

# Premier Foods FY21/22 Preliminary results - Factsheet



"Trading profit and adjusted PBT ahead of expectations; further market share gains  
£60m reduction in pension contributions NPV to £240-£260m"

## FINANCIAL HEADLINES



1 – IRI Grocery outlets, 52 weeks ended 26 March 2022; 2 – Net debt stated on a post IFRS-16 basis

## STRATEGIC PROGRESS



Pensions Deficit reduction + c.£60m reduction in NPV of pension payments

## KEY FINANCIALS

Group performance - (£m)	FY21/22 (52wk basis)	FY20/21 (52wk basis)	Change vs 1yr ago	Change vs 2yrs ago
Branded sales	774.1	801.6	(3.4%)	9.7%
Non-branded sales	126.4	132.6	(4.7%)	(10.6%)
<b>Total sales</b>	<b>900.5</b>	<b>934.2</b>	<b>(3.6%)</b>	<b>6.3%</b>
Divisional contribution	193.6	194.9	(0.6%)	12.7%
Group & corporate costs	(45.3)	(46.6)	2.7%	(15.3%)
<b>Trading profit</b>	<b>148.3</b>	<b>148.3</b>	<b>0.0%</b>	<b>11.9%</b>
EBITDA	167.5	167.1	0.3%	9.9%

  

Cash flow (£m)	FY21/22 (52wk basis)	FY20/21 (53wk basis)
<b>Trading profit</b>	<b>148.3</b>	<b>151.3</b>
Depreciation	19.2	19.1
Other non-cash items	4.1	3.4
Capital expenditure	(23.2)	(23.6)
Working capital	(21.0)	0.6
<b>Operating cash flow</b>	<b>127.4</b>	<b>150.8</b>
Interest	(20.8)	(32.6)
Pension contributions	(41.4)	(47.0)
<b>Free cash flow</b>	<b>65.2</b>	<b>71.2</b>
Non-trading items	0.9	(5.1)
Proceeds from share issue	1.3	1.7
Re-financing fees	(13.2)	0.1
Dividend (including pensions match)	(11.0)	-
Disposal proceeds	-	30.3
<b>Movement in cash</b>	<b>43.2</b>	<b>98.2</b>

  

	pre-IFRS 16	post-IFRS 16
<b>Net debt at 3 April 2021</b>	<b>314.1</b>	<b>332.7</b>
Movement in cash	(43.2)	(43.2)
Movement in debt issuance costs	(2.0)	(2.0)
Movement in lease creditor	-	(2.5)
<b>Net debt at 2 April 2022</b>	<b>268.9</b>	<b>285.0</b>

  

	165.5	167.5
Adjusted EBITDA	165.5	167.5
<b>Net debt / Adjusted EBITDA</b>	<b>1.6x</b>	<b>1.7x</b>

Adjusted Earnings per share	FY21/22 (52wk basis)	FY20/21 (52wk basis)	Change vs 1yr ago	Change vs 2yrs ago
<b>Trading profit</b>	<b>148.3</b>	<b>148.3</b>	<b>0.0%</b>	<b>11.9%</b>
Less: net regular interest	(19.8)	(33.0)	40.0%	49.5%
<b>Adjusted Profit before tax</b>	<b>128.5</b>	<b>115.3</b>	<b>11.4%</b>	<b>37.6%</b>
Less: notional tax @ 19.0%	(24.4)	(21.9)	(11.4%)	37.6%
<b>Adjusted profit after tax</b>	<b>104.1</b>	<b>93.4</b>	<b>11.4%</b>	<b>37.6%</b>
Divided by: Average shares in issue (m)	858.8	851.3	7.5	12.2
<b>Adjusted earnings per share</b>	<b>12.1</b>	<b>11.0</b>	<b>10.5%</b>	<b>35.6%</b>

FY21/22 guidance	£m
Working capital	Small outflow
Depreciation	c.£20m
Capital expenditure	£30-35m
Interest - cash	£16-18m
Interest - P&L	£18-20m
Tax - cash	Nil
Tax - notional P&L rate	19.0%
Pension deficit contributions	£38m
Pension administration costs	£6-8m
Final dividend (incl pensions match)	c.£13m

### Outlook

- Group enters FY22/23 in a strong position, following another year of successful strategic and financial progress
- Continue to execute against its 5 point strategy
  1. Grow the UK core business
  2. Invest in its infrastructure
  3. Expand into new categories
  4. Build sustainable overseas businesses
  5. Explore M&A opportunities
- Initial trading so far this year in line with Board's plans and confident in delivery of full year expectations
- Resilience of Group's brands, categories and supply chain means it's well positioned for further progress this year
- Group expects to see further input cost inflation, which it will continue to manage using a range of measures including cost efficiency programmes and pricing action
- Net debt/EBITDA of 1.5x in medium term and dividends on a full year basis

Accounting pensions valuation (£m)	2 April 2022			3 April 2021		
	RHM	Premier Foods	Combined	RHM	Premier Foods	Combined
Assets	4,273.7	826.3	5,100.0	4,459.4	792.5	5,251.9
Liabilities	(3,134.9)	(1,020.2)	(4,155.1)	(3,536.9)	(1,175.1)	(4,712.0)
<b>Surplus</b>	<b>1,138.8</b>	<b>(193.9)</b>	<b>944.9</b>	<b>922.5</b>	<b>(382.6)</b>	<b>539.9</b>
Surplus net of tax (@25%/19%)	854.1	(145.4)	708.7	747.2	(309.9)	437.3