

# Premier Foods FY22/23 Half year results - Factsheet



"Strong first half, expectations on track"

## FINANCIAL HEADLINES



1 – Excludes The Spice Tailor; 2 – Includes software amortisation

## STRATEGIC PROGRESS



1 – At constant currency rates and excludes The Spice Tailor

## KEY FINANCIALS & OUTLOOK

Sales & Trading profit - (£m)	FY22/23 H1	FY21/22 H1	Change vs prior year
<i>Excluding impact of The Spice Tailor</i>			
Branded sales	358.3	345.0	3.9%
Non-branded sales	60.3	49.1	22.8%
<b>Total sales</b>	<b>418.6</b>	<b>394.1</b>	<b>6.2%</b>
Divisional contribution	83.5	77.0	8.4%
Group & corporate costs	(26.8)	(23.6)	(13.2%)
<b>Trading profit</b>	<b>56.7</b>	<b>53.4</b>	<b>6.2%</b>
EBITDA	68.5	67.1	2.1%

Sales (including The Spice Tailor) £m	FY22/23 H1	FY21/22 H1	Change vs prior year
<i>Including impact of The Spice Tailor</i>			
Branded sales	359.6	345.0	4.3%
Non-branded sales	60.3	49.1	22.8%
<b>Total sales</b>	<b>419.9</b>	<b>394.1</b>	<b>6.6%</b>

Cash flow (£m)	FY22/23 H1	FY21/22 H1
<b>Trading profit</b>	<b>56.7</b>	<b>53.4</b>
Depreciation	11.8	13.7
Other non-cash items	1.8	1.4
Capital expenditure	(6.3)	(6.3)
Working capital	(28.6)	(23.2)
<b>Operating cash flow</b>	<b>35.4</b>	<b>39.0</b>
Interest	(9.7)	(14.6)
Pension contributions	(20.7)	(19.5)
<b>Free cash flow</b>	<b>5.0</b>	<b>4.9</b>
Non-trading items	(2.7)	2.0
Proceeds from share issue	0.1	0.6
Re-financing fees	(0.7)	(13.2)
Taxation	(0.4)	-
Dividend (including pensions match)	(13.0)	(11.0)
Acquisition	(43.8)	-
<b>Movement in cash</b>	<b>(55.5)</b>	<b>(16.7)</b>

Adjusted Earnings per share	FY22/23 H1	FY21/22 H1	Change vs prior year
<b>Trading profit</b>	<b>56.7</b>	<b>53.4</b>	<b>6.2%</b>
Less: net regular interest	(9.7)	(11.4)	(14.7%)
<b>Adjusted Profit before tax</b>	<b>47.0</b>	<b>42.0</b>	<b>11.9%</b>
Less: notional tax @ 19.0%	(8.9)	(8.0)	(11.9%)
<b>Adjusted profit after tax</b>	<b>38.1</b>	<b>34.0</b>	<b>11.9%</b>
Divided by: Average shares in issue (m)	860.3	856.9	0.4%
<b>Adjusted earnings per share</b>	<b>4.4</b>	<b>4.0</b>	<b>11.4%</b>

FY22/23 guidance	£m
Working capital	Outflow
Depreciation (includes software amortisation)	c.£25m
Capital expenditure	c.£30m
Interest - cash	£18-20m
Interest - P&L	c.£20m
Tax - cash	c.£1m
Tax - notional P&L rate	19.0%
Pension deficit contributions	£38m
Pension administration costs	£6-8m

Net debt (£m)	post-IFRS 16
<b>Net debt at 2 April 2022</b>	<b>285.0</b>
Movement in cash	55.5
Movement in debt issuance costs	0.3
Movement in lease creditor	(3.1)
<b>Net debt at 1 October 2022</b>	<b>337.7</b>
Adjusted EBITDA	68.5
<b>Net debt / LTM Adjusted EBITDA</b>	<b>2.0x</b>

Outlook
<ul style="list-style-type: none"> <li>Group takes good momentum into H2 as it continues to successfully navigate evolving macroeconomic climate</li> <li>Second half will see more consumer-insight driven new product launches and further brand investment</li> <li>With leading portfolio of affordable brands, the Group considers it is well placed to perform well in the current environment</li> <li>Remains on track to deliver on expectations for full year</li> <li>In medium term, Group will continue to realise further shareholder value through ongoing delivery of its five pillar growth strategy</li> <li>Net debt/EBITDA target of 1.5x unchanged</li> </ul>

Accounting pensions valuation (£m)	1 October 2022			2 April 2022		
	RHM	Premier Foods	Combined	RHM	Premier Foods	Combined
Assets	3,251.1	584.3	3,835.4	4,273.7	826.3	5,100.0
Liabilities	(2,155.2)	(718.4)	(2,873.6)	(3,134.9)	(1,020.2)	(4,155.1)
<b>Surplus</b>	<b>1,095.9</b>	<b>(134.1)</b>	<b>961.8</b>	<b>1,138.8</b>	<b>(193.9)</b>	<b>944.9</b>
Surplus net of tax (@25%/19%)	821.9	(100.6)	721.3	854.1	(145.4)	708.7