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14 November 2016

Proposed \$747.5m Acquisition of Peacock Foods

Accelerates Grencore towards its vision to become a fast-growing, international convenience food leader

Grencore Group plc (“**Grencore**”) a leading international convenience food business, is pleased to announce the proposed acquisition of Peacock Foods (“**Peacock**”) for total consideration calculated by reference to an enterprise value of \$747.5 million (£594.3 million at 1.2577 exchange rate) on a debt free and cash free basis (the “**Acquisition**”).

TRANSACTION HIGHLIGHTS

- Peacock is a fast-growing US convenience food manufacturer with strong positions in frozen breakfast sandwiches, kids’ chilled meal kits and salad kits, generating revenues of approximately \$1 billion and Adjusted EBITDA of \$72.1 million in year to September 2016
- Combined business has the potential to transform Grencore’s market and channel position in the US and create a strong platform for long term profitable growth
- Funded by a fully underwritten rights issue offered to Qualifying Shareholders to raise a total of £439.4 million and new debt facilities of approximately £200 million. Pro forma net debt / EBITDA of 2.5x
- Compelling strategic rationale, with expected significantly enhanced earnings and targeted return ahead of cost of capital from first full year of ownership

Commenting on the Acquisition, Grencore’s CEO, Patrick Coveney said:

“The acquisition of Peacock will transform our US business, strengthen our position in high growth categories, broaden our channel and customer exposure, and add significant scale to our operations. We believe Peacock’s success is built on the same fundamental strategy and values that drive Grencore, making products that consumers love, building deep, longstanding relationships with customers, investing in high quality manufacturing capacity, food safety capability and, most importantly, people. We are delighted to welcome the Peacock team into the Grencore Group.”

Tom Sampson, Peacock Foods CEO, added:

“We are thrilled to be joining the Grencore team at this important time in our growth. We have been particularly struck by the similarities in the way we run our business and our mutual long-term commitment to the US convenience food market. We are excited by the opportunity that we now have to leverage Grencore’s expertise in innovation and fresh food manufacturing, thereby bringing a broader set of capabilities to our customers.”

PEACOCK IS A FAST-GROWING CONVENIENCE FOOD MANUFACTURER

- Peacock manufactures convenience food products for large US consumer packaged goods (“CPG”) customers
- Focused on fast-growing categories such as frozen breakfast sandwiches, kids’ snack kits and salad kits, and supported by the industry trend towards outsourced manufacturing
- Deep, long-standing relationships with CPG leaders including Tyson Foods®, KraftHeinz® and Dole®
- Headquartered in Geneva, Illinois, and operating from seven large well-invested facilities with a track record of quality and safety, and expertise in automation, project engineering and packaging
- Attractive contract model including co-investment with customers for capital expenditure on new projects
- Strong historic profit growth with Adjusted EBITDA growth of 36.6% between the 12 months ended September 2015 and September 2016

COMPELLING STRATEGIC RATIONALE

The Acquisition transforms Greencore’s position in the US and provides a platform for sustained profitable growth.

- Operating scale in the US: represents a step change in scale in overall revenues, presence in attractive growing categories, and national manufacturing footprint
- Strong market positions: increases exposure to leading brands in fast-growing categories such as frozen breakfast sandwiches, kids’ snack kits and salad kits
- New channels and new customers: brings long term relationships with leading customers in complementary channels, such as Tyson Foods®, KraftHeinz® and Dole®; Greencore senior executives have met with Peacock customers, representing approximately 70% of Peacock’s revenues, who have expressed their support for the acquisition and the continuation of existing supply agreements
- Enhanced operating capacity with broader geographic reach: adds seven well-invested scale sites to create a network that will have five times the footprint of Greencore's current US operations and enhanced geographic reach
- Complementary competencies: adds experience in automation, project engineering and packaging formats to Greencore’s existing strong competencies in food safety, innovation, new product development, and short shelf-life food manufacturing; the broader set of capabilities creates significant opportunities to bring new products to existing customers and to further develop new channels and customers
- Strengthened leadership team for a larger US business

INTEGRATION AND MANAGEMENT STRUCTURE

- The new US division (which, after Completion, will include Peacock) will be led by the CEO of Greencore’s US division, Chris Kirke
- Thomas Sampson (Peacock’s CEO) will be appointed as a senior advisor to Greencore with particular responsibility for managing customer transition and integration over the next two years
- The new management team will be made up of members of both Greencore’s and Peacock’s current senior management teams, with the key members identified and in place

STRONG FINANCIAL RATIONALE AND ATTRACTIVE RETURNS

- Significantly enhanced expected earnings from first full year following acquisition due to strong earnings and growth profile of Peacock and the realisation of cost synergies
- Anticipated return on capital expected to exceed current cost of capital from first full year following acquisition
- Significantly increased operating cash generation and strong group deleveraging profile expected
- Projected annual cost synergies of at least \$15 million by FY19 through combining Peacock with Greencore operations

- Attractive tax attributes with expected historical tax assets of at least \$65 million; limited levels of cash tax expected in the US in the medium term
- Continued progressive dividend policy with intended payout ratio target of 30-40% of Adjusted Earnings
- Strong outlook with continued momentum through new contracts and underlying segment growth

The Acquisition and related expenses will be financed through a combination of a fully underwritten rights issue offered to Qualifying Shareholders to raise a total of £439.4 million (the **“Rights Issue”**) and new debt facilities aggregating approximately £200 million. The Rights Issue will comprise 9 New Greencore Shares issued at 153 pence per share for every 13 Existing Greencore Shares. The Rights Issue has been fully underwritten by HSBC Bank plc (**“HSBC”**), Goodbody Stockbrokers UC (**“Goodbody”**), Jefferies International Limited (**“Jefferies”**), and Coöperatieve Rabobank U.A. (**“Rabobank”**) (together, the **“Underwriters”**).

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 (as defined in the Circular to Greencore Shareholders being posted today). Accordingly, an Extraordinary General Meeting (**“EGM”**) of Greencore is to be held on 7 December 2016 for the purposes of approving the Acquisition and the Transaction Resolutions that are required in order to implement the Rights Issue and a circular, including the notice of the Extraordinary General Meeting, to Greencore Shareholders is being issued today.

ABBREVIATED TIMETABLE OF PRINCIPAL EVENTS

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 and Joint Sponsors, 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.

Except where otherwise indicated, references to a time of day are to Irish time.

Announcement of the Acquisition and Rights Issue	14 November 2016
Publication of Prospectus and posting of the Circular	14 November 2016
Publication of Greencore 2016 Annual Report and related supplemental prospectus	5 December 2016
Record date for entitlement under the Rights Issue for Qualifying Shareholders	6.00 p.m. on 6 December 2016
Greencore EGM	11.00 a.m. on 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
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	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
Completion of Acquisition	30 December 2016

ANALYSTS AND INVESTORS

A presentation for analysts and investors will be held today, 14 November 2016, at The Andaz Hotel, 40 Liverpool Street, London, EC2M 7QN at 9am (London time). If you would like to attend please contact Powerscourt.

A link to a live webcast of the presentation and a copy of the presentation will be available at www.greencore.com

If you wish to dial into the conference call you can do so on the following details:

UK number: +44 (0) 20 3427 1908
Ireland number: +353 (0) 1 246 5602
USA number: +1 212 444 0896
The participant code: 7652386

A replay of the presentation will be available on www.greencore.com. It will also be available through a conference call replay facility, which will be available for one week. To access this replay, please dial:

UK number: +44 (0) 20 3427 0598
Ireland number: +353 (0) 1 486 0902
USA number: +1 347 366 9565
The participant code: 7652386

The preceding summary should be read in conjunction with the full text of the following announcement and its appendices.

The defined terms in this announcement set out in Appendix I apply to this announcement.

ENQUIRIES

Greencore

Conor O'Leary, Group Company Secretary

Powerscourt

Rob Greening, Lisa Kavanagh
+44 (0) 20 7250 1446

Drury | Porter Novelli

Billy Murphy, Sarah O'Connor
+ 353 (0) 1 260 5000

Sole Financial Adviser and Joint Sponsor to Greencore

Greenhill & Co International LLP
Seamus Moorhead, Anthony Parsons
+44 (0) 20 7198 7400

Joint Sponsor, Joint Global Co-ordinator, Joint Bookrunner and Lead Underwriter to Greencore

HSBC Bank plc
Mark Dickenson, Samuel Hart
+44 (0) 20 7991 8888

Joint Global Co-ordinator, Joint Bookrunner, Underwriter and Corporate Broker to Greencore

Goodbody Stockbrokers
Linda Hickey, John Flynn
+ 353 (0) 1 667 0420

NOTES TO EDITORS

Greencore:

- A leading manufacturer of convenience food in the UK and the US
- Strong market positions in the UK convenience food market across food to go, chilled prepared meals, chilled soups and sauces, ambient sauces & pickles, cakes & desserts and Yorkshire Puddings

- A fast-growing food to go business in the US, serving both the convenience and small store channel and the grocery channel
- Greencore is headquartered in Dublin, Ireland and employs approximately 12,800 people worldwide

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 is headquartered in Geneva, Illinois, and employs over 1,150 people, excluding outsourced workers obtained from labour suppliers, in seven facilities across the US, with over two million square feet of manufacturing

Summary

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 based on an exchange rate of \$1.2577:£1). 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 the Prospectus, 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 Extraordinary General Meeting 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.

Key transaction terms

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. 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.

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

If the Acquisition Agreement is terminated for any of the following reasons, a reverse termination fee of approximately \$15.2 million (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: (i) 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; (ii) 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; (iii) the Transaction Resolutions are not approved by the Shareholders at the Greencore EGM, or at any adjournment or postponement thereof; and/or (iv) the Greencore Board withdraws, modifies or qualifies its recommendation to Shareholders to vote in favour of the Acquisition, as set out in the Circular, in relation to the Acquisition in a manner adverse to Peacock or the Peacock Securityholders or makes any public announcement inconsistent with such recommendation.

Information on Greencore

The Greencore Group is an international convenience foods manufacturer, comprising two segments, Convenience Foods and Ingredients & Property.

The Greencore Group's core competence is the manufacture of convenience food products for its retail customers. The Greencore Group runs a wide variety of processes across its 23 manufacturing facilities, including the preparation, assembly and packaging of products such as sandwiches, salads and sushi; preparing and cooking the ingredients required for ready meals, soups and sauces prior to further assembly and packaging; baking, setting, and decorating cake and dessert products. The vast majority of the Greencore Group's facilities operate in a chilled supply chain environment, albeit certain facilities operate in ambient and frozen environments. All of the Greencore Group's facilities are subject to extensive quality and food safety auditing and environmental monitoring.

Information on 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.

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 VII (*Historical Financial Information*) of the Prospectus, and for the 12 months ended 27 September 2015. 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, 12 months ended 27 September 2015 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 Part VII (*Historical Financial Information*) of the Prospectus 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 table below sets out further detail on the impact of exceptional items on the Peacock Group's results:

	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
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 Profit¹	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)	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	As a 27 Sept 2015	As at 27 Dec 2015	As at 28 Dec 2014	As at 29 Dec 2013
	Unaudited \$m	Unaudited \$m	Audited \$m	Audited \$m	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 assets	(47.6)	(85.0)	(61.2)	(78.4)	(48.6)

Selected consolidated cashflows

	12 months ended 25 Sept 2016	12 months ended 27 Sept 2015	Year ended 27 Dec 2015	Year ended 28 Dec 2014	Year ended 29 Dec 2013
	Unaudited \$m	Unaudited \$m	Audited \$m	Audited \$m	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

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.¹ 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%² on a run-rate basis, while growing net

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

² Source: Nielsen Grocery Multiples 4 weeks ended December 2011 and 4 weeks ended August 2016.

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.³ 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 2016.⁴ 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®. 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 and 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, 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 US⁵ and which account for approximately 64% of Peacock's revenue for the 12 months ended 25 September 2016.⁶ Second, as described above,

³ Source: Nielsen Marketshare Report, September 2016.

⁴ Source: Internal unaudited Greencore management information.

⁵ Source: Nielsen Growth and Market Share Report, April 2016

⁶ Source: Internal unaudited Peacock management data.

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.⁷ 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 co-investment 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 \$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.⁸

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 twelve months ended 25 September 2016, representing growth of 21.1% in comparison to the prior twelve 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.⁹

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 of approximately 15% of total revenues.

⁷ Source: Internal unaudited Peacock management data.

⁸ Source: Internal unaudited Greencore management information.

⁹ Source: Internal unaudited Greencore management information.

- *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 twelve months ended 25 September 2016, the Combined Group's US business would derive 30% of its revenue from frozen breakfast sandwiches (with category 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.¹⁰
 - *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 64% 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 the Prospectus). 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.

¹⁰ Source: Nielsen Marketshare Report, September 2016.

- *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.

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.

Financing the Acquisition

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 offered to Qualifying Shareholders 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). The Facilities Agreement has been co-ordinated by Rabobank who together with HSBC and Bank of Ireland are the facility underwriters and original lenders. Bank of Ireland will act as agent on the Facilities Agreement in addition to the agency duties that they currently perform on Greencore's current £300m Revolving Credit Facility. 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 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 11 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 5 of Part I (*Information on the Acquisition and the Rights Issue*) of the Prospectus.

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.

Principal terms 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 offered to Qualifying Shareholders. The Rights Issue Price of 153 pence per New Greencore Share, which is payable in full on acceptance by not 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 a Qualifying Shareholder does not take up any of their entitlement to New Greencore Shares, their proportionate shareholding will be diluted by approximately 40.9%. However, if a Qualifying Shareholder takes up their 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, 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 all 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 related Rights Issue 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 Rights Issue 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.

Subject to the fulfilment of, among others, the conditions set out below, Greencore proposes to offer, by way of the Prospectus (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 for every 13 Existing Greencore Shares

held by Qualifying Shareholders 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. 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.

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.

The Rights Issue is conditional upon, among other things:

- the passing without amendment (or with such amendment as the Joint Bookrunners and the Joint Sponsors may agree) of the Transaction Resolutions at the Greencore EGM;
- 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 date as the Joint Bookrunners and the Joint Sponsors may agree in writing).

In what the Directors believe is 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, Admission 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.

Applications will be made to the UKLA for the New Greencore Shares (issued in connection with the Rights Issue) to be admitted to 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 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 the premium segment of the Official List and to trading on the London Stock Exchange's main market for listed securities.

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

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 Underwriters' and the Joint Sponsors' respective obligations under the Underwriting Agreement are conditional upon among other things:

- 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 without amendment (or with such amendment as the Joint Bookrunners and the Joint Sponsors may agree) of the Transaction Resolutions at the Greencore EGM;
- the warranties on the part of Greencore 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, 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 the Circular having arisen between the time of publication of the Prospectus 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, as the case may be 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 10 of Part XII (*Additional Information*) of the Prospectus.

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.

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 twelve months ended 25 September 2016).

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

Greencore Shareholder approval and Greencore Board recommendation

Due to its size, the Acquisition constitutes a Class 1 transaction for Greencore under the Listing Rules. As such, Greencore is seeking the approval of Shareholders for the Acquisition.

Shareholders will also be asked to approve the allotment of New Greencore Shares to be issued pursuant to the Rights Issue and the disapplication of statutory pre-emption rights and to grant certain authorities with respect to the Enlarged Share Capital following the completion of the Rights Issue.

Accordingly, the Greencore EGM has been convened at the Westin Dublin Hotel, College Green, Westmoreland Street, Dublin D02 HR67, Ireland at 11.00 a.m. on 7 December 2016.

Greencore expects later today to post to Shareholders the Circular summarising the reasons for the Acquisition and the Rights Issue (which includes a notice convening the Greencore EGM). The Acquisition is conditional on, among other things, the approval of the Acquisition and the Rights Issue by Shareholders.

The Greencore Board unanimously recommend that Shareholders vote in favour of the Transaction Resolutions, as the Greencore Directors intend to do in respect of their own holdings of 2,332,148 Ordinary Shares representing, in aggregate, approximately 0.56% of the Existing Greencore Shares as at the Latest Practicable Date.

The Greencore Board is fully supportive of the Rights Issue. All of the Greencore Directors hold Existing Greencore Shares and intend, after Admission, 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, certain Greencore Directors intend to acquire further rights to New Greencore Shares during the course of the Rights Issue.

Important information

This document does not constitute or form part of, and should not be construed as, an offer, solicitation or invitation to purchase, subscribe for, or otherwise acquire, any securities of Greencore (the “**Securities**”), nor shall it or any part of it nor fact of its distribution form the basis of or be relied on in connection with any contract or commitment whatsoever. This document is an advertisement and not a prospectus and investors should not subscribe for or purchase any Securities of Greencore referred to in this document except on the basis of the information in the Prospectus (when published). Copies of the Prospectus will, following publication, be available from Greencore’s registered office at No 2 Northwood Avenue, Northwood Business Park, Santry, Dublin 9, D09 X5N9, Ireland and at Greencore Group UK Centre, Midland Way, Barlborough Links Business Park, Barlborough, Chesterfield, S43 4XA and on Greencore’s corporate website.

The Prospectus in connection with the proposed Rights Issue and the admission of the Securities to the Official List of the Financial Conduct Authority and to trading on the London Stock Exchange’s main market for listed securities is expected to be published today.

Investors should not subscribe for or purchase any Securities except on the sole basis of information in the Prospectus expected to be published by Greencore today in connection with the Acquisition.

Nothing in this document constitutes legal, financial, tax or other advice and does not take into account the particular financial situation, taxation position or needs of any person.

This document has been prepared by, and is the sole responsibility of, Greencore. The information contained in this document has not been independently verified and neither Greencore nor any other party is under any duty to update or inform you of any changes to such information.

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 document, 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 Greencore Shares, the Acquisition, the Rights Issue and/or Admission; and (ii) each of Greenhill, HSBC, Goodbody, Jefferies or 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 document or any such statement.

The Securities have not been and will not be registered under the US Securities Act of 1933, as amended (the “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, in the United States absent registration under the Securities Act or an exemption from the registration requirement thereof. Greencore does not intend to conduct a public offering of the Securities in the United States.

The distribution of this document into jurisdictions other than the United Kingdom and Ireland may be restricted by law. Therefore, persons into whose possession this document or any accompanying documents come should inform themselves about, and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. In particular, subject to certain exceptions, this document and the accompanying documents (including the Provisional Allotment Letter) should not be distributed, forwarded to or transmitted in or into the United States or any of the Excluded Territories.

This document and any material distributed in connection with it include forward-looking statements. All statements other than statements of historical facts included in this document 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 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 operations of Greencore, Peacock or the combined Greencore and Peacock corporate groups following completion of the Acquisition (the “Combined Group”) and potential synergies resulting from the Acquisition; and (iii) the effects of government regulation on the business of Greencore, Peacock or the Combined Group.

By their nature, forward looking statements involve risks and uncertainties (including, without limitation, the risks and uncertainties that will be described in the Prospectus) because they relate to future events and circumstances that are difficult to predict and outside of Greencore’s, and after completion of the Acquisition, the Combined Group’s, ability to control. Forward looking statements are not guarantees of future performance and the actual results of the operations of the Combined Group, and the development of the markets and the industries in which the Combined Group operates, may differ materially from those described in, or suggested by, the forward looking statements contained in this document. In addition, even if the Combined Group’s results of operations, financial position and/or prospects, and the development of the markets and the industries in which the Combined Group operates, are consistent with the forward looking statements contained in this document, those results or developments may not be indicative of results or developments in future periods.

Neither Greencore nor any of its advisors undertake any obligation to update or revise any forward-looking statements that may arise due to any change in its or the Combined Group’s expectations or to reflect events that may occur or circumstances that may arise after the date of this document. You should not place undue reliance on forward-looking statements which speak only as of the date of this document.

The Greencore 2016 Preliminary Statements are not audited and the financial information in respect of the Greencore Group for the financial year ended 30 September 2016 included in the Prospectus document is therefore unaudited and consequently constitute a profit estimate (but not a profit forecast). The audited financial statements for Greencore for the financial year ended 30 September 2016 are expected to be published on or around 5 December 2016 with the publication of the Greencore 2016 Annual Report.

Greenhill is authorised and regulated by the Financial Conduct Authority (the “**FCA**”) and HSBC is authorised by the Prudential Regulation Authority (the “**PRA**”) and regulated by the PRA and the FCA in the United Kingdom. Jefferies is authorised and regulated by the FCA in the United Kingdom. Rabobank 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. Goodbody is regulated by the Central Bank of Ireland, and in the United Kingdom is authorised by and subject to limited regulation by the FCA.

Each of Greenhill, HSBC, Goodbody, Jefferies and Rabobank are acting solely for Greencore and no one else in connection with the transaction contemplated by the attached document (whether or not such person is a recipient of this electronic transmission or the attached document) and will not regard anyone other than Greencore as their

respective clients and will not be responsible to anyone other than Greencore for providing the protections afforded to their respective customers nor for providing advice in relation to any matter contained in this electronic transmission or the attached document or any matter, transaction or arrangement referred to in it. Apart from the responsibilities and liabilities if any, which may be imposed on Greenhill, HSBC, Goodbody, Jefferies and Rabobank by the Financial Services and Markets Act 2000 or under the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where the exclusion of liability would be illegal, void or unenforceable, each of Greenhill, HSBC, Goodbody, Jefferies and Rabobank disclaims all and any liability whether arising in tort, contract or otherwise which they might have in respect of this electronic transmission and the attached document.

A reconciliation of non-IFRS measures contained herein to the most comparable IFRS measures is available in the Prospectus under the heading "Presentation of Financial and Other Information."

APPENDIX

The definitions set out below apply throughout this document, unless the context requires otherwise.

£, 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 Cash Flow	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
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 as Operating Profit excluding depreciation and amortisation
Adjusted EPS	EPS excluding exceptional items, pension finance items, acquisition related amortisation, FX on inter-company and certain external balances and the movement in the fair value of all derivative financial instruments and related debt adjustments
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
Australia	the Commonwealth of Australia and its dependent territories
Board(s)	the Greencore Board and/or the Peacock Board (as the case may be)
Canada	Canada, its provinces and territories and all areas subject to its jurisdiction or any political subdivision thereof
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	the circular to be sent to Shareholders on or about the date hereof containing details of the Acquisition and the Rights Issue
Closing Price	the closing, middle market quotation in pounds sterling of a Greencore Share, as published in the Official List
Combined Group	the combined Greencore Group and Peacock Group following Completion
Completion	completion of the Acquisition

<i>Completion Date</i>	the date upon which the Acquisition becomes effective
<i>CPG</i>	means consumer packaged goods, also known as fast-moving consumer goods, which are goods that are sold quickly and at relatively low cost
<i>CREST</i>	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
<i>CREST Regulations</i>	the Companies Act 1990 (Uncertificated Securities) Regulations 1996 (SI 68/1996) of Ireland (as amended) or the Uncertificated Securities Regulations 2001 (SI 2001/3755) as appropriate
<i>dealing day</i>	a day upon which dealings in domestic securities may take place on and with the authority of the London Stock Exchange
<i>Director(s) or Greencore Director(s)</i>	the directors of Greencore whose names are set out at Part III of the Prospectus
<i>EBITDA</i>	earnings before interest, tax, depreciation and amortisation
<i>EGM</i>	Extraordinary general meeting
<i>Enlarged Share Capital</i>	the share capital of Greencore immediately following the completion of the Rights Issue and the issue of the New Greencore Shares
<i>EU</i>	the European Union
<i>EUR, € and Eur</i>	the lawful currency of the member states of the EU that have adopted the euro as their common currency and sole legal tender
<i>Euroclear</i>	Euroclear UK & Ireland Limited, the operator of CREST
<i>Excluded Territories</i>	Australia, Japan and South Africa and any other jurisdictions where the extension and availability of the Rights Issue would breach any applicable law
<i>Existing Greencore Shares</i>	the ordinary shares of £0.01 each in the capital of Greencore in issue at the Record Date
<i>Facilities Agreement</i>	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
<i>FCA or Financial Conduct Authority</i>	the UK Financial Conduct Authority or its successor from time to time
<i>Form of Proxy</i>	the form of proxy for use at the Greencore EGM
<i>FSMA</i>	the Financial Services and Markets Act 2000, as amended, modified or re-enacted from time to time
<i>Fully Paid Rights</i>	the rights to acquire New Greencore Shares, fully paid
<i>Greencore 2016 Annual Report</i>	Greencore's annual report for the financial year ended 30 September 2016 to be published on or around 5 December 2016
<i>Greencore 2016 Preliminary Statements</i>	Greencore's unaudited preliminary financial statements for the financial year ended 30 September 2016
<i>Greencore or Company</i>	Greencore Group plc, a public limited company incorporated in Ireland, with registered number 170116

<i>Greencore Directors or Directors of Greencore or Greencore Board or Board of Greencore</i>	the board of directors of Greencore at the date of the Prospectus
<i>Greencore EGM</i>	the general meeting of Shareholders 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 to consider and if thought fit pass, <i>inter alia</i> , the Transaction Resolutions in connection with the Acquisition, including any adjournment thereof
<i>Greencore Group</i>	Greencore and its subsidiary undertakings and associated undertakings and, where the context permits, each of them
<i>Goodbody</i>	Goodbody Stockbrokers UC
<i>Greenhill</i>	Greenhill & Co. International LLP
<i>HSBC</i>	HSBC Bank plc
<i>HSR Act</i>	the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder
<i>IFRS</i>	International Financial Reporting Standards
<i>Jefferies</i>	Jefferies International Limited
<i>Joint Bookrunners</i>	HSBC, Goodbody and Jefferies
<i>Joint Global Co-ordinators</i>	HSBC and Goodbody
<i>Joint Sponsors</i>	Greenhill and HSBC
<i>Latest Practicable Date</i>	10 November 2016, being the latest practicable date prior to publication of the Prospectus
<i>Listing Rules</i>	the listing rules made by the FCA under section 73A FSMA
<i>London Stock Exchange or LSE</i>	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
<i>Net Debt</i>	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
<i>New Greencore Shares</i>	the new ordinary shares of £0.01 each in the capital of Greencore proposed to be allotted and issued pursuant to the Rights Issue
<i>New Greencore Shareholders</i>	means the allottees of shares in Greencore pursuant to the Rights Issue
<i>Nil Paid Rights</i>	New Greencore Shares in nil paid form provisionally allotted to Qualifying Shareholders pursuant to the Rights Issue
<i>Notice of General Meeting or EGM Notice</i>	the notice of Greencore EGM which forms part of the Circular
<i>Official List</i>	the daily official list of the London Stock Exchange
<i>Operating Profit</i>	net profit before net finance costs, taxation, share of associate's profit/loss after tax, exceptional items and acquisition relation amortisation
<i>Ordinary Shares</i>	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	CB-Peacock Holdings, Inc., a corporation organised under the laws of Delaware
Peacock Group	Peacock and its subsidiary undertakings and associated undertakings and, where the context permits, each of them
Peacock Securityholders	holders of equity securities in Peacock from time to time
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
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 main 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)
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 as described in Part XI (<i>Terms and Conditions of the Rights Issue</i>) of the Prospectus
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
Regulatory Information Service	any of the services set out in Appendix II to the Listing Rules
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 acquisition facility made available under the Facilities Agreement; and/or (b) replace the Revolving Credit Facility in the event that the majority lenders under that facility do not consent to the Acquisition
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 the Prospectus and, in the case of Qualifying Non-CREST Shareholders, the Provisional Allotment Letters
<i>Rights Issue Expenses</i>	expenses related to the Rights Issue
<i>Rights Issue Price</i>	153 pence per New Greencore Share
<i>US Securities Act</i>	the US Securities Act of 1933
<i>Shareholders</i>	Greencore Shareholders from time to time
<i>Transaction</i>	the acquisition of Peacock by Greencore pursuant to the Acquisition Agreement on the terms described in this Prospectus
<i>Transaction Resolutions</i>	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
<i>UK</i>	United Kingdom of Great Britain and Northern Ireland
<i>UKLA or UK Listing Authority or UK Listing Rules</i>	the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA
<i>Underwriters</i>	HSBC, Goodbody, Jefferies and Rabobank
<i>Underwriting Agreement</i>	the sponsors' and underwriting agreement between Greencore, the Joint Sponsors and the Underwriters dated 14 November 2016 to fully underwrite the Rights Issue
<i>US or United States</i>	United States of America, its territories and possessions, any State of the United States of America and the District of Columbia
<i>US Securities Act</i>	the US Securities Act of 1933, as amended
<i>USDA</i>	the US Department of Agriculture
<i>VAT</i>	(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 UKLA or UK Listing Authority or UK Listing Rules