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THIS ANNOUNCEMENT INCLUDES INSIDE INFORMATION

For Immediate Release

GRENCORE GROUP PLC

Proposed Sale of Grencore US and £509 million Capital Return

15 October 2018

Grencore Group plc ("**Grencore**" or the "**Group**") a leading convenience food business, today announces that it has entered into an agreement for the sale of its entire US business ("**Grencore US**") to an affiliate of Hearthside Food Solutions LLC ("**Hearthside**") for US\$1,075 million (£817 million)¹ on a cash and debt-free basis (the "**Transaction**").

TRANSACTION HIGHLIGHTS

- Transaction EV / EBITDA multiple of 13.4x/14.2x^{2,3}, representing a compelling and immediate realisation of value
- Hearthside is a scale US contract food manufacturer with a heritage in US food industry outsourcing
- Net proceeds of c.£802 million will allow for Grencore to declare a Special Dividend of 72 pence per Ordinary Share, representing an aggregate amount of £509 million in cash, to shareholders as soon as practicable following completion of the Capital Reduction and the Lender Consent/Refinancing
- The Transaction will also support a strengthened balance sheet, with up to £293 million to be used to reduce leverage, and a target medium term leverage range of 1.5-2.0x Net Debt / EBITDA
- Post-Transaction, Grencore will have a leading position in its core UK market, greater financial and strategic flexibility, and potential for dynamic capital management
- Completion expected by late November 2018, conditional on approval of Grencore shareholders and US HSR clearance

GRENCORE AS A FOCUSED UK CONVENIENCE FOOD LEADER

Following the Transaction, the Board believe that the Retained Group will be well positioned with the focus, team, and flexibility to drive growth and returns. Post-transaction, the Group intends to:

- extend its leadership position in attractive categories and formats within the structurally growing convenience food market
- deepen its long-term partnerships with customers
- execute a number of value-creating initiatives in a dynamic and changing UK marketplace
- focus the organisation on UK opportunities with a strong team of leaders with industry-leading experience and expertise across strategy, commercial, manufacturing, technical/food safety and people development
- drive sustained growth, returns and cash flow for its Shareholders

Commenting on the Transaction, Grencore's CEO, Patrick Coveney, said:

"We believe that the proposed sale of our US operation represents a compelling and immediate realisation of value for Grencore's shareholders. We have always had a firm conviction on the underlying value and growth prospects of our US business and believe that this offer fully reflects that. Looking ahead, we are confident that we can deliver further growth and returns in the dynamic UK market. The proposed transaction would enhance our strategic and financial flexibility, which would allow us to build on our industry-leading position in our core UK market whilst also taking advantage of emerging organic and inorganic growth opportunities."

The Transaction is of sufficient size relative to the Group to constitute a class 1 transaction for the purposes of the Listing Rules and the Transaction is therefore conditional upon the approval of Shareholders. Accordingly, an Extraordinary General Meeting (“**EGM**”) of Greencore is to be held at The Westin Dublin Hotel, College Green, Westmoreland Street, Dublin, D02 HR67 at 10.00 a.m. on 7 November 2018 for the purposes of approving the Transaction.

If Completion of the Transaction occurs, and subject to the occurrence of the Lender Consent/Refinancing and the Capital Reduction, it is the Board’s intention to declare and pay a Special Dividend of 72 pence per Ordinary Share representing an aggregate amount of £509 million in cash. At the EGM Shareholders will also be asked to vote on a number of proposals intended to give Greencore the flexibility to implement the Special Dividend and an accompanying customary Share Consolidation.

A shareholder circular (the “**Circular**”) containing further details of the Transaction and including the notice of the EGM will be sent to shareholders following approval by the UK Listing Authority, (expected later today), and will be available for inspection at www.greencore.com. A summary expected timetable of principal events is set out in Appendix I to this Announcement.

CURRENT TRADING

- Reiterating previously announced Adjusted EPS range of 14.7p-15.7p for FY18
- Completed disposal of Rhode Island facility for additional cash consideration of \$10.8m in FY18
- FY18 Results will be issued on 4 December 2018

ANALYST AND INVESTOR MEETING, CONFERENCE CALL AND WEBCAST DETAILS

A presentation for analysts and investors will be held today, 15 October 2018, at Jefferies International, Vintners Place, 68 Upper Thames Street, London, EC4V 3BJ, at 9.30am. This presentation can also be accessed live from the Investor Relations section on www.greencore.com or alternatively via conference call.

Participants wishing to dial into the conference call can do so using the following details:

Conference call:

Ireland number:	+353 (0)1 246 5638
UK number:	+44 (0)330 336 9105
US number:	+1 929 477 0402
Confirmation code:	2250057

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:

Ireland replay number:	+353 (0)1 533 9810
UK replay number:	+44 (0)207 660 0134
US replay number:	+1 719 457 0820
Replay code:	2250057

The preceding summary should be read in conjunction with the full text of the following announcement and its appendices. The defined terms set out in Appendix I apply to this Announcement.

ENQUIRIES

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Billy Murphy, Louise Walsh

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, chilled quiche, ambient sauces & pickles, and frozen Yorkshire puddings
- A leading manufacturer of convenience food products for many of the largest food brands, convenience retail and food service leaders in the US
- Greencore is headquartered in Dublin, Ireland and employs approximately 14,500 people
- For more information go to www.greencore.com or follow Greencore on social media

Hearthside:

- Hearthside is a US food contract manufacturer based in Downers Grove, Illinois
- It is one of the largest co-manufacturers and suppliers of snack products to large consumer packaged goods companies in the US with 25 facilities across the US and the Netherlands
- Hearthside was formed in 2009, and was recently acquired by affiliates and investment vehicles managed by Charlesbank Capital Partners, LLC and Partners Group and their related funds on behalf of their clients

IMPORTANT NOTICES

This Announcement contains inside information and is issued on behalf of Greencore by Conor O'Leary, Group Company Secretary. This Announcement is issued at 7.00am on 15 October 2018.

This Announcement is not intended to, and does not constitute, or form part of, any offer to sell or an invitation to purchase or subscribe for any securities or a solicitation of any vote or approval in any jurisdiction. Greencore shareholders are advised to read carefully the Circular once it has been published. Any response to the Transaction should be made only on the basis of the information in the Circular to follow.

Each of Greenhill & Co. International LLP ("**Greenhill**"), which is authorised and regulated in the UK by the FCA, and Goldman Sachs International ("**Goldman Sachs**"), which is authorised by the Prudential Regulatory Authority and regulated by the FCA and the Prudential Regulation Authority in the UK, is acting exclusively for Greencore and no one else in connection with the Transaction and will not regard any other person as its client in relation to the Transaction and accordingly will not be responsible to anyone other than Greencore for providing the protections afforded to its clients, or for providing advice in connection with the Transaction, the contents of this Announcement or any other transaction, arrangement or other matter referred to in this Announcement as relevant. Goldman Sachs and its affiliates have provided various investment banking, financial advisory and other services for Greencore and are providing financing services to Hearthside for which they will receive customary fees.

Apart from the responsibilities and liabilities, if any, which may be imposed on Greenhill or Goldman Sachs under the FSMA, as amended, or the regulatory regime established thereunder, Greenhill and Goldman Sachs accept no responsibility whatsoever for the contents of this Announcement, including its accuracy, completeness or verification or for any other statement made or purported to be made by it, or on its behalf, in connection with Greencore, the Transaction, or any other matter referred to herein. Subject to applicable law, each of Greenhill and Goldman Sachs 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 it might otherwise have in respect of this Announcement or any such statement.

Cautionary statement regarding forward-looking statements

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

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances that are difficult to predict and outside of Greencore's or the Retained Group's ability to control. Forward-looking statements are not guarantees of future performance and the actual results of Greencore's or the Retained Group's operations and the development of the markets and the industry in which Greencore or the Retained Group operates, may differ materially from those described in, or suggested by, the forward-looking statements contained in this Announcement. In addition, even if Greencore's or the Retained Group's business results of operations, financial position and/or prospects, and the development of the markets and the industry in which Greencore or the Retained Group operates, are consistent with the forward-looking statements contained in this Announcement, those results and developments may not be indicative of results or developments in subsequent periods. A number of factors could cause results and developments of Greencore or the Retained Group to differ materially from those expressed or implied by the forward-looking statements including, without limitation:

- the performance of Greencore's and, following the Transaction, the Retained Group's customers may be adversely impacted by changing retail and industry structure, which in turn may affect Greencore's and, following the Transaction, the Retained Group's performance;
- demand for Greencore's and, following the Transaction, the Retained Group's products may be affected by changes in consumer behaviour and demand and changes in consumer legislation;
- Greencore's and, following the Transaction, the Retained Group's success may depend on their customers' brands, reputations and relationships;

- following the Transaction, an impairment of goodwill or other intangible assets would adversely affect Greencore's business and financial condition; and
- other factors discussed in more detail in the Circular.

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

GRENCORE GROUP PLC

Proposed Sale of Grencore US and £509 million Capital Return

1. Introduction

Grencore today announces that it has reached an agreement to sell its US business, Grencore US, to Hearthside.

The enterprise value of the Transaction will be \$1,075 million (£817 million)¹, which has been calculated on a cash and debt free basis and on the basis of there being a minimum level of working capital in the US business. The consideration, payable in cash, will be subject to a customary adjustment for the cash, debt, and working capital in Grencore US at Completion.

2. Background to and reasons for the Transaction

In late August 2018, the Group was approached by Hearthside, a US food contract manufacturer, with an indicative offer to acquire Grencore US. Subsequently, the Group and Hearthside engaged in discussions culminating in the entry into the Stock Purchase Agreement.

The Board believes that the Transaction is highly compelling for the following reasons:

- the enterprise value of the Transaction to Adjusted EBITDA represents a multiple of 13.4x (14.2x when allocated central costs are included)^{2,3}, which is attractive by reference to comparable transactions in similar sectors;
- the total proceeds represent 41% of Grencore's estimated enterprise value⁴;
- the total proceeds represent a premium to both the price paid by Grencore for Peacock Foods and Grencore's total Invested Capital in the US;
- the Transaction recognises the strategic value of Grencore US and enables Grencore's Shareholders to benefit from an immediate realisation of value that takes account of Grencore US's future growth potential;
- it allows £509 million of cash to be returned to Shareholders pursuant to a Special Dividend subject to the Lender Consent/Refinancing and Capital Reduction occurring;
- it supports a strengthened balance sheet, with up to a £293 million reduction in leverage (subject to the occurrence of the Lender Consent/Refinancing), and a target medium term leverage ratio of 1.5-2.0x Net Debt to EBITDA (as measured under the Debt Agreements) enhancing scope to pursue value-creating opportunities in the UK market; and
- it is expected to have limited operational impact on the Retained Group and is expected to enable the Retained Group to enhance its focus on its Convenience Foods UK & Ireland business, as more fully described below (*Information on the Retained Group*), which the Board believes is a significant potential source of future Shareholder value.

As a result of the factors set out above, the Board unanimously believes that the Transaction is in the best interest of Shareholders.

3. Information on the Retained Group

The proposed Transaction would reshape the Group, most particularly with regard to its geographic footprint. The Retained Group principally comprises of the Convenience Foods UK & Ireland segment of the Group which in the financial year ended 29 September 2017 had revenue of £1.4 billion. On a *pro forma* basis, had the Transaction been completed on 30 March 2018, the Retained Group would have had net assets of £788.5 million at that date (as will be detailed in the Circular).

The Retained Group would comprise primarily of activities in the UK convenience food sector, with strong market leading positions in particular in food to go categories. The business operates fifteen, well-invested facilities in the UK.

Of these, eight are food to go manufacturing facilities, at Atherstone, Bow, Crosby, Heathrow, Manton Wood, Northampton, Park Royal and Spalding. The activities in the food to go categories comprise the preparation, assembly and packaging of customer brand sandwiches, sushi and salads and accounted for over 55% of revenue in the Group's Convenience Foods UK & Ireland business in the 26 weeks ended 30 March 2018⁵. The Retained Group would also include operations in complementary convenience food categories, including chilled prepared meals, chilled soups and sauces, chilled quiche, ambient sauces and pickles and frozen Yorkshire puddings. These products are manufactured, prepared, assembled and packaged across seven facilities in the UK in Bristol, Consett, Kiveton, Leeds, Selby, Warrington and Wisbech. In addition, the Retained Group would have a chilled direct-to-store distribution operation that makes daily deliveries to small format retail stores across the UK. It comprises seventeen distribution depots, six picking centres and a fleet of small chilled vans which deliver to numerous outlets daily.

The Retained Group would also include the Group's small ingredient trading businesses in Ireland, involved in the distribution of edible oils and molasses.

The Retained Group has a strong operational and financial track record in the UK convenience food sector. The key drivers of this have been a focus on building leading market share positions in fast growing categories, the development of strong long-term partnerships with grocery retail customers, and targeted strategic and organic investment to support and expand the scale and capabilities of the business.

Following the proposed Transaction the Retained Group's focus will be on fast growing convenience food categories. Specifically, the Retained Group's strategy will be based on the following key themes:

- *The Retained Group aims to extend its leadership position in attractive and structurally growing categories and formats.* The convenience food sector is a significant area of growth and opportunity. The Retained Group has a strong market share in convenience food categories. These categories continue to be driven by positive long-term structural consumer and channel dynamics, underpinned by convenience and health trends. The overall food category in the UK has grown at a compounded annual rate of 2.0% per annum from September 2013 to September 2018⁶. The food to go category in particular is of strategic importance to the Retained Group's grocery retail customers, driving consumer footfall and generating attractive returns. This category has grown at a compounded annual rate of 5.9% per annum from September 2013 to September 2018⁶. The IGD has forecasted that the grocery market in the UK will grow at a compounded annual rate of 2.8% per annum to 2023⁷. The IGD has also forecasted that the overall food to go market in the UK will grow at a compounded annual rate of 5.0% per annum to 2023⁸.
- *The Retained Group intends to deepen its long-term partnerships with grocery retail customers.* The Retained Group pursues a relentless focus on customer centricity with a view to making Greencore a trusted supply chain partner, with specific sets of product and bespoke solutions for each customer. Customer relationships have been developed, in many cases over decades, across multiple points of contact, across functions and levels. The Retained Group has developed sole supply status in certain categories and has expanded its capabilities throughout the supply chain including new product development, technical and food safety, sourcing, order management, manufacturing, distribution and merchandising. This track record is supported by the Retained Group's leading performance in retailers' ranking of suppliers⁹. The relationships with customers are often underpinned by long-term agreements. Approximately 90% of the Retained Group's net sandwich sales in the financial year ended 28 September 2018 are pursuant to customer contracts with a duration of three years or more. During the 26 weeks ended 30 March 2018, the Retained Group extended contracts with three of its largest grocery retail customers, while adding several new customers in new channels.
- *The Retained Group focuses on executing strategic initiatives aimed at creating value.* The Retained Group has a track record of executing multiple strategic initiatives to drive organic and inorganic investment. Organic investment includes partnering with customers on key strategic projects to develop new capacity and capabilities. A programme of continuous operational improvement, underpinned by a strong culture of cost efficiency, reflects the Retained Group's emphasis on maintaining an effective infrastructure to create value for its customers and the business. The Retained Group also has a track record of engaging in disciplined strategic and tactical M&A activity.

- *The Retained Group aims to focus the organisation on UK opportunities.* The Retained Group has a highly experienced leadership team with wide ranging food sector knowledge. Industry-leading expertise in commercial, manufacturing, technical/food safety and sourcing is combined with a strong track record of people development and colleague engagement. The organisation model is underpinned by The Greencore Way, the business model and set of cultural principles that bring together the key elements of how the Retained Group operates.
- *The Retained Group's economic model aims to deliver sustained profits growth, returns and cash flow.* The combination of strong market positions, a programme of continuous improvements and the well-invested asset network creates a platform to enable strong profits growth and cash generation, with an attractive return on capital profile. The Retained Group maintains a strong balance sheet and operates a dynamic capital management strategy that provides flexibility to respond quickly to opportunities, and challenges in a dynamic marketplace.

At Completion, the Retained Group will operate with the central cost base of substantially all of the pre-Transaction Group. Following Completion the Retained Group will carry out and implement a review of the central management and organisational structure of the Retained Group with a view to reducing central costs and developing a leaner management structure as the Retained Group focusses on the UK market.

The Directors believe that, overall, the Retained Group's market positioning, capability set, customer profile, well-invested manufacturing base and economic model offer the potential to generate strong profits growth, to enhance cash generation, and to improve returns.

4. Information on Greencore US

Greencore US is the Group's US convenience food business and comprises thirteen production facilities: six of which are in the greater Chicago area with the remaining facilities located in Anaheim, California; Fredericksburg, Virginia; Jacksonville, Florida; Minneapolis, Minnesota; Wilmington, Ohio; Salt Lake City, Utah; and Seattle, Washington.

In December 2016 the Group acquired Peacock Foods. The acquisition transformed the Group's market and channel position in the US and created a growth platform of greater scale with a well-invested network of production facilities, an established customer base, and the potential to support growth in value added, assembly-led, convenience food manufacturing with existing and new customers across the US.

Greencore US operates in a large market supported by strong underlying growth trends, in particular the structural growth in food industry outsourcing. The trend towards outsourced manufacturing in the US food industry is driven by several factors, including an objective to effectively supply food products for more complex and rapidly changing consumer preferences and channels, and to sustain operational cost efficiency.

For the financial year ended 29 September 2017, Greencore US had Adjusted EBITDA of \$80.5 million (£63.2 million), and as at 30 March 2018 had gross assets of £869.4 million. Detailed historical financial information for Greencore US will be presented in the Circular¹⁰.

5. Information on Hearthside

Hearthside is a US food contract manufacturer based in Downers Grove, Illinois. It is one of the largest co-manufacturers and suppliers of snack products to large consumer packaged goods companies in the US with 25 facilities across the US and the Netherlands. Hearthside was formed in 2009, and was recently acquired by affiliates and investment vehicles managed by Charlesbank Capital Partners, LLC and Partners Group and their related funds on behalf of their clients. Charlesbank and Partners Group (on behalf of their clients) have a track record of investing in food companies and, in addition, Charlesbank, through its related funds, previously owned Peacock Foods before selling its interests in Peacock Foods to Greencore as part of the Peacock Acquisition.

For 2017, Hearthside had revenues of approximately \$1.5 billion.

6. Use of Net Proceeds and Financial Effects of the Transaction

Expected Net Proceeds

The cash proceeds will be calculated by reference to an enterprise value of Greencore US of \$1,075million (£817 million)¹, and is subject to customary adjustments for cash, debt and working capital.

The Net Proceeds of the Transaction are estimated to be \$1,055 million (£802 million)¹, being the estimated total cash proceeds less the payment of costs relating to the Transaction, estimated at \$20 million (£15 million)¹ and which will be subject to customary adjustments for the cash, debt, and working capital in Greencore US at Completion.

Special Dividend to Shareholders and Reduction in Leverage

Following Completion, the Board intends to declare a Special Dividend of 72 pence per Ordinary Share representing an aggregate amount of £509 million in cash and intends to use up to £293 million of the Net Proceeds to reduce leverage, subject to, in both cases, the Lender Consent/Refinancing and, in the case of the Special Dividend, also to the Capital Reduction occurring.

Completion of the Transaction will trigger mandatory prepayment obligations/offers under certain of the Debt Agreements of up to the entire debt balance outstanding under such Debt Agreements, although the lenders under the Existing Debt Agreements have the ability to waive such prepayment obligations. Following today's announcement, Greencore will commence discussions with its lenders regarding the amount of any such prepayments that will be required, and the Board believes that the Group's lenders will either agree to a waiver of the prepayment obligations/offers or agree to a refinancing of the Existing Debt Agreements (including the prepayment obligations). However, it is possible that Group's lenders will require a significant portion of the Net Proceeds to be used to repay debt or will not agree to a refinancing. If that happens it is possible that very little, if any, of the net Transaction proceeds will be available to fund a return of value to Shareholders, and the intended declaration and payment of the Special Dividend may be delayed and/or cancelled.

Since Greencore does not currently have sufficient distributable reserves to declare the Special Dividend, the declaration and payment of the Special Dividend would also be subject to the completion of the Capital Reduction whereby it is proposed that the entire balance of Greencore's share premium account as at 28 September 2018 will be converted into distributable reserves. The Capital Reduction requires the approval of Resolution 2 by Shareholders at the EGM and the confirmation of the High Court of Ireland and, in addition, it will be facilitated by the clarifying amendment to Greencore's Articles of Association under Resolution 3.

Financial effects of the Transaction

Following Completion, Greencore US will cease to be part of the Group and the Group will comprise the Retained Group, which itself principally comprises the Convenience Foods UK & Ireland segment of the Group.

At Completion, the Retained Group will operate with the central cost base of substantially all of the pre-Transaction Group and will subsequently carry out and implement a review of central management and organisation structure with a view to reducing central costs.

For information on the *pro forma* financial effects, together with the basis of preparation of the statements in this Announcement, please refer to the Circular, expected to be published later today.

Since the proceeds of the Transaction will be received in US Dollars and Greencore reports in pounds sterling, in order to mitigate the associated foreign exchange risk foreign exchange hedging arrangements have been entered into by Greencore with respect to the portion of the proceeds of the Transaction which will not be utilised to repay US Dollar denominated debt.

7. Description of Special Dividend and Share Consolidation

The Special Dividend is intended to return £509 million (equivalent to 72 pence per Ordinary Share) to Shareholders. Payment of the Special Dividend is conditional on Completion of the Transaction, the Lender Consent/Refinancing occurring and the completion of the Capital Reduction.

Greencore proposes to undertake the Share Consolidation to seek to maintain, so far as reasonably practicable, comparability of the Group's share price before and after the Special Dividend. The Share Consolidation should also facilitate historical and future financial information in relation to Greencore to be compared on a per-share basis before and after the Special Dividend.

8. Capital Management and Dividend Policy

The Board is committed to focussing on dynamic capital management, balancing the ongoing strategic and investment needs of the Retained Group, leverage reduction, returns to Shareholders and, subsequently in future, a progressive dividend policy. In this context the Board intends to target a leverage ratio of between 1.5x to 2.0x Net Debt to EBITDA (as measured in the Debt Agreements) over the medium term. Managing with this range, the Board may decide to make investments within existing operations, make acquisitions that fit with the Retained Group's strategy and/or return further cash to Shareholders in an efficient manner, whether through dividends or other forms of return of value.

Reflecting this dynamic capital management of the Group going forward, and following declaration of its final dividend for the 2018 financial year (for which its existing dividend policy will continue to apply), Greencore will move to a progressive dividend policy. This does not constitute a profit forecast or estimate and should not be interpreted to mean that future Adjusted EPS, profits, margins, and/or cash flow will support such a dividend policy.

The Board intends to keep the Retained Group's capital structure under regular review and the exact form of any investment or return of value to Shareholders will be based on an ongoing assessment of the availability of investment opportunities, the potential returns to Shareholders on a risk-adjusted basis, the prevailing equity market conditions, the capital needs of the Retained Group, the sufficiency of distributable reserves and other factors.

9. Current Trading and Future Prospects

Current trading

On 31 July 2018, Greencore issued a trading update covering the 13 weeks to 29 June 2018 and the 39 weeks to 29 June 2018. In the update, the Group noted that it anticipated good revenue growth in the final quarter of the financial year (these figures exclude sites disposed of and sites that have ceased trading during the year). The Group reiterated its FY18 guidance of Adjusted EPS in the range of 14.7p-15.7p. It also noted that the improving outlook for underlying cash generation and returns remains unchanged.

The Board re-confirms that current trading is in line with these expectations and that it expects that its results for the financial year ending 28 September 2018 to be within the previously announced range of Adjusted EPS of 14.7p-15.7p.

Future prospects

Following Completion of the Transaction, the Retained Group intends to continue to pursue its stated strategy to enhance its leadership position in fast growing convenience food categories within the UK. The strategy of the Retained Group will be based on the key themes that are set out in specific detail above (*Information on the Retained Group*).

The Directors believe that, overall, the Retained Group's market positioning, capability set, customer profile and economic model offer the potential to generate strong profits growth to enhance cash generation, and to improve returns.

10. Expected timetable of principal events

A summary expected timetable of principal events is set out in Appendix I to this Announcement.

APPENDIX I

EXPECTED 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. These times and / or dates may be changed by Greencore (subject to any applicable requirements of the Listing Rules, law and / or Greencore's Constitution) in which event details of the new times and / or dates will be notified to Shareholders by an announcement on a Regulatory Information Service and will be available on www.greencore.com.

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

	<i>Time and Date</i>
Posting of Circular (which includes the Notice of Extraordinary General Meeting) and the Form of Proxy	15 October 2018
Latest time and date for receipt of Forms of Proxy for use at the EGM	10.00 a.m., 5 November 2018
Latest time and date for receipt of electronic / CREST proxy appointment	10.00 a.m., 5 November 2018
Record time and date for eligibility to vote at the EGM	6.00 p.m., 5 November 2018
Extraordinary General Meeting	10.00 a.m., 7 November 2018
Announcement of results of the EGM	By 3.00 p.m., 7 November 2018
Expected date of Completion of Transaction	Late November 2018
Publication of Greencore Group plc's 2018 Annual Report	4 December 2018
Longstop Date	15 January 2019 (which may be extended to 6 February 2019 in certain circumstances)

APPENDIX II

KEY NOTES

1. Based on GBP:US Dollar foreign exchange rate of £1:\$1.3158, as at the Latest Practicable Date.
2. Greencore uses APMs which are non-IFRS measures to monitor the performance of its operations and of the Group as a whole. Details of these APMs, along with their definitions, will be provided in the Circular.
3. Enterprise value calculated as \$1,075m. Adjusted EBITDA for 13.4x multiple calculated based on Adjusted EBITDA for Greencore US for the 12 month period ended 29 September 2017. Adjusted EBITDA for 14.2x multiple calculated on the same basis, but also including allocated central costs to Greencore US for the year ended 29 September 2017 were £3.9 million (\$5.0 million) converted at a GBP:US Dollar exchange rate of £1:\$1.273.
4. Calculated by reference to total cash proceeds from the Transaction of \$1,075, the market capitalisation of Greencore as at the LPD, the net debt of Greencore as at 30 March 2018 of £522.2 million and GBP:US Dollar exchange rate of 1:1.3158.
5. Source: H1 2018 Unaudited Results
6. Source: Nielsen
7. Source: IGD UK Channel Opportunities: 2018-2023, June 2018
8. Source: IGD Food-to-Go Market 2018, August 2018
9. Source: The Advantage Report 2018, The Advantage Group International, Inc.
10. Details of key individuals important to Greencore US
The following individuals are deemed key to the operation of Greencore US:

Key Individual	Position
Anton Vincent	Chief Executive Officer of Greencore US
Chuck Metzger	Chief Operating Officer of Greencore US
James Reed	Chief Financial Officer of Greencore US

APPENDIX III

DEFINITIONS / GLOSSARY

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

2018 Annual Report	Greencore's annual report for the financial year ended 28 September 2018 including the audited financial statements for the financial year ended 28 September 2018;
£ or GBP or Sterling or Stg or pound sterling or pence or p	the lawful currency of the UK;
Adjusted Earnings	Adjusted Earnings is calculated as profit attributed to equity holders (as shown on the Group's income statement) adjusted to exclude exceptional items (net of tax), the effect of foreign exchange 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 intangibles (net of tax) and the interest expense relating to legacy defined benefit pension liabilities (net of tax);
Adjusted EBITDA	Adjusted EBITDA is calculated as operating profit before amortisation of acquisition related intangibles and exceptional charges plus depreciation and amortisation;
Adjusted EPS	Adjusted EPS is calculated by dividing Adjusted Earnings by the weighted average number of Ordinary Shares in issue during the year, excluding Ordinary Shares purchased by a trust on behalf of Greencore and held in trust in respect of the Deferred Bonus Plan, the Performance Share Plan and the Executive Share Option Scheme;
Announcement	this announcement, made by Greencore on 15 October 2018 in relation to the Transaction;
Articles of Association	the articles of association of Greencore for the time being;
Bank Bilateral Facilities Agreement	a £60 million term loan facilities agreement entered into by Greencore and certain of its subsidiaries dated 21 September 2011 as most recently amended on 3 April 2017 with RI-GD Investments, as lender;
Board	the board of directors of Greencore;
Capital Reduction	the completion of the proposed reduction of company capital set out in Resolution 2, including the obtaining of the confirmation of the High Court of Ireland in respect of such reduction;
CEO	Chief Executive Officer;

Charlesbank	Charlesbank Capital Partners, LLC and any investment funds that it manages;
Completion	completion of the Transaction;
Conditions	the conditions of the Transaction as described in the Circular;
Constitution	the constitution (i.e. the memorandum and articles of association) of Greencore for the time being;
CREST	the electronic transfer and settlement system for the paperless settlement of trades in listed securities and the holding of uncertificated securities in accordance with the CREST Regulations operated by Euroclear;
CREST Regulations	the Companies Act 1990 (Uncertificated Securities) Regulations 1996 (S.I. 68/1996) of Ireland (as amended);
Debt Agreements	the Existing Debt Agreements or any other debt agreements of the Retained Group from time to time, including in relation to the refinancing, replacement or amendment of the Existing Debt Agreements;
Deferred Bonus Plan	an award scheme for senior executives of Greencore as set out in the Circular;
Director(s) or Greencore Director(s)	the directors of Greencore;
Disclosure Guidance and Transparency Rules	the transparency rules made by the FCA for the purpose of Part 6 of FSMA;
EBITDA	earnings before interest, tax, depreciation and amortisation;
Euroclear	Euroclear UK & Ireland Limited, the operator of CREST;
Executive Share Option Scheme	the Group's share option scheme for its Executive Directors which expired in 2011;
Existing Debt Agreements	the Facilities Agreement, the Revolving Credit Facility, the Private Placement Agreement, the Private Place Notes and the Bank Bilateral Facilities Agreement;
Facilities Agreement	the facilities agreement dated 21 December 2016 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;
FCA or Financial Conduct Authority	the UK Financial Conduct Authority or its successor from time to time;

Form of Proxy	the form of proxy for use at the EGM;
FSMA	the Financial Services and Markets Act 2000, as amended, modified or re-enacted from time to time;
Greencore or Greencore Group plc	Greencore Group plc, a public limited company incorporated in Ireland, with registered number 170116;
Greencore US	Greencore US Holdings, LLC and, where the context so permits, its direct and indirect subsidiaries;
H1 2018 Unaudited Results	Greencore's unaudited trading results for the 26-week period ended 30 March 2018, released on 22 May 2018;
Hearthside	Hearthside Food Solutions, LLC and its affiliates
HSR	the United States Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended from time to time;
IFRS	International Financial Reporting Standards;
IGD	Institute of Grocery Distribution;
Invested Capital	invested capital is calculated as net assets (total assets less total liabilities) excluding Net Debt and the balance sheet value of derivatives not designated as fair value hedges. It also excludes retirement benefit obligations (net of deferred tax assets);
Latest Practicable Date	12 October 2018, being the latest practicable date prior to this Announcement;
Lender Consent/ Refinancing	the obtaining of a proposed waiver (or a waiver in respect of a sufficient portion of facilities/debt as determined by the Board) of payment obligations under the Existing Debt Agreements, being prepayment obligations/offers triggered by Completion, or the agreement to refinance the Existing Debt Agreements;
Listing Rules	the listing rules made by the FCA under Section 73A FSMA;
Market Abuse Regulation or MAR	Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation);
Net Debt	current and non-current borrowings and the balance sheet effect of cross-currency interest rate swaps associated with fair value hedges of the Private Placement Notes less net cash and cash equivalents;
Net Proceeds	total cash proceeds after customary adjustments for the cash, debt, and working capital in

	Greencore US at Completion less the payment of costs relating to the Transaction;
New Ordinary Shares	the ordinary shares in the capital of Greencore resulting from the Share Consolidation and “ New Ordinary Share ” shall be construed accordingly;
Ordinary Shares	ordinary shares of £0.01 each in the share capital of Greencore;
Partners Group	Partners Group and any affiliated investment funds managed and/or advised by Partners Group and its affiliates;
Peacock Acquisition	the acquisition of CB-Peacock Holdings Inc. by Greencore and Greencore US;
Peacock Foods or Peacock	CB-Peacock Holdings Inc., a Delaware corporation;
Performance Share Plan	Greencore’s long-term incentive scheme;
Private Placement Agreement	a private placement agreement entered into by Greencore and certain of its subsidiaries dated 28 February 2014 with a large insurance group;
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;
Regulatory Information Service	any of the services set out in Appendix II to the Listing Rules;
Resolution 2	the resolution to be proposed at the EGM being resolution 2 as will be set out in the Notice of EGM, with any permitted amendments thereto;
Resolution 3	the resolution to be proposed at the EGM being resolution 3 as will be set out in the Notice of EGM, with any permitted amendments thereto;
Resolutions	the resolutions to be proposed at the EGM;
Retail Partners	those customers that operate in the convenience store, retail grocery, and food store channels;
Retained Group	means Greencore and its subsidiaries and subsidiary undertakings from time to time excluding the US Business Group following Completion, being the continuing business of the Group following Completion;
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 coordinating bank, and the financial institutions

	specified therein as original lenders and mandated lead arrangers;
Share Consolidation	the consolidation of (i) each unissued Ordinary Share in the share capital of the Company and (ii) each Ordinary Share in the issued share capital of the Company at the Consolidation Record Date into New Ordinary Shares, in each case at a ratio obtained by dividing (a) Greencore's market capitalisation as at the close of trading of the LSE on the Consolidation Ratio Determination Date LESS the value of the aggregate amount of the Special Dividend by (b) Greencore's market capitalisation (as calculated above), subject to such amendments as the Directors of Greencore may determine (in their absolute discretion) to deal with fractions, rounding or other practical problems, or matter which may otherwise result from such division and/or to achieve a ratio which in their judgment is the most appropriate to seek to maintain comparability of the Company's share price before and after the Special Dividend;
Shareholders	(a) prior to the Share Consolidation, the holders for the time being of Ordinary Shares; and (b) after the Share Consolidation, the holders for the time being of New Ordinary Shares, and " Shareholder " shall be construed accordingly;
Special Dividend	the interim dividend of an aggregate amount of £509 million in cash (or such other amount as the Directors may determine) to be paid on Ordinary Shares proposed by the Directors to be paid subject to Completion, the Capital Reduction and the Lender Consent/ Refinancing and designated by the Board as such;
Stock Purchase Agreement	the Stock Purchase Agreement between Hearthside Acquisition VII-B Corp., H-Food Holdings, LLC, Greencore US Holdings, LLC, Greencore Advances DAC, Greencore Holdings DAC, Greencore Beechwood, Ltd, Greencore Eastwood Limited and Greencore Group plc amongst others. A summary of the key terms of the Transaction will be set out in the Circular;
Transaction	the proposed disposal of the US Business, pursuant to the Stock Purchase Agreement;
UK	United Kingdom of Great Britain and Northern Ireland;
UKLA or UK Listing Authority	the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA;
US or United States	United States of America, its territories and possessions, any State of the United States of America and the District of Columbia;

US Business or US Business Group

Greencore US and its subsidiaries carrying on the Group's US business; and

US dollar or USD or \$

the lawful currency of the US