

Strong profit conversion in Q3; upgrade to full year guidance

Greencore Group plc ('Greencore' or the 'Group'), the FTSE 250 leading manufacturer of convenience foods in the UK, today issues its trading update for the 13 weeks ended 28 June 2024 ('Q3' or 'the quarter').

- Strong financial and operational performance underpinned by outstanding customer service levels of 99.4%.
- Like for Like ('LFL') revenue^[1] increased 1.4% year on year, with LFL manufactured volumes^[1] more subdued resulting from the strong June 2023 comparator.
- Continued improvement in profit conversion year on year through ongoing commercial and operational actions.
- Completed rationalisation of soup sites and continued focus on operational initiatives aimed at deploying best practice learnings throughout the network.
- Strong underlying free cash generation delivering returns for shareholders. £30 million share buyback progressing well and intention to restore dividend for the full year.
- Upgrading FY24 outlook of £88-90m Adjusted Operating Profit, ahead of prior guidance and current market expectations^[2].

Dalton Philips, Chief Executive Officer

"Q3 represents another excellent performance by the business against a tough comparative period. Our continued progress has been delivered through ongoing impactful operational and commercial initiatives, which we are continuing to implement at pace, supporting the improved profit conversion in the quarter.

Providing fresh and healthy foods to our customers and consumers each and every day is our core purpose, and our performance has once again been supported by our outstanding operational service levels, at over 99%. Delivering at this level alongside ongoing business improvement is not easy, and I would like to thank my colleagues across the Group for their hard work.

While Q4 remains a seasonally important trading period, our continued strong profit conversion performance means we now expect to deliver a full year Adjusted Operating Profit of £88-90m, ahead of previous guidance and market expectations^[2]."

Trading Update

	Revenue	Revenue Growth (versus FY23)			
	Q3	Q3		9 Months	
	£m	Reported	LFL ⁽¹⁾	Reported	LFL ⁽¹⁾
Group	465.2	(6.1%)	1.4%	(6.3%)	3.2%
Food to Go categories	330.2	(1.5%)	2.4%	(0.7%)	3.8%
Other Convenience categories	135.0	(15.7%)	(1.1%)	(16.5%)	1.7%

- Greencore delivered a strong financial and operational performance in Q3 FY24, underpinned by outstanding customer service and continued improved profit conversion year on year.
- Q3 FY24 reported revenue decreased by 6.1% to £465.2m, reflecting the year on year impact of the exit by Greencore of a number of low margin contracts in FY23 and the disposal of the Trilby Trading business. On a LFL basis^[1], Q3 revenues increased 1.4% year on year.
- Q3 FY24 reported revenue in Food to Go categories decreased 1.5% to £330.2m, an increase of 2.4% on a LFL^[1] basis.
- Q3 FY24 reported revenue in Other Convenience categories was £135.0m, a 15.7% decrease year on year. On a LFL^[1] basis this represented a 1.1% decrease.

- The Group saw a broadly flat LFL volume^[1] performance in the sandwich category, versus an overall market decline of 1%^[3]. This was in addition to a positive LFL volume^[1] performance across other key categories including chilled ready meals, and cooking sauce. The sushi category also experienced LFL volume^[1] growth in the quarter, however the salads category was more challenged.
- Profit conversion continued to improve year on year benefiting from ongoing commercial, operational and cost initiatives. The Group continued its rigorous focus on product innovation and delivering an optimal product mix to unlock value and drive returns for Greencore, with 174 new SKUs launched across Q3 FY24, in addition to ongoing existing product development.
- Product launches in the quarter included a number of premium food to go ranges, including a revamped premium range of sushi and the third phase of the Group's ongoing programme of a premium product offering for a material customer. In addition, the Group also launched a new range of cooking sauces across standard and premium tiers, for which the Group was awarded an "Innovation Supplier of the Year" award.
- The Group continued to focus on operational initiatives aimed at deploying best practice learnings throughout the network during Q3 FY24, with continued focus on the effective use of labour and waste reduction at our sites. The Group also completed the consolidation of two soup manufacturing sites with the closure of the soup production facility at Kiveton.
- The Group generated strong underlying free cash in Q3 FY24. The previously announced £30m share buyback is ongoing and progressing well. As part of the previously announced £50m return to shareholders, the Board also intends to declare a dividend for the year to September 2024.

Outlook

Following the continued robust financial and operational performance across Q3 FY24, driving improved profit conversion, the Group currently expects FY24 Adjusted Operating Profit to be in a range of £88-90m, ahead of prior guidance of £86-£88m and ahead of current market expectations^[2].

Greencore will report its FY24 results for the year ending 27 September 2024 on 3 December 2024.

Further Information and Forward-Looking Statements

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Forward-looking statements

Certain statements made in this document are, or may be deemed to be, forward-looking. These represent expectations for the Group's business, and involve known and unknown risks and uncertainties, many of which are beyond the Group's control. The Group has based these forward-looking statements on current expectations and projections about future events based on information currently available to the Group. The forward-looking statements contained in this document include statements relating to the financial condition, results of operations, business, viability and future performance of the Group and certain of the Group's plans and objectives. These forward-looking statements include all statements that do not relate only to historical or current facts and may generally, but not always, be identified by the use of words such as 'will', 'aims', 'achieves', 'anticipates', 'continue', 'could', 'develop', 'should', 'expects', 'is expected to', 'may', 'maintain', 'grow', 'estimates', 'ensure', 'believes', 'intends', 'projects', 'sustain', 'targets', or the negative thereof, or similar future or conditional expressions, but their absence does not mean that a statement is not forward-looking.

By their nature, forward-looking statements are prospective and involve risk and uncertainty because they relate to events and depend on circumstances that may or may not occur in the future and reflect the Group's current expectations and assumptions as to such future events and circumstances that may not prove accurate. A number of material factors could cause actual results and

developments to differ materially from those expressed or implied by forward-looking statements. There may be risks and uncertainties that the Group is unable to predict at this time or that the Group currently does not expect to have a material adverse effect on its business. You should not place undue reliance on any forward-looking statements. These forward-looking statements are made as of the date of this announcement. The Group expressly disclaims any obligation to publicly update or review these forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by law.

About Greencore

We are a leading manufacturer of convenience food in the UK and our purpose is to make every day taste better. To help us achieve this we have a model called The Greencore Way, which is built on the differentiators of People at the Core, Great Food, Excellence and Sustainability – The Greencore Way describes both who we are and how we will succeed. We supply all of the major supermarkets in the UK. We also supply convenience and travel retail outlets, discounters, coffee shops, foodservice and other retailers. We have strong market positions in a range of categories including sandwiches, salads, sushi, chilled snacking, chilled ready meals, chilled soups and sauces, chilled quiche, ambient sauces and pickles, and frozen Yorkshire Puddings.

During FY23 we manufactured 779m sandwiches and other Food to Go products, 132m chilled ready meals, 45m chilled soups and sauces and 245m jars of cooking sauces, pickles and condiments. We carry out more than 10,400 direct to store deliveries each day. We have 16 world-class manufacturing sites and 17 distribution centres in the UK, with industry-leading technology and supply chain capabilities. We generated revenues of £1.9bn in FY23 and employ 13,600 people. We are headquartered in Dublin, Ireland. For further information go to www.greencore.com or follow Greencore on social media.

1 Like-for-Like revenue growth and volume growth is defined by the Group as reported revenue and volume adjusted for the impact of net business wins and losses, acquisitions, divestments and other non-recurring items in each reporting period.

2 Market expectations as compiled by Greencore from available analyst estimates on 18 July 2024 (<https://www.greencore.com/investor-relations/analyst-centre>).

3 Compared to Circana market performance data for the 12 weeks to 30th June 2024.