

FIRST QUARTER 2023 INTERIM MANAGEMENT STATEMENT

Full year guidance upgraded to 7% - 11% growth in adjusted EPS¹

4 May 2023 – Glanbia plc (“Glanbia”, the ‘Group’, the ‘Company’ or the ‘plc’), the better nutrition company, is issuing this Interim Management Statement for the three month period ended 1 April 2023 (“first quarter” or “Q1 2023”). This statement is issued in conjunction with the plc’s Annual General Meeting (“AGM”) which is being held today.

Highlights

- Upgrading full year guidance to 7% to 11% growth in adjusted EPS¹ reflecting improved outlook for GPN margins in the second half of the year;
- Q1 2023 Group performance was broadly in line with expectations;
- Group revenue for the first quarter declined 2.4% constant currency with pricing up 3.5%, a volume decline of 6.2% and the net impact of acquisitions and disposals delivering 0.3% growth;
- Glanbia Performance Nutrition (“GPN”):
 - Like-for-like branded revenue +5.0% with pricing +14.2% and volume -9.2%;
 - Strong Optimum Nutrition (“ON”) brand trends continue with strong revenue growth in the quarter and 12 week US consumption growth +36.1%²;
 - Pricing reflecting strong 2022 pricing action on all brands; positive sports nutrition volume offset by volume decline in weight management;
 - GPN full year margins expected to grow to between 12.5% and 13.5%;
- Glanbia Nutritionals Nutritional Solutions (“GN NS”):
 - Like-for-like revenue -16.4% with pricing +1.0% and volume -17.4%;
 - Volume decline driven by customer supply chain rebalancing which is expected to normalise during the second half of the year;
 - GN NS full year EBITA margins expected to grow to between 12% and 13%;
- Continued to progress strategic agenda, completing the sale of the Group’s interest in the Glanbia Cheese joint ventures on 28 April 2023. On completion, Glanbia received €178.9 million, which included the repayment of shareholder loans; and
- Share buyback programme announced on 1 March 2023 increased from €50 million to €100 million.

Commenting today, Siobhán Talbot, Group Managing Director said:

“Overall, the first quarter has progressed largely as expected for the Group and we are pleased to be upgrading our full year guidance for growth in Group adjusted EPS to 7% to 11%, constant currency.

We continued the portfolio evolution and recently completed the sale of the plc’s holding in the Glanbia Cheese joint ventures to our joint venture partner, Leprino Foods. As a result, we have increased and extended the share buyback programme announced on 1 March, from €50 million to €100 million.

¹ Adjusted Earnings Per Share (“EPS”) on a constant currency basis

² Consumption growth is US measured channels and includes Online, FDMC (Food, Drug, Mass, Club) and Specialty channels. Data compiled from published external sources and Glanbia estimates to 26 February 2023

While elements of the global environment remain challenging, the strength of our platforms in better nutrition, supported by the combination of pricing actions taken, operational efficiencies, and reduced input costs in the second half of the year gives us continued confidence that we will deliver strong full year Group EBITA growth, which will be largely driven by GPN.”

2023 Outlook

The Group is today upgrading its full year guidance to 7% to 11% growth in adjusted EPS constant currency, weighted to the second half of the year. Based on the current market environment and expectations for the remainder of the year, the Group outlines the following guidance for FY 2023:

- GPN expects revenue to grow by 5% to 7% on a constant currency basis and grow full year EBITA margins to between 12.5% to 13.5%.
- GN NS expects a decline in like-for-like revenue driven by lower dairy market pricing and a marginal volume decline versus FY 2022. GN NS EBITA margins are expected to grow to between 12% to 13%.
- The Group continues to target an operating cash flow conversion rate of 80%+ for FY 2023.

Q1 2023 operations review

	Summary of Q1 2023 revenue progression versus prior year					
	Constant currency movement					Reported movement
	Volume	Price	Like-for-like	Acquisition / Disposals	Total constant currency	Total reported
Glanbia Performance Nutrition	(9.5%)	14.1%	4.6%	-	4.6%	2.9%
Glanbia Nutritionals	(5.0%)	(0.8%)	(5.8%)	0.5%	(5.3%)	(5.5%)
<i>Nutritional Solutions</i>	(17.4%)	1.0%	(16.4%)	1.6%	(14.8%)	(15.7%)
<i>US Cheese</i>	0.2%	(1.5%)	(1.3%)	-	(1.3%)	(1.3%)
Total wholly-owned	(6.2%)	3.5%	(2.7%)	0.3%	(2.4%)	(3.1%)

In the three months ended 1 April 2023 compared to the same period in 2022, wholly-owned revenue declined 2.4% constant currency (down 3.1% reported). The drivers of the revenue decline, on a constant currency basis were the net impact of a price increase of 3.5%, a volume decline of 6.2% and the net impact of acquisitions and disposals delivering 0.3% growth.

Glanbia Performance Nutrition (all commentary is on a constant currency basis)

GPN delivered growth of 4.6% in the first three months of 2023. Revenue growth was driven by price growth of 14.1% and a volume decline of 9.5%. Branded like-for-like revenue for the period increased by 5.0%, driven by price growth of 14.2% and a volume decline of 9.2%.

ON, the leading brand in the sports nutrition sector globally, which represents approximately 60% of the GPN portfolio, delivered volume growth in the period with the overall volume decline in GPN driven largely by the SlimFast brand. Pricing was positive across all brands and in all regions following pricing action taken in 2022.

Americas

GPN Americas delivered 2.2% revenue growth in the period. Price growth across all brands was offset by a volume decline largely driven by the SlimFast brand.

The ON brand continues to sustain a strong consumer position and delivered US consumption growth in the 12 weeks to the end of February of 36.1%, underpinned by distribution gains and marketing activation. Trends in the healthy lifestyle portfolio remained robust, with US consumption growth in the 12 weeks to the end of February of 15.4% across the think!, Isopure and Amazing Grass brands. The SlimFast brand performance continues to be impacted by headwinds in the overall diet category with US consumption in the 12 weeks to the end of February down 27.0%. The brand refresh is in market as planned, supported by new branding and pack design, creative content and innovation.

International

GPN International delivered 10.3% revenue growth in the period. Pricing was positive across all regions due to the execution of the 2022 price increases. Volume trends in key regional markets remain resilient.

Glanbia Nutritionals (all commentary is on a constant currency basis)

GN revenue decreased by 5.3% in the period driven by a price decrease of 0.8%, a volume decrease of 5.0% and the net impact of acquisitions and disposals delivering 0.5% revenue growth.

Nutritional Solutions

GN NS revenue decreased by 14.8% in the period. Pricing increased by 1.0%, with positive pricing in the premix business offset by negative pricing in the proteins business driven by the decline in dairy market pricing. Volumes declined by 17.4% driven by customer supply chain rebalancing during the period. The Sterling Technology acquisition continues to perform well, with the net impact of the acquisition and disposals contributing 1.6% to revenue growth in the period.

GN NS continues to support customers seeking to address growing consumer trends through its core strengths in premix solutions and extensive capability in protein solutions. Based on customer engagement, volume trends are expected to normalise as the year progresses and we expect a marginal volume decline in the full year relative to the prior year.

US Cheese

US Cheese revenue decreased by 1.3% in the period. This was driven by volume growth of 0.2% and a pricing decline of 1.5%, aligned with lower year-on-year market pricing.

Joint Ventures disposal

On 28 April 2023, Glanbia completed the sale of its shareholdings in its Glanbia Cheese Limited and Glanbia Cheese EU Limited (collectively “Glanbia Cheese”) joint ventures to Leprino Foods Company, its joint venture partner in these businesses. On completion, Glanbia received €178.9 million, which included repayment of shareholder loans. Glanbia

has also agreed a further contingent consideration of up to €25.0 million, dependant on the performance of Glanbia Cheese over the next three years.

Share Buyback

As announced on 1 March 2023 the Group has commenced a €50 million share buyback programme. Between 1 March 2023 and 1 April 2023, Glanbia deployed €19.3 million, repurchasing 1,456,548 ordinary shares on Euronext Dublin at an average price of €13.22. In the year-to-date, Glanbia has deployed a total of €31.7 million on share buybacks. Today, the Group is announcing an increase and extension to this programme on existing terms, bringing the total programme amount to €100 million.

Financing

The Group's balance sheet remains in a strong position. Glanbia's net debt at 1 April 2023 was \$604.8 million which represents a decrease of \$5.6 million versus the net debt position at the end of the first quarter of 2022. At the end of Q1 2023 the Group had \$1.3 billion in committed debt facilities. Glanbia's ability to generate cash and its available debt facilities ensure the Group has considerable capacity to finance future investments.

Board Update

In line with the relationship agreement with Tirlan Co-operative Society Limited (the "Society") Patsy Ahern and John Murphy have announced their intention to retire at the AGM today, reducing the Society's representation on the Board to three directors.

Today, Glanbia is announcing the appointment of Ms Gabriella Parisse to its Board as an Independent Non-Executive Director effective 1 June 2023. On appointment Ms Parisse will also join the Board Development Committee.

Ms Parisse brings to the Glanbia Board significant experience in consumer brand development, the food ingredients industry, innovation and strategic leadership of multinational businesses. Ms Parisse is currently President and CEO of Velcro Companies, a global manufacturer of innovative fastening solutions for a broad range of end markets. She has more than 35 years of international experience, with particular emphasis on North America, in consumer goods and business to business industries. Prior to Velcro Companies, Ms Parisse served on the Executive Committee of Tate and Lyle PLC, a global food ingredients company as President, Innovation and Commercial Development. Previously Ms Parisse spent 26 years with Johnson & Johnson. She served in a variety of global senior leadership roles with increasing responsibility in marketing, innovation and business development, including President of Johnson & Johnson Consumer Italy and Vice President, Skincare for Europe, Africa and Middle East. Ms Parisse's full career biography and listing rule disclosures are provided in a separate announcement published today.

Following Ms Parisse's appointment, the Board will be comprised of 13 members including, the Chairman, two Executive Directors, three representatives from Tirlan Cooperative Society Limited and seven Independent Non-Executive Directors. Female representation on the Board will increase to 46% including five of the seven Independent Non-Executive Directors.

AGM

Glanbia is holding its AGM in person at 11.00am (Irish time) today at the Lyrath Estate Hotel, Kilkenny, Ireland.

Ends

Cautionary statement

This announcement 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 report. 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 announcement, whether as a result of new information, future events, or otherwise.

IMS conference call and webcast details

There will be an analysts' conference call and webcast presentation to accompany this Interim Management Statement at 8.00 a.m. (BST) today. Please access the webcast from the Glanbia website at <https://www.glanbia.com/investors/results-and-events>, where the presentation can also be viewed or downloaded.

To listen to the call, please dial-in using the following numbers:

Ireland	+353 (0)1 691 7842
United Kingdom	+44 (0)203 936 2999
United States	+1 646 664 1960
All other locations	+44 203 936 2999

Access code: 801793

A replay of the call will be available for at least 30 days from this afternoon. Please see the link below to the Investor Relations section of the Glanbia plc website for details:

<https://www.glanbia.com/investors/results-centre>

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