directors has a service contract for the provision of services to the Greencore Group. The terms of these contracts are set out below.

General terms

Each of the executive Directors is awarded a remuneration package comprising a basic salary element, performance-related bonus element, benefits package (including life assurance, health insurance, and a car allowances or the provision of a company car), and pension entitlements. In addition, all the executive Directors are entitled to be reimbursed by Greencore for travel, hotel and other expenses incurred by them in the course of their duties to the Greencore Group in accordance with Greencore's policy from time to time, and are entitled to 25 days of holiday per annum.

The basic salary of each of the executive Directors is reviewed annually by Greencore's Remuneration Committee having regard to the job size, responsibility levels, personal and Greencore Group performance, and competitive market practice.

The performance-related annual bonus and deferred bonus plans are designed to support the business strategy, align the financial interests of the executives with Shareholders and provide market competitive reward opportunities to attract and retain managers of the highest calibre.

75% of performance targets are financial and 25% are personal and strategic goals. Under the Deferred Bonus Plan, a portion of the annual bonus earned by each executive Director is deferred, at market value, into Ordinary Shares to be held by a trustee for the benefit of each executive Director for three years without any additional performance requirements or matching. The shares vest after three years but will be forfeited should an executive Director voluntarily leave the Greencore Group within the three-year period, subject to normal "good leaver" provisions.

Not all executive Directors will necessarily receive an award in any single year.

On 31 December 2009, the defined benefit pension scheme of the Greencore Group in which Patrick Coveney participated was closed to future accrual. Patrick Coveney receives a taxable non-pensionable cash allowance in lieu of participation in a defined contribution pension scheme. Eoin Tonge participates in part in the Greencore UK Master Trust Pension Scheme and also receives a partial taxable non-pensionable cash allowance.

Each of the Directors has the benefit of indemnity insurance maintained by Greencore on their behalf indemnifying the Director against liabilities they may potentially incur to third parties as a result of their office as director, subject to limitations under Irish company law.

The total remuneration paid by the Greencore Group to each of the executive Directors for services in all capacities for the financial year ended 30 September 2016 is set out in paragraph 3.2 (*Performance Share Plan*) above.

Termination provisions

Each of the executive Directors' service contracts is for a rolling term of eleven months, and may be terminated by Greencore giving 11 months' notice or the executive Director giving not less than three months' notice.

Each executive Director is entitled to terminate his/her employment with 30 days' prior notice at any time within six months after a change of control of Greencore if the executive Director has reasonable grounds to contend that such change of control has resulted or will result in the diminution of his/her powers, duties or functions in relation to the Greencore Group.

If the executive Director's service contract is terminated in those circumstances, the executive Director can seek a payment from Greencore in settlement of all and any claims arising in those circumstances. The amount of the payment (subject to the deduction of income tax) will be equal to the sum total of the basic salary and the bonus paid to him/her in the year immediately preceding such termination.

Save for the above provision on termination payment in a change of control situation, the service contracts do not contain any provision on termination payments.

3.5 ***Non-executive Greencore Directors' letters of appointment***

The non-executive Directors of Greencore (including the Chairman) do not have service contracts, but are appointed by letters of appointment. The key terms of these letters of appointment are set out below.

General terms

As at the end of the financial year ended 30 September 2016, each of the non-executive Directors was entitled to receive a fee from Greencore at a rate that was determined by the Board. The level of ordinary fees for the role of non-executive Director for the financial year ended 30 September 2016 was €60,000 per annum. The Chairman received a fee of €244,000 for the financial year ended 30 September 2016 which includes ordinary and special fees for acting as Chairman of the Board. Additional special fees are also payable for the role of Senior Independent Director and Committee Chairman. If a non-executive Director serves as a Chairman of more than one committee, or as Committee Chairman and Senior Independent Directors, the additional special fee is capped at the higher special fee. The total fees paid by Greencore to each of the non-executive Directors for the financial year ended 30 September 2016 is set out in paragraph 3.2 (*Performance Share Plan*) above. In addition, each non-executive Director is entitled to be reimbursed for expenses in accordance with Greencore's policy from time to time.

The non-executive Directors do not participate in any of Greencore's share or bonus schemes and have no pension entitlements. Each of the non-executive Directors has the benefit of indemnity insurance maintained by Greencore on their behalf indemnifying them against liabilities they may potentially

incur to third parties as a result of their office as director, subject to limitations under Irish company law.

Termination of office

All non-executive Directors submit themselves for election at the AGM following their appointment, and in line with Greencore's Articles of Association and provision B.7.1. of the UK Corporate Governance Code, each director retires at each subsequent AGM and offers himself or herself for re-election as appropriate. Non-executive Directors are not entitled to any payment in lieu of notice.

The date of expiry of each non-executive Director's current one year appointment, together with their original dates of appointment are set out below:

Name of Director	*Date of Appointment*	*Date of expiry of current term*
Gary Kennedy (non-executive)	20 November 2008	31 January 2017
Sly Bailey (non-executive)	17 May 2013	31 January 2017
Heather Ann McSharry (non-executive)	30 January 2013	31 January 2017
John Moloney (non-executive)	8 February 2013	31 January 2017
Eric Nicoli (non-executive)	14 May 2010	31 January 2017
John Warren (non-executive)	30 January 2013	31 January 2017

4. Major Shareholders of Greencore

The Listing Rules require Greencore to notify a Regulatory Information Service of particulars of any interest held by any person in 3% or more of the nominal value of any class of shares carrying voting rights.

As the Latest Practicable Date, Greencore is aware of the following persons or groups of persons holding more than 3% of the total issued share capital of Greencore:

Shareholder	*Notified Shareholding on Latest Practicable Date*	*Percentage of total Ordinary Shares in Issue*
Wellington Management Company	27,557,594	6.64%
Polaris Capital Management	25,111,783	6.05%
Fidelity Management & Research	20,302,708	4.89%
Capital Research Global Investors	12,964,272	3.13%

The above listed Shareholders do not have different voting rights.

Greencore has received irrevocable undertakings from Polaris Capital Management to (i) take up rights pursuant to the Right Issue in respect of its Ordinary Shares which will result in it holding 42,496,863 Ordinary Shares following the Rights Issue representing 6.05% of the Ordinary Shares in issue following the Rights Issue and (ii) vote in favour of the Transaction Resolutions in respect of its total of 25,111,783 Ordinary Shares, representing 6.05% of the Ordinary Shares in issue.

Greencore is not aware of any person who, as at the Latest Practicable Date, directly or indirectly, jointly or severally, exercises or could exercise control over Greencore nor is it aware of any arrangements, the operation of which may at a subsequent date result in a change of control of Greencore.

In so far as known to Greencore, there are no arrangements, the operation of which may, at a date subsequent to the date of this Circular, result in a change of control of Greencore.

5. Share Schemes

Greencore Share Schemes

The Acquisition will have no effect on share options and incentive awards granted under the Greencore Share Schemes. As a result of the Rights Issue, any options or awards under the Greencore Share Schemes would

be adjusted to take account of the dilutive effect of the Rights Issue, in accordance with the rules of the Greencore Share Schemes (subject, where applicable, to the consent of the appropriate tax authorities).

The Greencore Group operates a Share Save Scheme (in both Ireland and the UK), a Performance Share Plan and a Deferred Bonus Plan ("**Greencore Share Schemes**").

As at the Latest Practicable Date options are outstanding over Ordinary Shares representing approximately 2.35% of the total Ordinary Shares then in issue. The range of Greencore's Ordinary Share price during the financial year ended 30 September 2016 was £2.73 – £3.92 (2015: £2.30 – £3.55). The average Ordinary Share price during the financial year ended 30 September 2016 was £3.4050 (2015: £3.03).

Share-Based Payments

Share Save Schemes

The Greencore Group operates savings-related share option schemes in both Ireland and the UK. Options are granted, at a discount of 25% and 20% of the market price, respectively, of an Ordinary Share, at the time of invitation over three year savings contracts. Options are generally exercisable during the six month period following completion of the savings contract. The charge recognised in the income statement in respect of these options in 2015 was £0.6 million (2014: £0.2 million). Grant date fair value was arrived at through applying a trinominal valuation model.

During the financial year ended 30 September 2016, Share Save Scheme options were granted over 23,618 shares (Ireland) and 1,062,107 shares (UK) which will ordinarily be exercisable at an exercise price of €3.14 and £2.64 respectively per share, during the period 1 September 2019 to 29 February 2020.

During the financial year ended 25 September 2015, Share Save Scheme options were granted over 21,727 shares (Ireland) and 1,498,196 shares (UK) which will ordinarily be exercisable at an exercise price of €3.33 and £2.53 respectively per share, during the period 1 September 2018 to 28 February 2019. The weighted average fair value of share options granted during the financial year ended 25 September 2015 was £1.03 (Ireland) and £0.95 (UK).

During the financial year ended 26 September 2014, Share Save Scheme options were granted over 21,842 shares (Ireland) and 906,635 shares (UK) which will ordinarily be exercisable at an exercise price of €2.65 and £2.30 respectively per share, during the period 1 September 2017 to 28 February 2018. The weighted average fair value of share options granted during the financial year ended 26 September 2014 was £0.95 (Ireland) and £0.94 (UK).

Deferred Bonus Plan

Senior executives participate in the Deferred Bonus Plan. In accordance with the rules of this plan a deferred share award equal to a proportion of the cash bonus is awarded to the participating executives. The shares vest after three years but are forfeited should an executive voluntarily leave the Greencore Group within the three year time period, subject to normal "good leaver" provisions. The Remuneration Committee has the discretion to reduce the number of deferred shares, if prior to vesting the participant is in fundamental breach of their employment contract. The charge recognised in the income statement was £1.4 million (2014: £2.5 million). The fair value of the award is equal to the share price on the grant date. The awards were granted in December 2015 at an award price of £3.18966 per share, in December 2014 at an award price of £2.81733 per share and in December 2013 at an award price of £1.85567 per share.

On 3 December 2015, 2 December 2014 and 3 December 2013, 447,853, 631,605 and 1,202,148 awards were granted, respectively, to senior executives of the Greencore Group under the Deferred Bonus Plan.

Awards will be granted to senior executives of the Greencore Group under the Deferred Bonus Plan in respect of the financial year ended 30 September 2016. A charge amounting to £0.1 million (2014: £0.2 million) relating to executive Directors and £0.2 million (2014: £0.3 million) relating to other awards has been included in the Greencore Group financial statements in respect of the estimated 2015 charge related to these awards. The total fair value of the awards will be taken as a charge to the Income Statement over the vesting period of the awards.

Performance Share Plan

A long-term incentive scheme, the Performance Share Plan, was introduced during the financial year ended 27 September 2013. In accordance with the scheme rule, participants are awarded an allotment of shares which will vest after three years subject to the performance of the vesting conditions for growth in return on invested capital and in earnings per share over the three year period. Shares are forfeit should an executive voluntarily leave the Greencore Group prior to the vesting date, subject to normal "good leaver" provisions. In the event of a material misstatement of Greencore's audited results, a material failure of risk management, a material breach of health and safety regulations, or serious reputational damage to any member or business unit of the Greencore Group, the Remuneration Committee may scale back, or impose additional conditions on awards prior to vesting. The fair value of the award is equal to the share price on the grant date. A charge amounting to £2.3 million (2014: £1.1 million) included in the Greencore 2015 Financial Statements related to these awards.

Awards were granted to senior executives under the Performance Share Plan in the last three years as follows:

Date of Grant	*Awards under Performance Share Plan*
3 December 2015	1,499,538
31 January 2015	210,235
2 December 2014	1,327,010
31 January 2014	77,647
3 December 2013	1,730,065
1 March 2013	4,298,604

Executive Share Option Scheme

From 2001 to 2011, the Company granted market value share options under the Greencore Group Executive Share Option Scheme. As the Scheme expired in 2011, no further options will be granted under this scheme. All options under the Executive Share Option Scheme have vested and, subject to the individual's continued employment and the rules of the scheme, the outstanding options may be exercised until the ten year anniversary of the date of the award.

Peacock Share Schemes

The 2010 Equity Plan and the 2014 LTIP will be terminated at Completion, the cost of which will be taken account of in the purchase price for the Acquisition.

Peacock Second Amended and Restated 2010 Equity Plan (approved 30 January 2013) (the "2010 Equity Plan")

The 2010 Equity Plan provides for the grant of incentive and non-qualified stock options, and restricted and unrestricted stock awards to officers, employees, directors, consultants and other key persons of Peacock and its subsidiaries. The maximum number of shares in Peacock issuable under the 2010 Equity Plan is 1,850,000. Unless otherwise provided in an award agreement or provision is made by a successor entity to assume, continue or substitute the options, upon the dissolution, liquidation or a change of control of Peacock, outstanding options under the 2010 Equity Plan shall terminate at the effective time of the sale event. The board of Peacock has full discretion to accelerate the exercisability and vesting of all or any portion of an award. The board of Peacock reserves the right to amend or discontinue the 2010 Equity Plan, amend or cancel any outstanding award, or provide substitute awards at the same, reduced or no exercise or purchase price at any time. Peacock has disclosed a waiver for certain conditions for purposes of determining whether performance thresholds have been met for performance vesting restricted stock. Specifically, the internal rate of return will be calculated from 30 January 2013 instead of from 21 December 2010, and the internal rate of return and return on investment will be based only on equity investments of Peacock.

Peacock 2014 Long-Term Incentive Plan and Appendix, Form of Restricted Stock Unit Agreement Granted Under the Peacock 2014 Long-Term Incentive Plan (effective 1 May 2014) (the "2014 LTIP")

The 2014 LTIP provides for the grant of restricted stock units ("**RSUs**") to eligible employees of Peacock. A maximum of 153,900 may be awarded under the 2014 LTIP, and any shares awarded under this 2014 LTIP

will reduce the number of shares available for issue under the 2010 Equity Plan. Any terminated, surrendered, cancelled or forfeited shares will be made available for grant under the 2014 LTIP. The 2014 LTIP and Form RSU Award Agreement both provide that: (1) the RSUs will automatically vest in full upon a change of control as long as the participant is continuously employed by Peacock from the date of grant through the date of the change of control; (2) a participant who terminates employment for any reason prior to a change of control will automatically forfeit all RSUs granted to such participant; and (3) all RSU payments shall be cash payments based on the fair market value of the RSUs and payable no more than 60 days after the date of the change of control. A change of control will occur "*regardless of the form thereof, upon (i) the consummation of a sale of all or substantially all of the assets of Peacock on a consolidated basis to any person (or group of affiliated or associated persons) other than Charlesbank or any of its affiliates; or (ii) any person (or group of affiliated or associated persons), other than Charlesbank or any of its affiliates, is or becomes the beneficial owner, directly or indirectly, of more than 50% of the total voting power of the voting stock of Peacock including by way of merger, consolidation or otherwise; provided, that an IPO shall not constitute a change of control*."

The board of Peacock reserves the right to amend the 2014 LTIP in whole or in part without the participants' consent, but if the amendment is materially adverse to the participants, the board of Peacock must obtain the written consent of the majority holders of RSUs. The 2014 LTIP will only be terminated when payment of all the vested RSUs granted to participants has been made and any and all unvested RSUs granted have been forfeited, or with the written consent of the majority RSU holders. Nineteen employees have been awarded shares under the 2014 LTIP and three employees are expected to receive awards in the third and fourth quarters of 2016.

6. Consents

KPMG is a member firm of Chartered Accountants Ireland and has given and not withdrawn its written consent to the publication of this Circular with the inclusion of its name, its report on the pro forma financial information set out in Part V (*Unaudited Pro Forma Financial Information of the Combined Group*), its report on the historical financial information of Peacock set out in Part IV (*Historical Financial Information*) and its report on the historical financial information of L&L set out in Part IV (*Historical Financial Information*), and the references thereto in the form and context in which they are each included.

7. Material contracts

The following are all of the contracts (not being contracts entered into in the ordinary course of business) that have been entered into by members of the Combined Group: (a) within the two years immediately preceding the date of this Circular which are, or may be, material to the Combined Group; or (b) at any time containing obligations or entitlements which are, or may be, material to the Combined Group as at the date of this Circular:

7.1 *Acquisition Agreement*

On 14 November 2016, Greencore, the Peacock Securityholders and Peacock entered into the Acquisition Agreement, which sets out the terms and conditions for the Acquisition. For details of the terms of the Acquisition Agreement, see Part VI (*Details of the Acquisition*) of this Circular.

7.2 *Underwriting Agreement*

On 14 November 2016, Greencore, HSBC, Greenhill, Goodbody, Jefferies and Rabobank entered into the Underwriting Agreement pursuant to which Greencore has appointed HSBC and Greenhill as Joint Sponsors in connection with the Rights Issue and the Acquisition, HSBC and Goodbody as Joint Global Co-ordinators in connection with the Rights Issue, HSBC, Goodbody and Jefferies as Joint Bookrunners in connection with the Rights Issue, Rabobank as Lead Manager in connection with the Rights Issue and HSBC, Goodbody, Jefferies and Rabobank as Underwriters in connection with the Rights Issue.

Pursuant to the Underwriting Agreement, the Underwriters will severally use their respective reasonable endeavours to procure subscribers in the market for any New Greencore Shares not validly accepted (or not treated as validly accepted) under the Rights Issue at a price not less than the Rights

Issue Price plus the Underwriters' expenses in procuring such subscribers and, failing this, the Underwriters have agreed to subscribe themselves (or procure that their sub-underwriters shall subscribe for) any outstanding New Greencore Shares at the Right Issue Price.

On behalf of the Underwriters, the Joint Bookrunners may arrange sub-underwriting for some, all or none of the New Greencore Shares.

In consideration of such underwriting, Greencore has agreed to pay in aggregate (together with any applicable VAT) to the Underwriters:

- a fee of 2.125% of the aggregate value at the Rights Issue Price of the maximum number of New Greencore Shares comprised in the Rights Issue; and
- at Greencore's sole discretion, a discretionary fee of up to 0.125% of the aggregate value at the Rights Issue Price of the maximum number of New Greencore Shares comprised in the Rights Issue.

The Underwriting Agreement is, prior to Admission, conditional upon certain requirements being satisfied and obligations not being breached including, among others: (i) Greencore complying with all of its obligations and undertakings under the Underwriting Agreement and under the terms or conditions of the Rights Issue which are required to be performed or satisfied prior to Admission; (ii) the passing of the Transaction Resolutions (without amendment or with such amendments as the Joint Bookrunners and the Joint Sponsors may agree) at the Greencore EGM on 7 December 2016 (and not, except with the prior written agreement of the Joint Bookrunners and the Joint Sponsors, at any adjournment of such meeting); (iii) the warranties on the part of the Company contained in the Underwriting Agreement being true and accurate and not misleading up to and at the time of Admission; (iv) Admission occurring not later than 8.00 a.m. on 8 December 2016, or such later time and/or date as the Joint Bookrunners and the Joint Sponsors may agree in writing; (v) in the opinion of the Joint Bookrunners and the Joint Sponsors, no material adverse change having occurred in respect of the Greencore Group prior to Admission; (vi) the Acquisition Agreement and/or the Facilities Agreement not having lapsed or been terminated (in the case of the Facilities Agreement only, without having been replaced and any replacement facility not having lapsed, been terminated or become terminable) or become terminable prior to Admission; (vii) there having been no amendment or variation of the Acquisition Agreement and/or the Facilities Agreement which in the opinion of the Joint Bookrunners is material in the context of the Rights Issue, Admission or the issue of the New Greencore Shares or the underwriting of the New Greencore Shares and in each case prior to Admission; and (viii) no matter requiring a supplement to this document or the Prospectus having arisen between the time of publication of this document and Admission and no such supplement being published by Greencore by no later than 5 December 2016 (or such later date as the Joint Bookrunners and the Joint Sponsors may agree in writing) incorporating by reference the Greencore Group's audited consolidated financial statements for the year ended 30 September 2016 into the Prospectus.

The Underwriting Agreement provides that if a condition is not satisfied or waived before 8.00 a.m. on the date of Admission, or the relevant parties agree in writing that a condition has become incapable of being fulfilled before 8.00 a.m. on the date of Admission, the Underwriting Agreement may be terminated immediately.

The Joint Bookrunners, on behalf of the other Underwriters and Greenhill, may terminate the Underwriting Agreement in its entirety in certain circumstances, including for force majeure, material adverse change in relation to the Greencore Group, where there has been a breach of warranty or breach of other obligations under the Underwriting Agreement, where information disclosed by Greencore in this document is or has become untrue or misleading or omits information which should have been disclosed, but in each case only prior to Admission.

Greencore has provided an indemnity to the Underwriters and the Joint Sponsors and to certain persons connected to them. In addition, Greencore has agreed to perform certain obligations relating to the implementation of the Rights Issue and Admission.

Greencore has also given certain customary representations and warranties in favour of the Joint Sponsors and the Underwriters pursuant to the Underwriting Agreement and Greencore has also provided certain undertakings to the Joint Sponsors and the Underwriters relating, among other things, to the provision of the information and consultation, and has agreed not to issue any Ordinary Shares at any time prior to the date which is 180 days after the last date for acceptance of the Rights Issue without the prior written consent of the Joint Bookrunners, other than pursuant to the Rights Issue, or the exercise of options under, and the allotment and issue of Ordinary Shares granted under, the Greencore Share Schemes.

7.3 ***Facilities Agreement***

Greencore and certain of its subsidiaries have entered into a revolving credit facility agreement in respect of a facility of up to $250 million and £300 million in aggregate dated the date of the Acquisition Agreement made between Greencore and its subsidiaries identified therein as borrowers and/or guarantors, The Governor and Company of the Bank of Ireland as agent, and the financial institutions specified therein as original lenders (the "**Facilities Agreement**"). The facility was made available for a term of 12 months from the date of first utilisation, with the ability at Greencore's option to extend the term by six months. The facility was made available to fund up to $250 million of the Acquisition Price in connection with the Acquisition, the refinancing of the Revolving Credit Facility, the funding of working capital and for general corporate purposes of the Greencore Group.

The Facilities Agreement contains customary representations, undertakings, events of default and prepayment events for a facility of this nature. Interest is payable at the end of each interest period in respect of the amounts then drawn under the facility and is calculated as the aggregate of a margin, any applicable mandatory costs, plus LIBOR or, in the case of a loan in euro, EURIBOR. The margin is staged and increases over the term of the facility. Commitment fees are chargeable in respect of undrawn commitments and the fee is based on a percentage of the applicable margin. It is possible that a Replacement Facilities Agreement will be entered into between Greencore and some or all of its banks prior to Completion, in which case the portion of the purchase price for the Acquisition being funded by debt will be funded under that Replacement Facilities Agreement, and the Facilities Agreement would then be cancelled.

7.4 ***Revolving Credit Facility***

Greencore and certain of its subsidiaries have entered into a £300 million revolving credit facility agreement dated 27 March 2015 made between Greencore and its subsidiaries identified therein as borrowers and/or guarantors, The Governor and Company of the Bank of Ireland as agent and co-ordinating bank, and the financial institutions specified therein as original lenders and mandated lead arrangers (the "**Revolving Credit Facility**"). The Revolving Credit Facility was made available for a term of five years, with provisions included to enable Greencore to request two extensions to that term of 12 months each. The facility was made available to refinance certain pre-existing liabilities and to fund general corporate purposes of the group. The Revolving Credit Facility allows Greencore to request a further facility of up to £100,000,000 from the lenders, which, if agreed to by the lenders, would be made available on the same terms and under the same agreement as the initial £300 million revolving credit facility.

The Revolving Credit Facility contains customary representations, undertakings, events of default and prepayment events for a facility of this nature. Financial covenants apply and are tested twice yearly. Interest is payable at the end of each interest period in respect of the amounts then drawn under the Revolving Credit Facility and is calculated as the aggregate of a margin, any applicable mandatory costs, plus LIBOR or, in the case of a loan in euro, EURIBOR. The margin is subject to a margin ratchet based on the ratio of Net Debt to consolidated Adjusted EBITDA of the Greencore Group. Commitment fees are chargeable in respect of undrawn commitments and the fee is based on a percentage of the applicable margin.

The consent of the majority lenders under the Revolving Credit Facility is required before Greencore may complete the Acquisition. If that consent is not provided, the Revolving Credit Facility will be

refinanced prior to completion with borrowings under the Facilities Agreement or the Replacement Facilities Agreement described at paragraph 7.3 above.

7.5 ***Non–bank borrowings***

Greencore and certain of its subsidiaries have entered into a private placement agreement dated 28 February 2014 with a large insurance group (the "**Private Placement Agreement**"). A term loan facility of up to €70,000,000 was made available under the Private Placement Agreement for a term of six years and to fund general corporate purposes of the group. The Private Placement Agreement contains representations, undertakings, events of default and prepayment events which are customary for a facility of this nature. Financial covenants apply and are tested twice yearly. Interest is payable at the end of each interest period in respect of the amounts then drawn under the Private Placement Agreement and is calculated as the aggregate of a margin plus EURIBOR. The margin is fixed and is not subject to a margin ratchet based on the ratio of Net Debt to consolidated Adjusted EBITDA of the group. A prepayment fee is payable if the facility is repaid on or before the fourth anniversary of drawdown.

7.6 ***Bank bilateral loan***

Greencore and certain of its subsidiaries have entered into a £60,000,000 term loan facilities agreement dated 21 September 2011 as most recently amended on 27 March 2015 with RI-GO Investments as lender (the "**Bank Bilateral Facilities Agreement**"). The term loan facility total is currently £50,000,000 following the repayment of £5,000,000 on both the first and second anniversaries, with the drawn amount due for repayment on 4 October 2018. The facility was made available to fund the acquisition of Uniq plc and related costs and to fund the general working capital purposes of the group. It contains representations, undertakings, events of default, prepayment events, financial covenants and interest provisions similar to those under the Revolving Credit Facility. Interest is payable at the end of each interest period in respect of the amounts then drawn under the Bank Bilateral Facilities Agreement and is calculated as the aggregate of a fixed margin plus LIBOR.

7.7 ***Private Placement Notes***

Greencore Funding Limited entered into a note purchase and guaranty agreement dated 25 October 2013 with the purchasers listed in Schedule A thereto, pursuant to which it issued guaranteed senior unsecured notes in the aggregate principal amount of $65,000,000 (the "**2013 Notes**"). The 2013 Notes mature on 22 October 2021, but may be prepaid together with payment of, where applicable, the make-whole amount provided for under the notes. The liabilities of the issuer are guaranteed by Greencore and certain of its subsidiaries. The 2013 Notes contain customary representations, undertakings, events of default and prepayment events. Interest is payable at the end of each interest period at a fixed rate in respect of the notes issued.

Greencore Funding Limited entered into a note purchase and guaranty agreement dated 22 April 2016 with the purchasers listed in Schedule A thereto, pursuant to which it issued $74,500,000 guaranteed senior unsecured notes and £18 million guaranteed unsecured senior notes (the "**2016 Notes**"). The 2016 Notes mature on 14 June 2026 subject to the amortisation payments provided for in the notes on 14 June 2023, 14 June 2024 and 14 June 2025. The 2016 Notes may be prepaid together with payment of, where applicable, the make-whole amount provided for under the notes. The liabilities of the issuer are guaranteed by Greencore and certain of its subsidiaries. The 2016 Notes contain customary representations, undertakings, events of default and prepayment events similar to those applicable to the 2013 Notes. Interest is payable at the end of each interest period at a fixed rate in respect of the notes issued.

7.8 ***The Sandwich Factory Agreement***

Pursuant to an agreement entered into in July 2016 for the sale and purchase of the entire issued share capital of The Sandwich Factory Holding Limited (the "**SFHL Agreement**") between (1) The Sandwich Factory Group limited (as seller) (the "**SFHL Seller**") (2) Greencore Foods Limited (as buyer) (the "**SFHL Buyer**"), a subsidiary of Greencore, and (3) Cranswick plc (as guarantor) (the

"**SFHL Guarantor**"), the SFHL Seller agreed to sell and the SFHL Purchaser agreed to purchase the entire issued share capital of The Sandwich Factory Holdings Limited ("**SFHL**"). The headline consideration was £15.0 million.

The consideration payable pursuant to the SFHL Agreement was subject to a completion accounts adjustment and part of the consideration was deferred, contingent on the outcome of the Competition and Markets Authority's review of the transaction. The SFHL Seller also gave certain warranties and covenants in respect of SFHL. The SFHL Seller agreed to indemnify the SFHL Buyer and SFHL against certain specified liabilities incurred.

7.9 ***Ministry of Cake Agreement***

In May 2014, Greencore Grocery Limited (as seller) ("**MoC Seller**"), a subsidiary of Greencore, entered into an agreement with Case Bidco Limited (as purchaser) ("**MoC Purchaser**") for the sale and purchase of the whole of the issued share capital of Ministry of Cake Limited ("**MoC Target**") (the "**MoC Agreement**"), for headline consideration of £11.0 million.

Pursuant to the MoC Agreement, MoC Seller gave certain fundamental covenants with respect to which MoC Seller agreed to indemnify MoC Purchaser. As part of the consideration for the purchase of MoC Target, MoC Purchaser agreed to issue certain loan notes to MoC Seller.

7.10 ***Lettieri's Agreement***

On 24 February 2014, Greencore, through its subsidiary Greencore USA, Inc. as buyer, entered into a unit purchase agreement (the "**Lettieri's Agreement**") with Orion Food Systems LLC as seller and Lettieri's LLC as target, for the purchase of 100% of the issued and outstanding ownership interests in Lettieri's LLC, for headline consideration of £20.5 million.

Under the terms of the Lettieri's Agreement the purchase price payable was $37.5 million, minus assumed indebtedness and subject to a working capital adjustment. Orion Food Systems LLC and Lettieri's LLC each gave certain customary representations and warranties to Greencore USA, Inc. and Greencore USA, Inc. gave certain customary representations and warranties to Orion Food Systems LLC. Generally, representations and warranties expired 18 months after closing.

8. Litigation

8.1 ***Litigation in respect of Greencore***

There are no, nor have there been any, governmental, legal or arbitration proceedings (nor is Greencore aware of any such proceedings which are pending or threatened) during the last 12 months prior to the date of this Circular which may have, or during the last 12 months prior the date of this Circular have had, a significant effect on Greencore and/or any member of the Greencore Group's financial position or profitability.

8.2 ***Litigation in respect of Peacock***

There are no, nor have there been any, governmental, legal or arbitration proceedings (nor is Greencore aware of any such proceedings which are pending or threatened) during the last 12 months prior to the date of this Circular which may have, or during the last 12 months prior the date of this Circular which have had, a significant effect on Peacock and/or any member of the Peacock Group's financial position or profitability.

9. Working capital statement

Greencore is of the opinion that, after taking into account existing available bank and other facilities (including the Facilities Agreement), cash and the net proceeds to Greencore from the Rights Issue, the Greencore Group (including the Peacock Group, following the Acquisition) has sufficient working capital for its present requirements, that is for at least the next 12 months following the date of this Circular.

10. No significant changes

There has been no significant change in the trading or financial position of the Greencore Group since 30 September 2016 (the date to which the latest published financial information of Greencore was prepared).

There has been no significant change in the trading or financial position of the Peacock Group since 25 September 2016 (the date to which the latest published financial information of Peacock was prepared).

11. Related party transactions

Save as disclosed in Notes 32, 31 and 31 to Greencore 2015 Financial Statements, Greencore 2014 Financial Statements and Greencore 2013 Financial Statements respectively, none of Greencore nor any member of the Greencore Group entered into any related party transactions (which for these purposes are those set out in the standards adopted according to the Regulation (EC) No. 1606/2002) during the period covered by the historical financial information and up to the date of this Circular

Save as disclosed in Note 21 to the historical financial information of the Peacock Group for the financial year ended 27 December 2015, the financial year ended 28 December 2014 and the financial year ended 29 December 2013, prepared under IFRS using policies which are consistent with those used in preparing the Greencore Group's historical financial information, which is set out in Part IV (*Historical Financial Information*), none of Peacock nor any member of the Peacock Group entered into any related party transactions (which for these purposes are those set out in the standards adopted according to the Regulation (EC) No. 1606/2002) during the period covered by the historical financial information and up to the date of this Circular.

12. Sources of information

The sources and bases of statements relating to the market position of Greencore are set out in this Circular where the statement is made. Certain information has been obtained from external publications and, where applicable, the source of such information is stated in this Circular where the information is included. Greencore confirms that this information has been accurately reproduced and, so far as Greencore is aware and is able to ascertain from the information published by third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. Unless otherwise stated, such information has not been audited.

13. Documents available for inspection

Printed copies of the following documents may be inspected at the registered office of Greencore and at the offices of Greencore Group UK Centre, Midland Way, Barlborough Links Business Park, Barlborough, Chesterfield S43 4XA, UK during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for a period of 12 months from the date of publication of this Circular:

13.1 the Memorandum of Association and the Articles of Association;

13.2 the report on pro forma financial information prepared by KPMG contained in Part V (*Unaudited Pro Forma Financial Information of the Combined Group*) of this Circular;

13.3 the report on the historical financial information of Peacock prepared by KPMG contained in Part IV (*Historical Financial Information*) of this Circular;

13.4 the consent letters referred to in paragraph 6 (*Consents*) of this Part VII;

13.5 the Acquisition Agreement;

13.6 the Prospectus; and

13.7 this Circular.

PART VIII

DEFINITIONS

The definitions set out below apply throughout this Circular, unless the context requires otherwise.

2010 Equity Plan	the 2010 equity inventive plan issued by Peacock on 21 December 2010
2013 Notes	the guaranteed senior unsecured notes in the aggregate principal amount of $65,000,000 issued pursuant to a note purchase and guarantee agreement entered into by Greencore Funding Limited on 25 October 2013 with the purchasers listed in Schedule A thereto
2014 LTIP	Peacock 2014 Long-Term Incentive Plan and Appendix, Form of Restricted Stock Unit Agreement Granted Under the Peacock 2014 Long-Term Incentive Plan (effective 1 May 2014)
2014 Senior Credit Agreement	the $237.5 million senior credit agreement entered into by the Peacock Group on 24 April 2014
2016 Notes	the $74,500,000 guaranteed senior unsecured notes and £18 million guaranteed senior unsecured notes issued pursuant to a note purchase and guarantee agreement entered into by Greencore Funding Limited on 22 April 2016
£, GBP, Sterling, pence or **p**	the lawful currency of the UK
Acquisition	the proposed acquisition of all of the outstanding equity securities of Peacock by the Greencore Group, by way of stock purchase, pursuant to the Acquisition Agreement
Acquisition Agreement	the stock purchase agreement between, amongst others, Greencore, Peacock and the Peacock Securityholders in relation to the Acquisition
Acquisition Refinancing	the draw-down of facilities pursuant to the Facilities Agreement or the Replacement Facilities Agreement to provide debt financial for a portion of the purchase price of the Acquisition, to repay the pre-Acquisition financial debt of the Peacock Group (excluding pursuant to leasing arrangements) and, in certain circumstances, to refinance and replace the Revolving Credit Facility
Adjusted Earnings	is calculated as statutory profit attributable to Greencore equity holders 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 defined benefit pension liabilities (net of tax)
Adjusted EBITDA	is defined in "*Presentation of Financial and Other Information – Non-IFRS Measures – Peacock*"
Adjusted EPS	Adjusted EPS is calculated by dividing adjusted profit attributable to Shareholders 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 Deferred Award Scheme, the Performance Share Plan and the Executive Share Option Scheme; adjusted profit attributable to Shareholders is calculated as statutory profit attributable to equity holders (as shown on the Greencore Group's 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 defined benefit pension liabilities (net of tax)
Admission	the proposed admission of the New Greencore Shares to the premium segment of the Official List and to trading nil paid on the main market for listed securities of the London Stock Exchange
AGM	annual general meeting of Greencore
Announcement	the announcement made by Greencore on 14 November 2016 in relation to the Acquisition, the Rights Issue and Admission
Annual Reports	the Greencore 2015 Annual Report, the Greencore 2014 Annual Report, and the Greencore 2013 Annual Report
Articles of Association	the articles of association of Greencore for the time being
Audit Committee	the audit committee of the Greencore Board
Board(s)	the Greencore Board and/or the Peacock Board (as the case may be)
Business Day	a day (other than a Saturday or Sunday or public holiday) on which banks are open for business in London, other than solely for trading and settlement in Euro
Central Bank	the Central Bank of Ireland established pursuant to the Central Bank Act 1942 and the Central Bank Reform Act 2010 of Ireland
certificated or **in certificated form**	in relation to a share or other security, a share or other security title to which is recorded in the relevant register of the share or other security as being held in certificated form (that is, not in CREST)
Circular	this circular to be sent to Shareholders on or about the date hereof containing details of the Acquisition, the Rights Issue and Admission
Closing Price	the closing, middle market quotation in pounds sterling of an Ordinary Share, as published in the Official List
Combined Group	the combined Greencore Group and Peacock Group following Completion
Completion	completion of the Acquisition
Completion Date	the date upon which the Acquisition becomes effective
Conditions	the conditions of the Acquisition as set out in paragraph 5 of Part I (*Letter from the Chairman*) of this Circular
constant currency	the same currency exchange rate being used in two periods under comparison

Corporate Brokers	Goodbody and Jefferies
CPG	consumer packaged goods, also known as fast-moving consumer goods, which are goods that are sold quickly and at relatively low cost
Credit Agreements	the €200 million first out and second out tranche credit facility and the €20 million revolving credit facility entered into by the Peacock Group on 21 December 2010
CREST	the electronic transfer and settlement system for the paperless settlement of trades in listed securities and the holding of uncertificated securities in accordance with the CREST Regulations operated by Euroclear
CREST courier and sorting service or **CCSS**	the CREST courier and sorting service operated by Euroclear to facilitate, *inter alia*, the deposit and withdrawal of securities
CREST Manual	the manual, as amended from time to time, produced by Euroclear describing the CREST system and supplied by Euroclear to users and participants thereof
CREST member	a person who has been admitted by Euroclear as a system-member (as defined in the CREST Regulations)
CREST Regulations	the Companies Act 1990 (Uncertificated Securities) Regulations 1996 (S.I. 68/1996) of Ireland (as amended) or the Uncertificated Securities Regulations 2001 (S.I. 2001/3755) as appropriate
CREST sponsor	a CREST participant admitted to CREST as a CREST sponsor
CREST sponsored Member	a CREST member admitted to CREST as a sponsored member
dealing day	a day upon which dealings in domestic securities may take place on and with the authority of the London Stock Exchange
Deferred Bonus Plan	an award scheme for senior executives of Greencore as described in paragraph 5 of Part VII (*Additional Information*) of this Circular
Deferred Share(s)	Greencore's deferred shares having a nominal value of €0.01 each, and Greencore's deferred shares having a nominal value of €0.62 each
Director(s) or **Greencore Director(s)**	the directors of Greencore whose names are set out on page 12 of this Circular
Disclosure Guidance and Transparency Rules	the disclosure guidance and transparency rules of the FCA made under section 73A of FSMA and forming part of the FCAs handbook of rules and guidance, as amended from time to time
DOJ	the US Department of Justice
EBITDA	earnings before interest, tax, depreciation and amortisation
EGM	Extraordinary General Meeting
Enlarged Share Capital	the share capital of Greencore immediately following the completion of the Rights Issue and the issue of the New Greencore Shares
ERISA	US Employee Retirement Income Security Act of 1974, as amended

ERP	enterprise resource planning IT systems
EU	the European Union
EU Prospectus Regulation	Commission Regulation (EC) No. 809/2004 of 29 April 2004
EUR, € and **Eur**	the lawful currency of the member states of the EU that have adopted the euro as their common currency and sole legal tender
EURIBOR	euro interbank offered rate
Euroclear	Euroclear UK & Ireland Limited, the operator of CREST
Exchange Act	the US Securities Exchange Act of 1934, as amended
Excluded Territories	Australia, Japan and South Africa and any other jurisdictions where the extension and availability of the Rights Issue would breach any applicable law
Existing Greencore Shares	the ordinary shares of £0.01 each in the capital of Greencore in issue at the Record Date
Facilities Agreement	the facilities agreement dated the date of the Acquisition Agreement entered into between Greencore and its Subsidiaries Specified therein as initial borrowers and guarantors, the parties named therein as original lenders and facility underwriters and The Governor and Company of the Bank of Ireland as agent and Cooperative Rabobank UA as co-ordinating bank
FCA or **Financial Conduct Authority**	the UK Financial Conduct Authority or its successor from time to time
FIFO	first in first out
First Lien Credit Facilities	the new $320 million first lien credit facilities entered into by the Peacock Group on 27 July 2015 consisting of the Revolver and the Senior Term Loan
FOB	free on board
Form of Proxy	the form of proxy for use at the Greencore EGM, which is enclosed with this Circular
FSMA	the Financial Services and Markets Act 2000, as amended, modified or re-enacted from time to time
FTC	the US Federal Trade Commission
Fully Paid Rights	the rights to acquire New Greencore Shares, fully paid
Goodbody	Goodbody Stockbrokers UC
Greencore or **Company**	Greencore Group plc, a public limited company incorporated in Ireland, with registered number 170116
Greencore 2013 Annual Report	Greencore's annual report for the financial year ended 27 September 2013
Greencore 2013 Financial Statements	the audited financial statements for the financial year ended 27 September 2013 as published in Greencore 2013 Annual Report

Greencore 2014 Annual Report	Greencore's annual report for the financial year ended 26 September 2014
Greencore 2014 Financial Statements	the audited financial statements for the financial year ended 26 September 2014 as published in Greencore 2014 Annual Report
Greencore 2015 Annual Report	Greencore's annual report for the financial year ended 25 September 2015
Greencore 2015 Financial Statements	the audited financial statements for the financial year ended 25 September 2015 as published in Greencore 2015 Annual Report
Greencore 2016 Annual Report	Greencore's annual report for the financial year ended 30 September 2016 to be published on or around 5 December 2016
Greencore 2016 Preliminary Financial Statements	Greencore's unaudited preliminary financial statements for the financial year ended 30 September 2016 as set out in the Greencore 2016 Preliminary Statement
Greencore 2016 Preliminary Statement	Greencore's unaudited preliminary results for the financial year ended 30 September 2016 including the Greencore 2016 Preliminary Financial Statements
Greencore Directors or **Directors of Greencore** or **Greencore Board** or **Board of Greencore**	the board of directors of Greencore at the date of this Circular
Greencore EGM	the general meeting of Shareholders to be held at The Westin Dublin, College Green, Westmoreland Street, Dublin, D02 HR67, Ireland at 11.00 a.m. on 7 December 2016 to consider and if thought fit pass, *inter alia*, the Transaction Resolutions in connection with the Acquisition, including any adjournment thereof
Greencore Financial Statements	the Greencore 2016 Preliminary Financial Statements, the Greencore 2015 Financial Statements, the Greencore 2014 Financial Statements and the Greencore 2013 Financial Statements
Greencore Group	Greencore and its subsidiary undertakings and associated undertakings and, where the context permits, each of them
Greencore Share Schemes	the share option and incentive schemes operated by the Greencore Group, further details of which are set out in Part VII (*Additional Information*) of this Circular
Greenhill	Greenhill & Co. International LLP
headline	before exceptional costs, exceptional income and intangible asset amortisation
HSBC	HSBC Bank plc
HSR Act	the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder
IaaS	infrastructure as a service IT systems
IASB	International Accounting Standards Board
IFRS	International Financial Reporting Standards

Irish Companies Act	the Companies Act 2014 of Ireland
Irish Prospectus Law	Chapter 1 of Part 23 of the Irish Companies Act, the Irish Prospectus Regulations and the Irish Prospectus Rules
Irish Prospectus Regulations	the Prospectus (Directive 2003/71/EC) Regulations 2005 of Ireland
Irish Prospectus Rules	the prospectus rules and the prospectus handbook issued by the Central Bank under Section 1363 of the Irish Companies Act (each as amended from time to time).
Irish Takeover Rules	the Irish Takeover Panel Act, 1997, Takeover Rules, 2013
IT	information technology
Jefferies	Jefferies International Limited
Joint Bookrunners	HSBC, Goodbody and Jefferies
Joint Global Co-ordinators	HSBC and Goodbody
Joint Sponsors	Greenhill and HSBC
KPMG	the Irish partnership known as KPMG and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative, a Swiss entity
L&L	L&L Foods Holdings, LLC, a Delaware limited liability company
L&L Agreement	the second amended and restated limited liability company agreement that governs L&L
L&L Foods	L&L Foods, Inc.
Latest Practicable Date	11 November 2016, being the latest practicable date prior to publication of this Circular
Lead Manager	Rabobank
Lead Underwriter	HSBC
Lettieri's Agreement	the agreement entered into on 24 February 2014 by Greencore, through its subsidiary Greencore USA, Inc. as buyer, of a unit purchase agreement with Orion Food Systems LLC as seller and Lettieri's LLC as target, for the purchase of 100% of the issued and outstanding ownership interests in Lettieri's LLC
LIBOR	London interbank offered rate
Listing Rules	the listing rules made by the FCA under Section 73A FSMA
LOC	revolving credit line
London Stock Exchange or **LSE**	the London Stock Exchange plc or its successor(s) Regulation (EU) No. 596/2014 of the European Parliament and the Council of 16 April 2014 on market abuse
MAR	the European Union (Market Abuse) Regulations 2016 of Ireland, Chapter 2 of Part 23 of the Irish Companies Act, the Market Abuse Rules issued by the Central Bank under Section 1370(2) of the Irish Companies Act and Chapter 4 of Part 23 of the Irish Companies Act

Market Abuse Rules	the rules issued by the FCA under Regulation (EU) No. 596/2014 on market abuse
Master Non-Revolving Note	the master non-revolving note entered into by L&L on 19 October 2012 as part of the purchase of L&L Foods
MRP	manufacturing planning system
Net Debt	current and non-current borrowings and the balance sheet effect of cross-currency interest rate swaps associated with fair value hedges of the Private Placement Notes less net cash and cash equivalents
New Greencore Shares	the new ordinary shares of £0.01 each in the capital of Greencore proposed to be allotted and issued pursuant to the Rights Issue
Nil Paid Rights	New Greencore Shares in nil paid form provisionally allotted to Qualifying Shareholders pursuant to the Rights Issue
Nomination Committee	the nomination committee of the Greencore Board
NOPAT	net operating profit after tax
Notice of General Meeting or **EGM Notice**	the notice of Greencore EGM which forms part of this Circular
Official List	the daily official list of the London Stock Exchange
Operating Margin	operating profit before exceptional items and acquisition related amortisation divided by reported revenue
Operating Profit	net profit before net finance costs, taxation, share of associate's profit/loss after tax, exceptional items and acquisition relation amortisation
Ordinary Shares	ordinary shares of £0.01 each in the capital of Greencore which, following Admission, will comprise the Existing Greencore Shares and the New Greencore Shares
Overseas Shareholders	Shareholders whose registered addresses are outside of the UK and Ireland or who are citizens, nationals or residents of countries other than the UK or Ireland
Peacock or **Parent**	CB-Peacock Holdings Inc., a corporation organised under the laws of Delaware
Peacock Engineering	Peacock Engineering Company, LLC, a Delaware limited liability company
Peacock Group	Peacock and its subsidiary undertakings and associated undertakings and, where the context permits, each of them
Peacock Holding	Peacock Holding Company, a Delaware corporation
Peacock Securityholders	holders of equity securities in Peacock from time to time
Performance Share Plan	Greencore's long-term incentive scheme described in paragraph 5 of Part VII (*Additional Information*) of this Circular
Plan	the 401(k) profit sharing plan of L&L

PRA	the UK Prudential Regulation Authority and includes, where applicable, any successor body or bodies carrying the functions currently carried out by the Prudential Regulation Authority
Previous Senior Credit Facility	the $200 million first out and second out tranche credit facility entered into by the Peacock Group on 21 December 2010
Private Placement Notes	the note purchase and guaranty agreements entered into by Greencore Funding Limited and the parties listed in Schedule A thereto on 25 October 2013 and 22 April 2016
Prospectus	the prospectus issued by Greencore in relation to Admission of the New Greencore Shares to the premium segment of the Official List and to trading on the regulated market of the London Stock Exchange and approved under the Prospectus Directive
Prospectus Directive	European Parliament and Council Directive 2003/71/EC of 4 November 2003 (and amendments thereto, including Directive 2010/73/EU)
Prospectus Rules	rules issued by the FCA from time to time under Section 73A of the FSMA
Provisional Allotment Letter	the renounceable provisional allotment letters relating to the Rights Issue to be issued to Qualifying Non-CREST Shareholders other than certain Overseas Shareholders
PRSU	performance restricted stock units
Qualifying CREST Shareholder	Qualifying Shareholders whose Existing Greencore Shares are in uncertificated form
Qualifying Non-CREST Shareholder	Qualifying Shareholders whose Existing Greencore Shares are in certificated form
Qualifying Shareholder	Shareholders on the Register at the Record Date
Rabobank	Coöperatieve Rabobank U.A.
Record Date	6.00 p.m. on 5 December 2016
Register	Greencore's statutory register of members
Registrar	Computershare Investor Services (Ireland) Limited
Regulatory Information Service	any of the services set out in Appendix II to the Listing Rules
Relevant Pension Schemes	the Greencore UK Defined Benefit Scheme and the Greencore Group Pension Scheme in Ireland
Remuneration Committee	the remuneration committee of the Greencore Board
Replacement Facilities Agreement	a facility agreement that may be entered into prior to Completion by Greencore and some or all of its lenders for a term of five years and on similar terms to the Revolving Credit Facility, where such facility would be used to (a) replace the facility made available under the Facilities Agreement for a term of twelve to eighteen months; and/or (b) replace the Revolving Credit Facility in the event that the majority lenders under that facility do not consent to the Acquisition

Resolutions	the resolutions to be proposed at the Greencore EGM
Return on Invested Capital or **ROIC**	the return to stakeholders through the optimisation of the debt and equity balance calculated as NOPAT divided by average invested capital; net operating profit after tax is calculated as operating profit, including share of associates, less tax at the effective rate in the Income Statement; invested capital is the sum of all current and non-current assets (including intangibles), less current and non-current liabilities with the exception of Net Debt items, derivatives and retirement benefit obligations; the average is calculated by adding together the invested capital from the opening and closing balance sheets and dividing by two
Revolver	the $35 million senior secured revolving credit facility entered into by the Peacock Group on 27 July 2015
Revolving Credit Facility	the £300 million revolving credit facility agreement dated 27 March 2015 between Greencore and certain of its subsidiaries identified therein as borrowers and/or guarantors, the Governor and Company of the Bank of Ireland as agent and co-ordinating bank, and the financial institutions specified therein as original lenders and mandated lead arrangers
Rights	rights to acquire New Greencore Shares in the Rights Issue
Rights Issue	the proposed issue of New Greencore Shares to Qualifying Shareholders (or to subscribers otherwise procured by the Underwriters pursuant to the Underwriting Agreement) by way of Rights on the terms and subject to the conditions set out in this document and, in the case of Qualifying Non-CREST Shareholders, the Provisional Allotment Letters
Rights Issue Expenses	expenses related to the Rights Issue
Rights Issue Price	153 pence per New Greencore Share
RSU	restricted stock units
Sandwich Factory Agreement or **SFHL Agreement**	the agreement entered into in July 2016 for the sale and purchase of the entire issued share capital of The Sandwich Factory Holdings Limited between (1) The Sandwich Factory Group limited (as seller) (2) Greencore Foods Limited (as buyer) and (3) Cranswick plc (as guarantor)
Second Lien Loan	the $55 million second lien senior secured term loan raised by the Peacock Group on 27 July 2015
Seller Note	the $5.0 subordinated 10% unsecured note entered into by L&L on 19 October 2012 as part of the purchase of L&L Foods
Senior Term Loan	the $285 million senior secured first lien term loan entered into by the Peacock Group on 27 July 2015
SFHL	The Sandwich Factory Holdings Limited
Shareholders	holders of Ordinary Shares from time to time
Special Rights Preference Share	the special rights preference share of €1.26 owned by the Special Shareholder which gives the owner certain rights, *inter alia*, in

	relation to the shares, sugar quota and sugar producing assets of Irish Sugar Limited, a subsidiary of Greencore
Special Shareholder	the Minister for Agriculture, Food & the Marine, on behalf of the Irish State
Subordinated Debt	the $40 million subordinated debt agreement entered into by the Peacock Group on 24 April 2013
Substantial Acquisition Rules	Substantial Acquisition Rules, 2007 issued by the Irish Takeover Panel pursuant to the Irish Takeover Panel Act, 1997
Term Note	the instalment term note entered into by L&L on 19 October 2012 as part of the purchase of L&L Foods
Term Note Agreement	the agreement entered into by L&L on 19 October 2012 in connection with the Term Note
Transaction	the acquisition of Peacock by Greencore pursuant to the Acquisition Agreement
Transaction Resolutions	the resolutions to be proposed at the Greencore EGM to approve the Acquisition and the Rights Issue, being resolution 1, resolution 2, resolution 3 and resolution 4 as set out in the Notice of General Meeting, with any permitted amendments thereto
Transparency Regulations	the Transparency (Directive 2004/109/EC) Regulations 2007 (SI No. 277 of 2007) issued under section 1383 of the Irish Companies Act and the Transparency Rules issued by the Central Bank
Treasury or **Treasury Shares**	shares held as treasury shares by Greencore as provided for in the Irish Companies Act
UK	United Kingdom of Great Britain and Northern Ireland
UK Companies Act	the Companies Act 2006 of the UK, as amended, modified or re-enacted from time to time
UKLA or **UK Listing Authority**	the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA
UK Modern Slavery Act 2015	Modern Slavery Act 2015 of the United Kingdom
UK Takeover Code	the City Code on Takeovers and Mergers
UK Takeover Panel	the UK Panel on Takeovers and Mergers
Underwriters	HSBC, Goodbody, Jefferies and Rabobank
Underwriting Agreement	the sponsors' and underwriting agreement between Greencore, the Joint Sponsors and the Underwriters dated 14 November 2016 to fully underwrite the Rights Issue
US or **United States**	United States of America, its territories and possessions, any State of the United States of America and the District of Columbia
USDA	the US Department of Agriculture
USDA	US generally accepted accounting principles
US Securities Act	the US Securities Act of 1933

VAT	(i) within the EU, any tax imposed by any member state in conformity with the directive of the council of the EU on the common system of value added tax (2006/112/EC), and (ii) outside the EU, any tax corresponding to, or substantially similar to, the common system of value added tax referred to in paragraph (i) of this definition

NOTICE OF EXTRAORDINARY GENERAL MEETING

GREENCORE GROUP PLC

(incorporated and registered in Ireland under the Companies Act 2014 with registered number 170116)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting ("**EGM**") of Greencore Group plc (the "**Company**") will be held at The Westin Dublin Hotel, College Green, Westmoreland Street, Dublin, D02 HR67, Ireland at 11.00 a.m. on 7 December 2016 for the purpose of considering and, if thought fit, passing the following resolutions.

Resolutions 1 to 4 are inter-conditional and all of these resolutions must be passed in order for Resolutions 1 to 4 to be capable of becoming effective. Resolution 5 is not conditional on any other resolution, but is only capable of taking effect on completion of the Rights Issue.

Resolutions

1. As an ordinary resolution

"*That, subject to and conditional on the passing of resolutions 2, 3 and 4 set out in the notice of this extraordinary general meeting, the proposed acquisition by the Company (or a wholly owned subsidiary of the Company) of all or any part of the outstanding equity securities of CB-Peacock Holdings Inc. (the "**Acquisition**") to be financed by a combination of debt finance and a fully underwritten rights issue (the "**Acquisition Rights Issue**"), which constitutes a class 1 transaction for the purpose of the Listing Rules of the UK Listing Authority, in each case as described in the circular of the Company dated 14 November 2016 (the "**Circular**") of which the notice of this extraordinary general meeting forms part, be and is hereby approved and the directors of the Company (or any duly authorised committee thereof) be and are hereby authorised:*

(a) *to do or procure to be done all such acts and things on behalf of the Company and any of its subsidiaries as the directors of the Company consider necessary, desirable or expedient to implement, or otherwise in connection with, the Acquisition; and*

(b) *to agree such modifications, variations, revisions, waivers, extensions, additions or amendments to any of the terms and conditions of the Acquisition and/or to any documents relating to it, as the directors of the Company (or any duly authorised committee thereof) may in their absolute discretion think fit, provided such modifications, variations, revisions, waivers, extensions, additions or amendments are not of a material nature.*"

2. As an ordinary resolution

"*That, subject to and conditional on the passing of resolutions 1, 3 and 4 set out in the notice of this extraordinary general meeting, the authorised share capital of the Company be increased from 500,000,000 ordinary shares of £0.01 each, 500,000,000 deferred shares of €0.01 each, 300,000,000 deferred shares of €0.62 each and one special rights preference share of €1.26 each, to 1,000,000,000 ordinary shares of £0.01 each, 500,000,000 deferred shares of €0.01 each, 300,000,000 deferred shares of €0.62 each and one special rights preference share of €1.26 each, by the creation of 500,000,000 ordinary shares of £0.01 each, such ordinary shares having the rights and being subject to the restrictions set out in the articles of association of the Company.*"

3. As an ordinary resolution

"*That, subject to and conditional on the passing of resolutions 1, 2 and 4 set out in the notice of this extraordinary general meeting, the directors of the Company be and are hereby generally and unconditionally authorised to allot and issue, pursuant to and in accordance with Section 1021 of the Irish Companies Act 2014, all relevant securities (within the meaning of Section 1021 of the Irish Companies Act 2014) and treasury shares (as defined in Section 1078 of the Irish Companies Act 2014) as contemplated by the Acquisition Rights Issue (as defined in resolution 1 of the notice of this extraordinary general meeting),*

up to an aggregate nominal amount of ordinary shares of £0.01 each necessary for the purposes of satisfying the aggregate issuance of ordinary shares of £0.01 each in connection with the Acquisition Rights Issue, provided that, the authority hereby conferred shall (a) expire on 31 December 2017, unless previously renewed, varied or revoked by the Company in general meeting, (b) be without prejudice and in addition to the authority under Section 1021 of the Irish Companies Act 2014 granted at any annual general meeting of the Company and (c) not authorise the directors of the Company to issue more than the authorised but unissued share capital of the Company (increased pursuant to resolution 2 set out in the notice of this extraordinary general meeting)."

4. As a special resolution

"*That, subject to and conditional on the passing of resolutions 1, 2 and 3 set out in the notice of this extraordinary general meeting, the directors be and are hereby empowered pursuant to Section 1023 of the Irish Companies Act 2014 to allot equity securities (as defined in Section 1023 of that Act) and treasury shares (as defined in Section 1078 of the Irish Companies Act 2014) for cash pursuant to the authority conferred by resolution 3 set out in the notice of this extraordinary general meeting as if sub-Section (1) of Section 1022 of the Irish Companies Act 2014 did not apply to any such allotment, provided that, the authority hereby conferred shall (a) expire on 31 December 2017, unless previously renewed, varied or revoked by the Company in general meeting and (b) be without prejudice and in addition to the authority under Section 1023 of the Irish Companies Act 2014 granted at any annual general meeting of the Company.*"

5. As a special resolution

"*That, subject to and conditional on completion of the Acquisition Rights Issue (as defined in resolution 1 of the notice of this extraordinary general meeting), to the extent undenominated share capital is created by the Acquisition Rights Issue:*

(a) *the share capital of the Company be reduced by the cancellation of an amount of the undenominated capital standing to the credit of the Company's share premium account arising from the Acquisition Rights Issue as the directors of the Company may determine and the reserve resulting from the cancellation of the undenominated capital shall be treated as profits available for distribution as defined by Section 117 of the Irish Companies Act 2014; and*

(b) *the directors of the Company be and are hereby authorised to determine, on behalf of the Company the amount of such reduction, provided such amount shall not exceed the amount of undenominated capital created by the Acquisition Rights Issue, and proceed to seek the confirmation of the High Court to such reduction of share capital or to determine not to proceed to seek the approval of the High Court at all in pursuance of paragraph (a) above.*"

By order of the Board
Conor O'Leary
Company Secretary

Registered Office
No. 2 Northwood Avenue
Northwood Business Park
Santry
Dublin
D09 X5N9
Ireland

14 November 2016

Notes

(1) Any member entitled to attend, speak and vote at the EGM is entitled to appoint one or more proxies (who need not be a member of the Company) to attend, speak and vote in his/her place. Completion of a Form of Proxy will not affect the right of a member to attend, speak and vote at the EGM in person. A shareholder may appoint more than one proxy to attend and vote at the EGM provided each proxy is appointed to exercise rights attached to different shares held by that shareholder: Should you wish to appoint more than one proxy, please read carefully the explanatory notes accompanying the Form of Proxy. A member may appoint a proxy or proxies electronically by logging on to the website of the Registrars, Computershare Investor Services (Ireland) Limited: www.eproxyappointment.com. Shareholders will be asked to enter the Shareholder Reference Number; PIN Number and Control Number as printed on your Form of Proxy and agree to certain conditions.

(2) As a shareholder; you have several ways to exercise your right to vote:

(a) by attending the EGM in person; or

(b) by appointing (either electronically or by returning a completed Form of Proxy) the Chairman or another person as a proxy to vote on your behalf; or

(c) by appointing a proxy via the CREST System if you hold your shares in CREST.

(3) If you are appointing someone other than the Chairman as your proxy, then you must fill in the details of your representative at the meeting in the box located underneath the wording "*I/We hereby appoint the Chairman of the Meeting OR the following person*" on the Form of Proxy. If you appoint the Chairman or another person as a proxy to vote on your behalf, please make sure to indicate how you wish your votes to be cast by ticking the relevant boxes on the Form of Proxy.

(4) In the case of joint holders, the vote of the senior holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other registered holder(s) and, for this purpose, seniority will be determined by the order in which the names stand in the register of members in respect of the joint holding.

(5) To be valid, Forms of Proxy duly signed together with the power of attorney or such other authority (if any) under which they are signed (or a certified copy of such power or authority) must be lodged with the Company's Registrar, Computershare Investor Services (Ireland) Limited, P.O. Box 954, Sandyford, Dublin, D18 Y2X6 by no later than 11.00 a.m. on 5 December 2016. The completion and return of the Form of Proxy will not preclude a member from attending and voting at the meeting in person.

(6) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST Proxy Instruction must be properly authenticated in accordance with Euroclear (UK and Ireland) Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Computershare Investor Services (Ireland) Limited (ID **3RA50**) by 11.00 a.m. on 5 December 2016. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Computershare Investor Services (Ireland) Limited is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors or voting service providers should Note that Euroclear (UK and Ireland) Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s)), to procure that his CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35 (5)(a) of the of the Companies Act, 1990 (Uncertificated Securities) Regulations, 1996.

(7) Pursuant to Section 1105 of the Irish Companies Act 2014 and Regulation 14 of the Companies Act 1990 (Uncertificated Securities) Regulations 1996, the Company hereby specifies that only those shareholders registered in the Register of Members of the Company as at 6.00 p.m. on 5 December 2016 shall be entitled to attend, speak, ask questions and vote at the EGM in respect of the number of shares registered in their name at that time.

(8) Pursuant to Section 1104(1)(b) of the Irish Companies Act 2014 and subject to any contrary provision in company law, shareholders, holding at least 3% of the Company's issued share capital representing at least 3% of the voting rights of all shareholders who have a right to vote at the EGM have the right to table a draft resolution for an item on the agenda of the EGM. Further information in relation to shareholders' rights can be obtained from the Company's website, www.greencore.com.

(9) Pursuant to Section 1107 of the Irish Companies Act 2014, shareholders have a right to ask questions related to items on the EGM agenda and to have such questions answered by the Company subject to any reasonable measures the Company may take to ensure the identification of shareholders. An answer is not required if (a) an answer has already been given on the Company's website in the form of a "Q&A" or (b) it would interfere unduly with preparation for the meeting or the confidentiality or business interests of the Company or (c) it appears to the Chairman that it is undesirable in the interests of good order of the meeting that the question be answered.

If you wish to submit a question in advance of the EGM, please send your question(s) in writing with evidence of your identity and shareholding to be received no later than 4 days in advance of the EGM by post to the Company Secretary at Greencore Group plc, Company Secretary, No. 2 Northwood Avenue, Northwood Business Park, Santry, Dublin, D09 X5N9, Ireland.

(10) A copy of this Notice and copies of documentation relating to the EGM including proxy forms, are available on the Company's website www.greencore.com.