

FIRST QUARTER 2024 INTERIM MANAGEMENT STATEMENT

Continued momentum in first quarter, full year guidance reiterated

01 May 2024 – Glanbia plc, the Better Nutrition company (“Glanbia”, the ‘Group’, the ‘Company’ or the ‘plc’), is issuing this Interim Management Statement for the three month period ended 30 March 2024 (“first quarter” or “Q1 2024”). This statement is issued in conjunction with the plc’s Annual General Meeting (“AGM”) which is being held today.

Highlights

- Q1 2024 Group performance in line with expectations;
- Volume growth of 1.5% offset by a price decline of -6.9%, driven largely by dairy market pricing, resulting in Group revenue for the period declining -5.5% on a constant currency and pro-forma basis;
- Glanbia Performance Nutrition (“GPN”):
 - Like-for-like (“LFL”) revenue declined by -1.9% reflecting volume growth of 1.4% and a price decline of -3.3%;
 - Optimum Nutrition continues to strengthen its leadership position and delivered strong volume growth in the quarter, supported by increased brand investment;
- Glanbia Nutritional Solutions (“NS”):
 - LFL revenue declined -1.7% on a pro-forma basis, reflecting volume growth of 3.8% and a price decline of -5.5%;
 - Volume trends continue to improve with strong growth in the premix solutions business in the quarter. Pricing decline driven largely by dairy market pricing;
- Continued progress on the strategic agenda with the acquisition of Flavor Producers, a leading US flavour platform providing flavours and extracts to the food and beverage industries, for \$300 million plus potential deferred consideration;
- €100 million share buyback on-going with €29.8 million of €50 million first tranche bought in the year-to-date; and
- Reiterating full year guidance of 5% to 8% growth in adjusted EPS¹.

Commenting today Hugh McGuire, Chief Executive Officer, said:

“I am pleased to report that Glanbia delivered a good performance in the first quarter, which was driven by the continued strong global demand for our Better Nutrition brands and ingredients.

Consistent with our strategy to acquire complementary businesses to grow our Better Nutrition platforms, we recently completed the acquisition of Flavor Producers. This acquisition significantly expands our flavours offering and brings new capabilities in the attractive and growing natural and organic flavours market, aligned with long term consumer trends.

With the first quarter having progressed as planned, we reiterate our full year guidance of 5% to 8% growth in adjusted Earnings Per Share, which will be driven by a strong operating performance across both GPN and NS.”

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

2024 Outlook

Based on the current market environment and expectations for the remainder of the year, the Group reiterates its guidance and expects to deliver adjusted EPS growth of 5% to 8% constant currency in 2024.

Summary revenue progression (all commentary is on a constant currency basis)

As announced on 16 August 2023, the Group has amended the commercial arrangements associated with its US joint venture effective 1 January 2024. Commentary on revenue for the Glanbia Nutritionals segment and total wholly-owned business presented in this announcement is on a pro-forma basis as if the terms of this amendment were effective from the beginning of 2023.

Summary of Q1 2024 revenue progression versus prior year						
Constant currency movement						
	Volume	Price	Like-for-like	Acquisition / Disposals	Total constant currency	Total reported currency
Glanbia Performance Nutrition	1.4%	(3.3%)	(1.9%)	-	(1.9%)	(1.6%)
Glanbia Nutritionals	1.7%	(10.2%)	(8.5%)	(0.3%)	(8.8%)	(8.9%)
<i>Nutritional Solutions</i>	3.8%	(5.5%)	(1.7%)	(0.6%)	(2.3%)	(2.5%)
<i>US Cheese</i>	0.0%	(14.3%)	(14.3%)	-	(14.3%)	(14.3%)
Total wholly-owned businesses	1.5%	(6.9%)	(5.4%)	(0.1%)	(5.5%)	(5.4%)

In the three months ended 30 March 2024, wholly-owned revenue declined 5.5% on a constant currency basis (down 5.4% reported) compared to the same period in 2023. The main drivers of the revenue decline, on a constant currency basis, were a volume increase of 1.5%, a price decline of 6.9% and a negative 0.1% net impact of acquisitions and disposals.

Glanbia Performance Nutrition

GPN revenue decreased by 1.9% in the first three months of 2024. Volume growth of 1.4% was offset by a price decline of 3.3%.

Overall momentum continued through the period, with Optimum Nutrition, Isopure and think! delivering good volume growth, partly offset by a decline in SlimFast. Pricing was negative largely as a result of planned promotional activity in the period. Optimum Nutrition, GPN's flagship global brand which represents over 60% of GPN revenue, experienced strong volume growth. The brand continues to strengthen its leadership position supported by increased brand investment and marketing activation including the "Unlock More You" campaign and new brand partnerships across key markets.

GPN Americas revenue declined by 5.1% in the period with volume growth in performance nutrition and lifestyle offset by a decline in weight management. Optimum Nutrition continued its strong momentum and delivered US consumption² in line with a strong comparative period, with some weakness in the Specialty channel offset by good growth in other channels. Trends in the healthy lifestyle portfolio continued to be robust with US consumption² growth of 7.5%. The SlimFast brand continued to be impacted by headwinds in the diet category.

GPN International revenue grew by 4.7% in the period, driven by good volume growth. Optimum Nutrition continues to gain traction with consumers in key markets, supported by higher levels of marketing investment and the continued development of in-market capabilities.

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 23 March 2024

Glanbia Nutritionals

GN revenue declined 8.8% in the period. This was driven by a 1.7% increase in volume, a 10.2% decrease in price, and a decrease of 0.3% driven by the net impact of acquisitions and disposals.

Nutritional Solutions

NS revenue declined by 2.3% in the period. This was driven by a 3.8% increase in volume, a 5.5% decrease in price, and a decrease of 0.6% from the net impact of acquisitions and disposals. The volume growth was driven by a strong performance in the premix solutions business, partly offset by reduced volumes in dairy solutions due to the timing of customer offtakes. The price decline was largely driven by the decline in dairy market pricing.

Acquisition of Flavor Producers

On 26 April 2024, Glanbia completed its acquisition of Flavor Producers, LLC ("Flavor Producers") for an initial consideration of \$300 million, with an additional potential deferred payment of up to \$55 million conditional on performance in 2024. Flavor Producers is a leading flavour platform in the US, providing flavours and extracts to the food and beverage industries, with a focus on organic and natural ingredients.

The transaction is consistent with Glanbia's strategy of acquiring complementary businesses to grow its Better Nutrition platforms. Flavor Producers significantly expands NS's flavours offering, bringing new capabilities in the attractive and growing natural and organic flavours market which are aligned with long-term consumer trends.

US Cheese

US Cheese revenue declined by 14.3% in the period, with flat volumes and a 14.3% decline in pricing, which was aligned to the lower year-on-year cheese market pricing.

Share buyback

As announced on 28 February 2024, the Group has commenced an initial €50 million share buyback programme under a €100 million share buyback authority. Between 28 February 2024 and 30 March 2024, Glanbia deployed €17.8 million, repurchasing 1,016,533 ordinary shares on Euronext Dublin at an average price of €17.54. Year-to-date³, Glanbia has spent a total of €29.8 million on share buybacks.

Financing

The Group's balance sheet remains in a strong position. Glanbia's net debt at 30 March 2024 was \$289.4 million, a decrease of \$315.4 million versus the net debt position at the end of Q1 2023. At the end of the period the Group had committed debt facilities of \$1.3 billion.

Annual General Meeting

Glanbia is holding its AGM in person at 11.00 am (BST) today at the Newpark Hotel, Kilkenny, Ireland.

Board and Committee changes

Mr Pat Murphy will retire from the Board of Directors of the Company at the conclusion of today's AGM. The Board has approved the appointments of Kimberly Underhill and Paul Duffy to the Nominations and Governance Committee on 1 May 2024.

³ Year-to-date to 26 April 2024

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.

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>

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