

THIRD QUARTER 2023 INTERIM MANAGEMENT STATEMENT

Continued momentum in third quarter with full year earnings guidance upgraded to 17% to 20% growth in adjusted EPS¹

01 November 2023 – Glanbia plc, the better nutrition company (“Glanbia”, the ‘Group’, the ‘Company’ or the ‘plc’), is issuing this Interim Management Statement for the nine month period ended 30 September 2023 (“the period” or “YTD Q3 2023”).

Highlights

- Upgrading full year guidance to 17% to 20% growth in adjusted EPS¹, reflecting year-to-date performance and a strong outlook for Q4;
- Group revenue for the period declined 9.1% constant currency with growth in Glanbia Performance Nutrition (“GPN”) offset by decline in Glanbia Nutritionals (“GN”);
- Glanbia Performance Nutrition:
 - Like-for-like branded revenue increased by 3.0% reflecting a price increase of 8.9% and a volume decline of 5.9%;
 - Pricing reflects 2022 pricing action across all brands; positive sports nutrition volume was offset by volume decline in weight management;
 - Strong Optimum Nutrition (“ON”) brand trends continue with good volume growth in the quarter and 12 week US consumption growth of 9.5%²;
 - FY 2023 EBITA margins expected to be between 14.0% and 14.5%, an increase of 280bps to 330bps on FY 2022;
- Glanbia Nutritionals – Nutritional Solutions (“GN NS“):
 - Like-for-like revenue declined 14.0% reflecting a volume decline of 6.4% and a price decline of 7.6%;
 - Volume decline driven by supply chain rebalancing earlier in the year with volume growth delivered in the third quarter;
 - Pricing decline driven by dairy market pricing, with positive pricing in the custom premix solutions business;
 - FY 2023 EBITA margins expected to be between 12.0% and 13.0%, an increase of 60bps to 160bps on FY 2022;
- Completed €100 million share buyback programme and the acquisition of the B2B bioactive ingredients business of PanTheryx for \$46 million; and
- Strong balance sheet with net debt of \$334.9 million as at 30 September 2023.

Commenting today, Siobhán Talbot, Group Managing Director said:

“I am pleased to announce that Glanbia has continued to deliver good momentum during the third quarter which, together with a strong outlook for the remainder of the year, today results in an upgrade in expected growth in full year adjusted earnings per share to between 17% and 20% on a constant currency basis. The Group’s portfolio of better nutrition brands and ingredients continues to resonate strongly with consumers seeking health and wellness, with a particular focus on protein. The Optimum Nutrition brand within GPN, delivered strong

¹ Adjusted earnings per share (“EPS”) growth 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 10 September 2023

revenue growth in the period while in GN Nutritional Solutions, overall volume trends have stabilised with volume growth in the third quarter driven by protein solutions.

Glanbia continues to generate strong cash flow, which has been allocated in the period to complete the return of €100 million to shareholders via a share buyback programme and build strategic capabilities, with the acquisition of the B2B bioactive ingredients business of PanTheryx, highly complementary to the capabilities in GN Nutritional Solutions.”

2023 Outlook

The Group is today upgrading its full year guidance to 17% to 20% growth in adjusted EPS constant currency, based on year-to-date delivery and the continued momentum in GPN. The Group outlines the following guidance for FY 2023:

- GPN expects revenue growth of approximately 5.0% on a constant currency basis, as year-to-date revenue growth of 2.7% will be significantly augmented further by strong year-on-year growth in the fourth quarter. GPN EBITA margins are now expected to be between 14.0% and 14.5%.
- GN NS expects a low double-digit decline in like-for-like revenue driven by lower dairy market pricing and a mid-single digit volume decline. GN NS EBITA margins are expected to be between 12.0% and 13.0%.
- The performance in joint ventures is expected to be marginally reduced due to the sale of the Glanbia Cheese mozzarella joint ventures at the end of last April.
- The Group expects to deliver an operating cash flow conversion rate of 80% to 90%.

Summary revenue progression

Summary of YTD Q3 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	(6.2%)	8.9%	2.7%	-	2.7%	2.5%
Glanbia Nutritionals	(1.1%)	(11.9%)	(13.0%)	(0.9%)	(13.9%)	(13.9%)
<i>Nutritional Solutions</i>	(6.4%)	(7.6%)	(14.0%)	(3.2%)	(17.2%)	(17.4%)
<i>US Cheese</i>	1.1%	(13.6%)	(12.5%)	-	(12.5%)	(12.5%)
Total wholly-owned	(2.5%)	(5.9%)	(8.4%)	(0.7%)	(9.1%)	(9.2%)

In the nine months ended 30 September 2023 compared to the same period in 2022, wholly-owned revenue declined 9.1% constant currency (down 9.2% reported). The drivers of the revenue decline, on a constant currency basis, were a volume decline of 2.5%, a price decline of 5.9%, and the net impact of acquisitions and disposals delivering 0.7% decline.

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

GPN revenue increased by 2.7% in the first nine months of 2023. This was driven by price increases of 8.9% offset by a volume decline of 6.2%. Like-for-like branded revenue for the period increased by 3.0%, with 8.9% pricing growth and a volume decline of 5.9%.

Pricing was positive across all brands reflecting the annualisation of strategic price increases executed in 2022. Overall volume momentum continued to improve in GPN through the period, with Optimum Nutrition delivering good global volume growth, offset by the decline in SlimFast. Optimum Nutrition, GPN's flagship global brand which now represents over 60% of the GPN brand portfolio, experienced strong growth in all key markets, driven by the continued expansion of the "More of You In You" communications platform and increased distribution.

GPN EBITA margins for FY 2023 are now expected to be between 14.0% and 14.5% driven by the continued focus on revenue growth management initiatives, operating efficiencies and margin optimisation.

Americas

GPN Americas revenue declined by 1.8% in the period, with strong growth in the Optimum Nutrition and Isopure brands offsetting the declines in SlimFast, which was anticipated. Pricing was positive across all brands.

Optimum Nutrition continued its strong performance and delivered US consumption growth of 9.5% in the 12 weeks to mid-September, building on a strong comparative period. Trends in the healthy lifestyle portfolio remained robust with US consumption growth of 12.3% in the 12 weeks to mid-September across the Isopure, think!, and Amazing Grass brands. The protein category in North America is currently resonating very strongly with active lifestyle consumers, in response to which GPN has increased marketing investment in the Optimum Nutrition and Isopure brands, driving distribution gains and volume growth in the period.

SlimFast, which now represents 10% of the GPN global portfolio, continues to decline as ongoing challenges within the diet and weight management category have resulted in reduced shelf space and consumer demand. US consumption in the 12 weeks to mid-September was down 35.8%.

International

GPN International revenue grew by 12.3% in the period, with strong volume growth. Optimum Nutrition, GPN's flagship global brand, continues to gain traction with new consumers in key priority markets, supported by higher levels of marketing investment. Pricing was positive across all regions due to the execution of the 2022 price increases.

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

GN revenue declined 13.9% in the period. This was driven by a 1.1% decline in volume, 11.9% decline in price, and a decline of 0.9% driven by the net impact of acquisitions and disposals.

Nutritional Solutions

GN NS revenue declined by 17.2% in the period. This was driven by a 7.6% decline in price, a 6.4% decline in volume, and a decline of 3.2% driven by the net impact of acquisitions and disposals.

The price decline was driven by the decline in dairy market pricing, with positive pricing in the custom premix solutions business. The volume decline was driven largely by the anticipated customer supply chain rebalancing, particularly in the custom premix solutions business. Overall volume trends have continued to improve during the period, with good demand for protein solutions underpinning GN NS volume growth in the third quarter, a trend expected to continue into Q4.

GN NS expects EBITA margins for FY 2023 to be between 12.0% and 13.0% as a result of operating efficiencies and the accretive impact of lower dairy pricing.

PanTheryx acquisition

On 30 September 2023 Glanbia acquired the B2B bioactive ingredients business of PanTheryx, Inc. ("PanTheryx"), a US based health and nutrition business, for consideration of \$46 million. PanTheryx FY 2022 revenue was \$30.6 million.

US Cheese

US Cheese revenue declined by 12.5% in the period, driven by a 13.6% decline in year-on-year dairy market pricing. Volumes increased by 1.1% reflecting robust end market demand and strong customer relationships.

Share buyback

On 15 September 2023, Glanbia completed its previously announced share buyback programme. Between 1 March 2023 and 15 September 2023, Glanbia deployed €100 million, repurchasing 7,215,827 ordinary shares on Euronext Dublin at an average price of €13.86.

Financing

The Group's balance sheet remains in a strong position. Glanbia's net debt at 30 September 2023 was \$334.9 million which represents a decrease of \$395.8 million versus the net debt position at the end of the third quarter of 2022. At the end of the period the Group had committed debt facilities of \$1.3 billion. Glanbia's ability to generate cash and its available debt facilities ensure the Group has considerable capacity to finance future investments.

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 8.30 a.m. (GMT) 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	+1 646 787 9445
All other locations	+44 (0)203 936 2999

Access code: 665128

A replay of the call will be available for 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>

For further information contact

Glanbia plc +353 (0)56 777 2200

Mark Garvey, Group Finance Director

Liam Hennigan, Group Secretary & Head of Investor Relations: +353 (0)86 046 8375

Donal O'Keeffe, Investor Relations Director: +353 (0)86 047 2974

Martha Kavanagh, Head of Corporate Communications: +353 (0)87 646 2006