



23 January 2024

Premier Foods plc (the “Group” or the “Company”)

Biggest ever Christmas, significant market share gains^{1,2}

Premier Foods today provides its Quarter 3 trading update for the thirteen weeks ended 30 December 2023

- Q3 Group sales up 14.4% versus prior year; Q3 Branded sales up 12.7%
- Grocery sales up 11.9%, Sweet Treats sales up 21.3%
- Total market share² increased by 121 basis points versus prior year
- International sales up 11%³, strong performances across strategic markets
- Sales from New Categories up 108% versus prior year
- Strong *The Spice Tailor* sales in both UK and International; *FUEL10K* is off to a good start
- Well on track to deliver on previously upgraded expectations for full year

Note: Headline results presented for the quarter exclude Knighton Foods

Alex Whitehouse, Chief Executive Officer

*“We delivered a very strong performance in our important third quarter with double-digit sales growth across the Group, underlined by particularly strong market share gains of over 120 basis points. Our International business had another very good quarter, growing sales by 11%, delivering progress in our strategic markets. Sales in new categories more than doubled, with *Ambrosia Porridge pots* and *Mr Kipling* and *Angel Delight Ice-cream* both standout performers. Meanwhile, *The Spice Tailor* continued to grow strongly, achieving distribution gains in target markets, while *FUEL10K* integration into the Group is progressing in line with plan.”*

*“Festive favourites such as *Bisto*, *Oxo* and *Paxo* contributed to our biggest ever Christmas, as consumers enjoyed not only the core ranges but new products such as *Bisto Best meat free gravy* and *Paxo Chicken and Bacon stuffing*. We sold nearly 190 million mince pies, 4 million more than last year, helped by the new *Mr Kipling ‘Best Ever’ Signature mince pies*.”*

*“The lower promotional price points we introduced in the third quarter have positively impacted performance while also helping consumer budgets go further. These lower prices will be extended to additional products such as *Loyd Grossman cooking sauces* and *Mr Kipling Bakewell slices* in quarter four.”*

“With another strong period of trading behind us, and great plans for the coming months, we are well on track to deliver on profit expectations for this year.”

Trading update

Grocery

Grocery sales increased by 11.9% in the quarter, with strong performances across the portfolio as the Group again substantially outperformed its categories, delivering over 110 basis points of share growth. Brands in the Flavours & Seasonings category enjoyed a strong festive season; *Bisto*, *Oxo* and *Paxo* delivered significant growth in both core and new product ranges such as *Bisto Best meat free gravy*, *Oxo Stock Pots*, and *Paxo Chicken & Bacon stuffing*. Sales from new categories more than doubled in the quarter; *Ambrosia Porridge pots* benefitted from the launch of the new *Apple & Blueberry* flavour, while *Mr Kipling* and *Angel Delight* ice-cream hit top quartile run rates following listings in two major retail customers. Non-branded sales were 14.5% higher reflecting price increases in retailer branded product categories compared to the same quarter last year.

Sweet Treats

Branded Sweet Treats returned to growth with sales up 17.1%, largely due to significantly higher sales of *Cadbury* cake compared to last year. This strong performance reflected growth in core *Cadbury* Mini Rolls and cake bars and a softer comparative due to unscheduled maintenance of a plant line last year. The Group grew well ahead of the cake category in the quarter, gaining over 120 basis points of share and sold 4 million more Mince Pies than last year, including the

new *Mr Kipling* 'Best Ever' Signature mince pies. Growth of 28.7% in Non-branded sales was due to contract gains in pies and tarts and pricing benefits.

International

International continues to progress strongly, sales grew another 11%³ in the period. In Ireland, growth was broad based, with all Grocery brands significantly up on the prior year. *The Spice Tailor* and *Sharwood's* were major drivers of sales growth in Australia, reflecting strong instore execution. In the USA, *Sharwood's* cooking sauces grew strongly, benefitting from increased distribution gains, while *Mr Kipling* cake is now listed in nearly 2,000 stores.

Mr Kipling has also achieved new listings in Canada, which will take the combined number of listings across North America close to 3,000 stores. Following recent distribution gains in New Zealand, Belgium and Switzerland, *The Spice Tailor* will also soon be available in the USA and France, increasing the brand's presence to 10 countries.

Outlook

The Group continues to trade strongly, delivering further progress against its strategy, evidenced by another quarter of double-digit sales growth and market share gains. Now into the final quarter of its financial year, the Company is well on track to deliver against its previously raised profit expectations. Looking further ahead, a full resolution of its pensions schemes is expected within three years, which will open up a range of value enhancing opportunities to further accelerate shareholder value.

~ Ends ~

As one of the UK's largest food businesses, we're passionate about food and believe each and every day we have the opportunity to enrich life for everyone. Premier Foods employs over 4,000 people operating from 15 sites across the country, supplying a range of retail, wholesale, foodservice and other customers with our iconic brands which feature in millions of homes every day.

Through some of the nation's best-loved brands, including Ambrosia, Batchelors, Bisto, Loyd Grossman, Mr. Kipling, Oxo and Sharwood's, we're creating great tasting products that contribute to healthy and balanced diets, while committing to nurturing our people and our local communities, and going further in the pursuit of a healthier planet, in line with our Purpose of 'Enriching Life Through Food'.

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Conference call

A conference call for investors and analysts hosted by Alex Whitehouse, CEO and Duncan Leggett, CFO, will take place today, 23 January 2024, at 9.00am, details of which are outlined below. A replay of the conference call will be available on the Company's website later in the day: www.premierfoods.co.uk/investors/results-centre

Telephone number: 0800 358 1035 (UK toll free)
+44 20 3936 2999 (standard international access)
Access code: 024598

- Ends -

This announcement may contain "forward-looking statements" that are based on estimates and assumptions and are subject to risks and uncertainties. Forward-looking statements are all statements other than statements of historical fact or statements in the present tense, and can be identified by words such as "targets", "aims", "aspires", "assumes", "believes", "estimates", "anticipates", "expects", "intends", "hopes", "may", "would", "should", "could", "will", "plans", "predicts" and "potential", as well as the negatives of these terms and other words of similar meaning. Any forward-looking statements in this announcement are made based upon Premier Foods' estimates, expectations and beliefs concerning future events affecting the Group and subject to a number of known and unknown risks and uncertainties. Such forward-looking statements are based on numerous assumptions regarding the Premier Foods Group's present and future business strategies and the environment in which it will operate, which may prove not to be accurate. Premier Foods cautions that these forward-looking statements are not guarantees and that actual results could differ materially from those expressed or implied in these forward-looking statements. Undue reliance should, therefore, not be placed on such forward-looking statements. Any forward-looking statements contained in this announcement apply only as at the date of this announcement and are not

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intended to give any assurance as to future results. Premier Foods will update this announcement as required by applicable law, including the Prospectus Rules, the Listing Rules, the Disclosure and Transparency Rules, London Stock Exchange and any other applicable law or regulations, but otherwise expressly disclaims any obligation or undertaking to update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise.

Notes to editors:

Q3 Sales (£m)	FY23/24	FY22/23	Change vs 1 year ago
Grocery			
Branded	225.0	201.6	11.6%
Non-branded	27.7	24.2	14.5%
Total	252.7	225.8	11.9%
Sweet Treats			
Branded	61.1	52.2	17.1%
Non-branded	38.9	30.2	28.7%
Total	100.0	82.4	21.3%
Group			
Branded	286.1	253.8	12.7%
Non-branded	66.6	54.4	22.4%
Total	352.7	308.2	14.4%

Q3 YTD Sales (£m)	FY23/24	FY22/23	Change vs 1 year ago
Grocery			
Branded	541.9	458.8	18.1%
Non-branded	73.3	57.6	27.2%
Total	615.2	516.4	19.1%
Sweet Treats			
Branded	160.7	154.5	4.0%
Non-branded	61.2	43.7	40.1%
Total	221.9	198.2	12.0%
Group			
Branded	702.6	613.3	14.6%
Non-branded	134.5	101.3	32.8%
Total	837.1	714.7	17.1%

1. Sales data is for the thirteen weeks to 30 December 2023 and the comparative period, the thirteen weeks ended 31 December 2022. Headline results in the statement are stated excluding Knighton Foods. Knighton Foods sales in the Quarter 3 were £3.6m (2022/23: £9.8m). Group sales are the largest in this equivalent quarter since the disposal of the Hovis bread business in 2014.
2. Market share data sourced from IRI, 12 weeks ended 30 December 2023
3. International sales stated on a constant currency basis
4. All financial data detailed above is unaudited and has not been subject to review by the Company's auditors