

Date: 11 January 2023

LEI: 635400TLVVBXLFHWC59

KERRY GROUP

Kerry to sell its Sweet Ingredients Portfolio to Advent International's portfolio company, IRCA

Kerry Group plc today announces that it has entered into exclusive negotiations to sell the trade and assets of its Sweet Ingredients Portfolio to IRCA ("the Potential Sale"), an international leader in chocolate, creams, and other high-quality semi-finished food ingredients, for a consideration of €500m¹. The Potential Sale is subject to relevant regulatory approvals and routine closing adjustments. Employee consultation and information processes have commenced in relevant jurisdictions.

The Sweet Ingredients Portfolio is a leading manufacturer of sweet and cereal products with a broad range of technological capabilities, primarily serving the end markets of bakery, cereal, confectionery, dairy and ice cream in Europe and the US. Its operational footprint covers four manufacturing facilities in the US (in Illinois, Kansas, Missouri, and California), and six facilities across the UK, the Netherlands, Germany and France. The portfolio incorporates a range of products spanning sweet particulates, chocolate confections, baked inclusions, variegates and fruit purées. The expected attributable financial results for the year ended 31 December 2022 include revenues of €405m and EBITDA of €41m.

Edmond Scanlon, CEO of Kerry Group, commented: "We are pleased to have entered exclusive negotiations with IRCA, who have a strong track record of developing their business within the category. This transaction would represent another strategic development in Kerry's evolution, as we continue to look to enhance and refine our Taste & Nutrition portfolio, aligned to the areas where we can create the most value."

Massimo Garavaglia, CEO of IRCA, added: "We are delighted to partner with Kerry on this transaction and look forward to its successful conclusion. The Sweet Ingredients Portfolio is a high-quality business with a differentiated set of technologies, and we are excited to welcome their talented team who, we believe, share our passion and drive to deliver the best for their customers and consumers. This acquisition would represent a strong fit with our portfolio, with its highly complementary product and technological capabilities, and help us to become a truly global player. We look forward to helping the Sweet Ingredients Portfolio realise its full potential as part of the IRCA family."

Francesco Casiraghi, Managing Director at Advent International, commented: "We are delighted to welcome this best-in-class sweet ingredients business to the IRCA family, which would represent a major step in our goal of creating a genuine global leader in semi-finished food ingredients. There are so many exciting long-term opportunities for this combination, and we look forward to supporting the management team in this next phase of growth for the business."

The combination of IRCA and Kerry's Sweet Ingredients Portfolio is expected to create a global leader in semi-finished food ingredients with around €1 billion in revenues, a truly international footprint and a significant presence in the US. It would further strengthen IRCA's leadership positioning and expand its broad assortment of high value-added ingredients.

This would represent IRCA's third acquisition since it was acquired by Advent International ("Advent"), one of the largest and most experienced global private equity investors, in July 2022. This follows the recent acquisitions of Anastasi Group, a leading Italian pistachio ingredients company, and of Cesarin SpA, a leading artisanal fruit-based ingredients company.

The Potential Sale is expected to close in the first half of 2023 following the employee consultation and information processes and receipt of regulatory approvals. On receipt, the proceeds from the Potential Sale are expected to be used by Kerry for general corporate purposes and the continued strategic development of the Taste & Nutrition business.

¹The consideration of €500m comprises an initial cash consideration of €375m (subject to routine closing adjustments) plus a €125m interest bearing vendor loan note.

ENDS

About Kerry

Kerry is a world leading provider of taste and nutrition solutions for the food, beverage and pharmaceutical markets. We innovate with our customers to create great tasting products, with improved nutrition and functionality, while ensuring better impact for the planet. Our leading consumer insights, RD&A team of 1,100+ food scientists and extensive global footprint enable us to solve our customers' complex challenges with differentiated solutions. At Kerry, we are driven to be our customers' most valued partner, creating a world of sustainable nutrition. For more information, visit www.kerry.com.

About IRCA

IRCA is an international leader in chocolate, creams, and high-quality semi-finished food ingredients that for over 100 years has been supplying the professional channels across the world. The Group distributes its products across more than 100 countries and runs 13 production facilities in Italy, United States, Belgium, and Vietnam. Over 1,000 employees contribute every year to launching innovative products tailored to the latest industry trends, supplying a wide range of unique solutions to customers globally.

About Advent International

Founded in 1984, Advent International is one of the largest and most experienced global private equity investors. The firm has invested in over 400 private equity investments across 41 countries, and as of September 30, 2022, had €90 billion in assets under management. With 15 offices in 12 countries, Advent has established a globally integrated team of over 285 private equity investment professionals across North America, Europe, Latin America and Asia. The firm focuses on investments in five core sectors, including business and financial services; health care; industrial; retail, consumer and leisure; and technology. For over 35 years, Advent has been dedicated to international investing and remains committed to partnering with management teams to deliver sustained revenue and earnings growth for its portfolio companies.

For more information, visit:

Website: www.adventinternational.com

LinkedIn: www.linkedin.com/company/advent-international

KERRY CONTACT INFORMATION

Investor Relations

Marguerite Larkin, Chief Financial Officer

+353 66 7182292 | investorrelations@kerry.ie

William Lynch, Head of Investor Relations

+353 66 7182292 | investorrelations@kerry.ie

Media

Catherine Keogh, Chief Corporate Affairs & Brand Officer

+353 45 930188 | corpaffairs@kerry.com

Website

www.kerry.com

IRCA CONTACT INFORMATION

Media

Roberto Patriarca

+39 335 65 09568 | roberto.patriarca@community.it

Website

www.irca.eu/en