



# Glanbia plc

## Q1 2023

Interim Management Statement Presentation

4 May 2023

**Siobhán Talbot**  
Group Managing Director

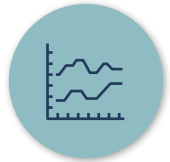
**Mark Garvey**  
Group Finance Director



# Important notice

This presentation contains forward-looking statements. These statements have been made by the Directors in good faith based on the information available to them up to the time of their approval of this presentation. Due to the inherent uncertainties, including both economic and business risk factors underlying such forward-looking information, actual results may differ materially from those expressed or implied by these forward-looking statements. The Directors undertake no obligation to update any forward-looking statements contained in this presentation, whether as a result of new information, future events, or otherwise.

# Q1 2023 Highlights



➤ Q1 Group performance broadly in line with expectations



➤ Upgrading full year guidance to 7% to 11% growth in adjusted EPS\* reflecting improved outlook for GPN margins in the second half of 2023



➤ Consumption trends continue to be good across the performance nutrition and healthy lifestyle brand portfolios in GPN



➤ Customer supply chain rebalancing impacted volumes in GN NS, expected to normalise in second half of 2023



➤ Further progress on delivering our strategic agenda with Glanbia Cheese sale completed on 28 April 2023 – extended share buyback programme from €50m to €100m

# Q1 2023 Revenue overview

- Q1 revenue broadly in line with expectations
- GPN growth in line with FY 2023 guidance; GN NS impacted by customer supply chain rebalancing in the quarter

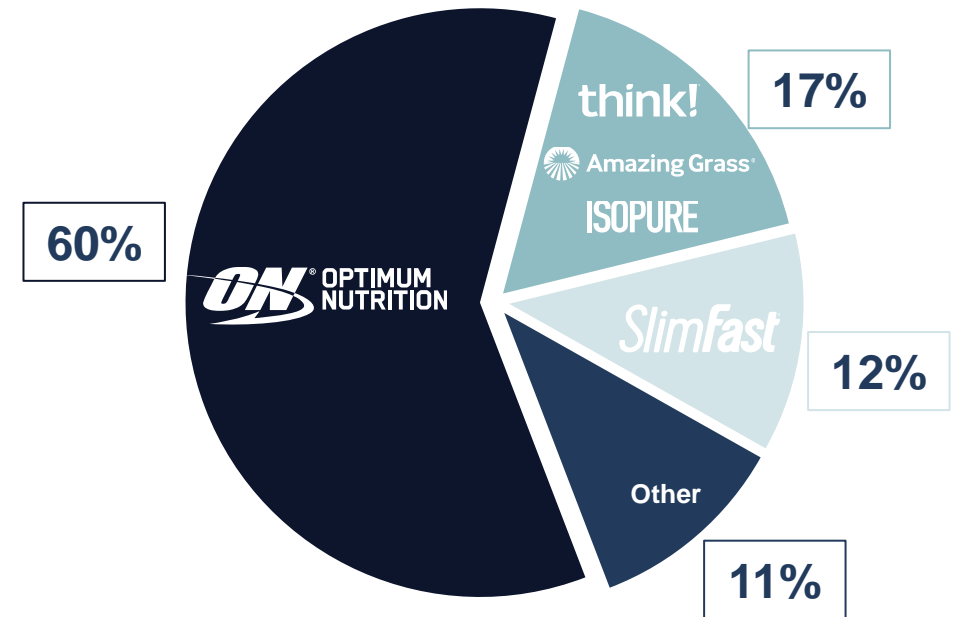
Q1 2023 Revenue Growth (Constant Currency)						
		Volume	Price	LFL*	Acquisitions / Disposals	Total
GPN	BRANDED	-9.2%	+14.2%	+5.0%	-	+5.0%
	TOTAL	-9.5%	+14.1%	+4.6%	-	+4.6%
GN	NS	-17.4%	+1.0%	-16.4%	+1.6%	-14.8%
	US CHEESE	+0.2%	-1.5%	-1.3%	-	-1.3%
Total wholly-owned		-6.2%	+3.5%	-2.7%	+0.3%	-2.4%

# GPN – Q1 2023 performance

LFL* Branded Revenue Growth	+5.0%
Volume	-9.2%
Price	+14.2%

- LFL revenue +2.2% in Americas and +10.3% in International
- Continued consumption momentum in performance nutrition with Q1 positive volumes
- Volume decline largely driven by SlimFast with brand refresh progressing
- Pricing driven by impact of 2022 price increases
- FY 2023 EBITA margin guidance upgraded to between 12.5% to 13.5%

**Q1 2023  
GPN Revenue Mix %**



# Optimum Nutrition (“ON”)

Strong revenue & consumption momentum continuing



Q1 % of GPN Revenue	Q1 LFL growth	US Consumption*
60%	+20.8%	+36.1%

## ➤ Brand Activation

- “More of You in You” campaign activated in all markets with strong early results following expanded media investment
- **Distribution gains across FDM** in US proving largely incremental
- **Strong consumption** for Gold Standard Whey with price and volume both growing



# Healthy Lifestyle & Weight Management

Consumption trends as expected

think!

 Amazing Grass®

ISOPURE

## Healthy Lifestyle

Q1 % of GPN Revenue	Q1 LFL growth	US Consumption*
17%	-1.0%	+15.4%

### > Brand Activation

- Core products across healthy lifestyle brands doing well through a combination of **distribution gains, pricing and velocity improvements**
- Isopure growing strongly with Pure positioning, new campaign “**Add Less, Do More**” resonating with consumers

*SlimFast*

## Weight Management

Q1 % of GPN Revenue	Q1 LFL growth	US Consumption*
12%	-28.3%	-27.0%

### > Brand Activation

- Brand refresh executing in US, with new “**Deliciously Doable**” campaign featuring in select media channels and new pack design landing at key retail customers
- KETO declines continue, comprising the largest downward change YOY

# GN NS – Q1 2023 performance

<b>Revenue Growth*</b>	<b>-14.8%</b>
Volume	-17.4%
Price	+1.0%
Acquisitions / Disposals	+1.6%

- Volume decline driven by customer supply chain rebalancing in Q1 2023, expected to normalise in the second half of 2023
- Positive pricing in premix business offset by lower dairy market pricing in proteins
- Sterling Technology acquisition continues to perform well
- FY 2023 EBITA margin expected to grow to between 12% to 13%





# GN NS – serving a broad range of markets

## Sub categories



- Mid-term growth rate expectations unchanged
- End use markets remain dynamic driven by good consumer demand
- NS customer supply chain rebalancing expected to normalise in the second half of 2023

**Growth categories driven by innovation and customer focused solutions**

# Glanbia: At the Heart of **Better Nutrition**

- Better Nutrition category trends remain positive
- Momentum expected to improve through the year
- Strong FY 2023 Group earnings and margin progression expected, driven by GPN
- Upgrading full year guidance to 7% to 11% growth in adjusted EPS, constant currency



**Our nutrition focus is a unique strength that will drive sustainable growth**



A male athlete in a blue athletic shirt and black pants is captured in a dynamic running pose. He is surrounded by several overlapping yellow circles and a yellow arrow pointing to the right, suggesting speed and forward motion. The background is a dark blue gradient.

# Q1 2023 Finance review

**Mark Garvey**  
Group Finance Director

# Q1 2023 Strong Balance Sheet



## Portfolio

Completed the sale of Glanbia Cheese JVs on 28 April 2023 for proceeds of €178.9m (including repayment of shareholder loans)



## Financing

Net debt \$604.8m  
Total committed facilities of \$1.3 billion



## Capital Expenditure

FY 2023 expected to be \$75m - \$85m



## Returns

€31.7m returned in share buybacks in 2023 YTD  
€50m share buyback programme announced on 1 March being increased to €100m

# 2023 Guidance



Lead & grow  
our core

## Organic revenue growth

GPN LFL revenue growth:  
**+5-7%**

GN NS volume:  
marginal decline vs. PY



Optimise our  
business

## Margin & earnings growth

GPN EBITA margin:  
**12.5-13.5%**

GN NS EBITA margin:  
**12-13%**



Disciplined  
financial  
management

## Capital allocation

OCF conversion %:  
**80%+**

ROCE:  
**10-13%**



**Adjusted EPS growth upgraded to 7-11%\***



Questions?

