



Clear strategy underpins strong H1 25 and further improvement in H2 25

H1 25 Results for the 26 weeks ended 28 June 2025

AGENDA – H1 25 RESULTS

Introduction

Simon

Key messages

Mike

Financial review

Lee

Strategic update, FY25 outlook & summary

Mike

Q&A

Disclaimer – forward-looking statements:

This presentation, prepared by Bakkavor Group plc (the "Company"), may contain forward-looking statements about the Company and its subsidiaries (the "Group"). Forward-looking statements involve uncertainties because they relate to events, and depend on circumstances, that will, or may, occur in the future. If the assumptions on which the Company bases its forward-looking statements change, actual results may differ from those expressed in such statements. Forward-looking statements speak only as of the date they are made, and the Company undertakes no obligation to update these forward-looking statements other than as required by law. Nothing in this presentation should be construed as a profit forecast. Where relevant, some numbers and period-on-period percentages have been rounded or adjusted to ensure consistency with the financial information for the latest financial reporting period unless otherwise stated.





Key messages

Mike

Another strong performance in H1 25



Excellent strategic progress



UK

Continues to drive margin improvement

Volume impact in line with plan



INTERNATIONAL

US margin now accretive to the Group

Strategic exit from China complete²



EXCELLENCE

Bakkavor Operating System continues to drive efficiencies



TRUST

Progressive KPIs across people & ESG priorities



FY25 profit guidance upgraded towards upper end of range³

Six for 26

Accelerated delivery of 6% margin⁴ target to FY26, one year ahead of plan



Financial review

Lee

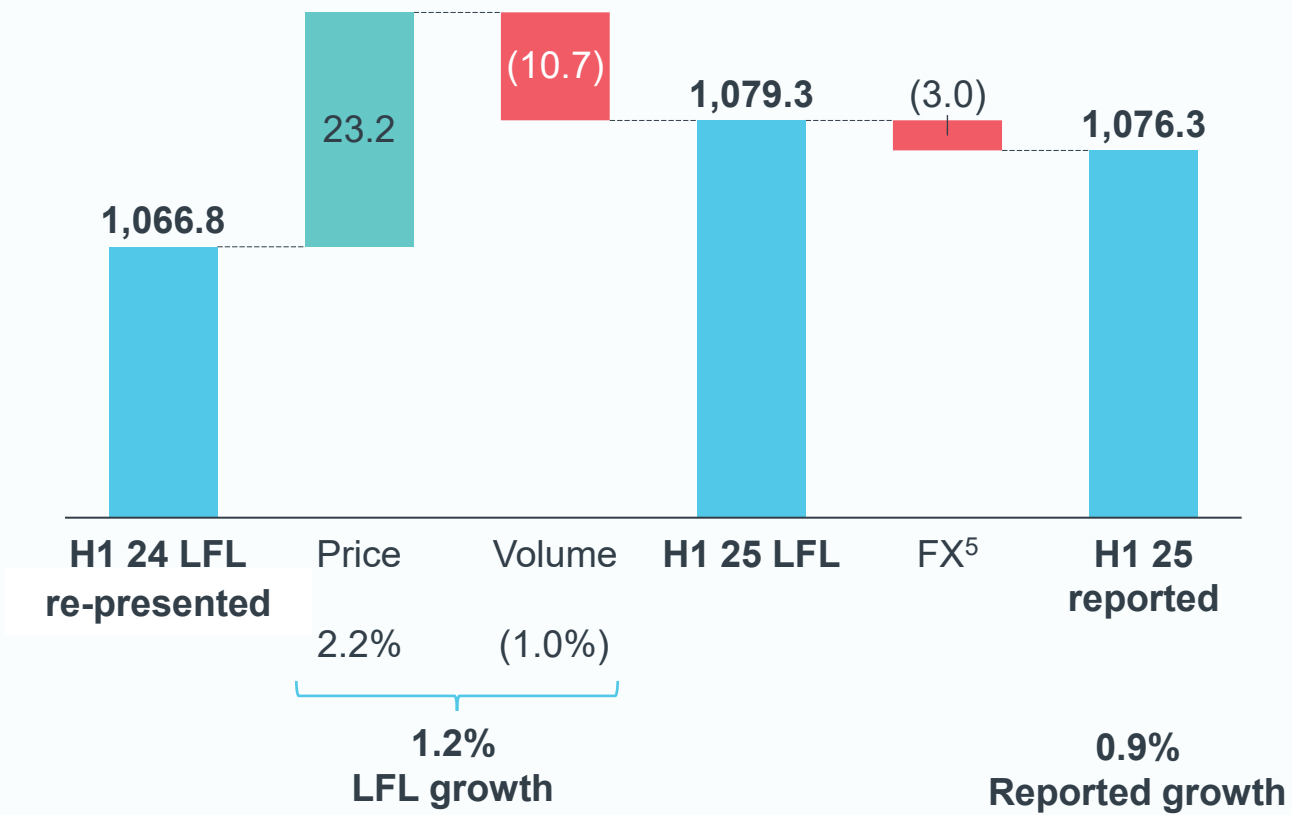
Strong H1 25 financial performance

£m (unless otherwise stated)			H1 25	H1 24 re-presented	Change
Improved profitability & accelerated margin delivery	Continuing ops.	Reported revenue	1,076.3	1,066.8	0.9%
		Like-for-like revenue ("LFL")	1,079.3	1,066.8	1.2%
		Adjusted operating profit	61.5	56.0	9.8%
		Adjusted operating profit margin	5.7%	5.2%	50bps
		Operating profit	37.5	55.4	(32.3%)
		ROIC	11.2%	9.3%	190bps
Successful exit of China	Discontinued ops.	Reported revenue	58.3	54.4	7.2%
		Adjusted operating profit	0.5	(1.0)	150.0%
		Adjusted operating profit margin	0.9%	(1.8%)	270bps
Good cash generation drives leverage down	Group	Adjusted EPS	6.4p	5.5p	0.9p
		Basic EPS	2.9p	6.1p	(3.2p)
		Free cash flow	47.3	53.2	(5.9)
		Operational net debt	194.8	201.8	(7.0)
		Leverage	1.1x	1.2x	(0.1x)

LFL revenue up 1.2%, driven by US volume and UK price

Group revenue bridge – continuing ops.

£m



LFL revenue growth by region

YoY growth %, LFL revenue £m

Continuing ops

UK	0.4% 961.6	Price	2.4%
		Vol.	(2.0)%
US	7.6% 117.7	Price	0.0%
		Vol.	7.6%

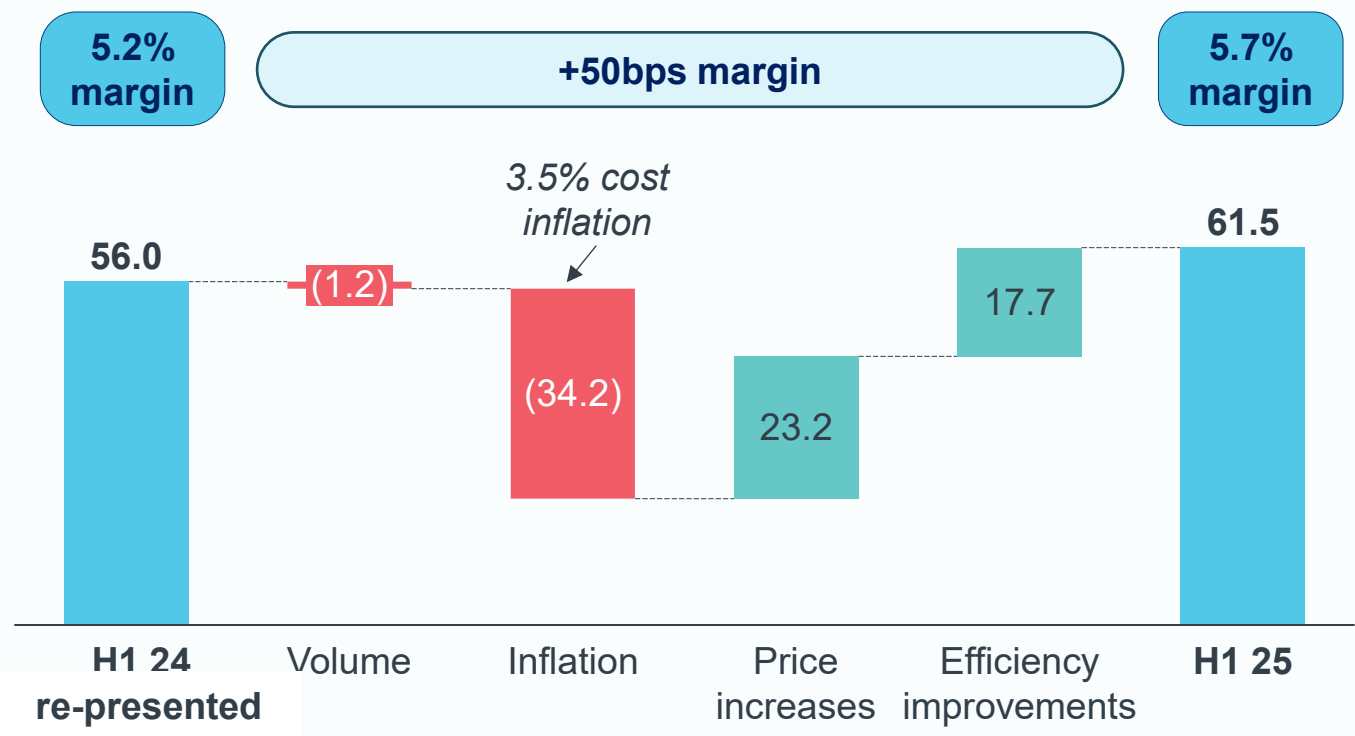
Discontinued ops

China	25.9% 57.7	Price	(0.7)%
		Vol.	26.6%

Strong margin improvement driven by efficiencies

Adjusted operating margin up 50bps

Group adjusted operating profit bridge – continuing ops, £m



Strategic initiatives fuelling improvement

-  **Volume** growth in US, with impact of Wigan closure on UK volume in line with plan
-  **Inflation** remains significant, primarily related to UK labour. Expect FY25 inflation cost of c.£65m
-  **Price recovery** secured with good support from customers
-  **BOS driving strong factory performance** & Wigan overhead savings in line with plan

Excellent progress in all regions

Adjusted operating profit & margin

£m	H1 25	H1 24*	Change		Margin	
				H1 25	H1 24*	Change
UK	54.7	52.4	2.3	5.7%	5.5%	20bps
US	6.8	3.6	3.2	5.9%	3.3%	260bps
Continuing ops.	61.5	56.0	5.5	5.7%	5.2%	50bps
Discontinued ops. - China	0.5	(1.0)	1.5	0.9%	(1.8%)	270bps
Group adj. operating profit	62.0	55.0	7.0	5.5%	4.9%	60bps
Continuing ops.	(24.0)	(0.6)	(23.4)			
Discontinued ops. - China	0.7	4.4	(3.7)			
Group Exceptionals	(23.3)	3.8	(27.1)			
Continuing ops.	37.5	55.4	(17.9)	3.5%	5.2%	(170bps)
Discontinued ops. - China	1.2	3.4	(2.2)	2.1%	6.3%	(420bps)
Group operating profit	38.7	58.8	(20.1)	3.4%	5.2%	(180bps)

*H1 24 re-presented

Strong profit and margin delivery

UK: Margin progression driven by strong factory performance & Wigan closure savings

US: Strong volume & efficiency improvements drove profit up, with margin now accretive to the Group

China: Sale of margin dilutive China business delivered 20bps margin improvement

Exceptionals

Continuing ops.: Relates to Greencore transaction fees, Jessup site closure & UK ERP transformation

Discontinued ops.: Relates to gain on sale of Hong Kong, and in H1 24 gain on sale of China Bakery

Strong cash generation & leverage at lower end of range

Improved profitability drives cash generation

	H1 25	H1 24
Adjusted operating profit	62.0	55.0
Depreciation, amortisation & other ⁶	36.5	35.1
Working capital	(4.6)	3.5
Capex	(21.1)	(14.6)
Interest, tax & pensions	(18.7)	(20.2)
IFRS 16 lease payments	(6.8)	(5.6)
Free cash flow	47.3	53.2
Exceptionals	(18.8)	(2.2)
Dividends paid	(27.6)	(25.3)
Other movements ⁷	(1.9)	2.1
Debt (increase) / reduction	(1.0)	27.8
Net debt	194.8	201.8
Leverage	1.1x	1.2x

Continued debt reduction

Operational net debt

£195m

(£7m) vs Jun-24
£1m vs Dec-24

Leverage

1.1x

(0.1x) vs Jun-24
In line vs Dec-24

H1 25 debt and leverage is prior to receipt of proceeds from sale of China business

FY25 guidance - continuing ops.

Reported revenue growth	Adjusted EBIT	Capital investment	Debt reduction
In line with FY24 (no change)	Towards upper end of range (upgraded)	c.£65m capex (previously c.£70m)	Below leverage target range (1.0x – 2.0x)
- UK: Price & underlying growth largely offset by annualisation of site closure - US: low single-digit growth, with exit of legacy business	FY25 adjusted operating profit range of £120-126m³ & will deliver margin improvement	- Removed China and re-phased certain UK spend - UK ERP spend on track; £15m in FY25 (£7m capex, £8m P&L exceptional)	- China sale proceeds⁸ with c.0.3x leverage impact - Continued strong cash generation

Six for '26

Accelerated delivery of **6% margin⁴** target to **FY26**, one year ahead of plan

3. FY25 adjusted operating profit (continuing operations) range of £120m to £126m. Range in line with previous guidance, per Q1 2025 trading update on 15 May 2025, as whilst China has subsequently been disposed of and therefore excluded from our FY25 guidance, the expected FY25 profit impact from China was limited

4. Adjusted operating profit margin target

8. China net consideration of £51m less c.£3m cash held for sale results in £48m net debt impact



Strategic update

Mike

Excellent progress, with strategy to deliver further improvement





UK

FPF strongly outperforming grocery

Consumer behaviours have evolved



Adapted to ongoing financial pressures



Favouring eating at home, going out less often



Convenience remains key as time pressures persist



Quality and value win over price

Positively impacting the FPF⁹ market



FPF offer resonating with consumer desires



Retailers doubling down on core innovation

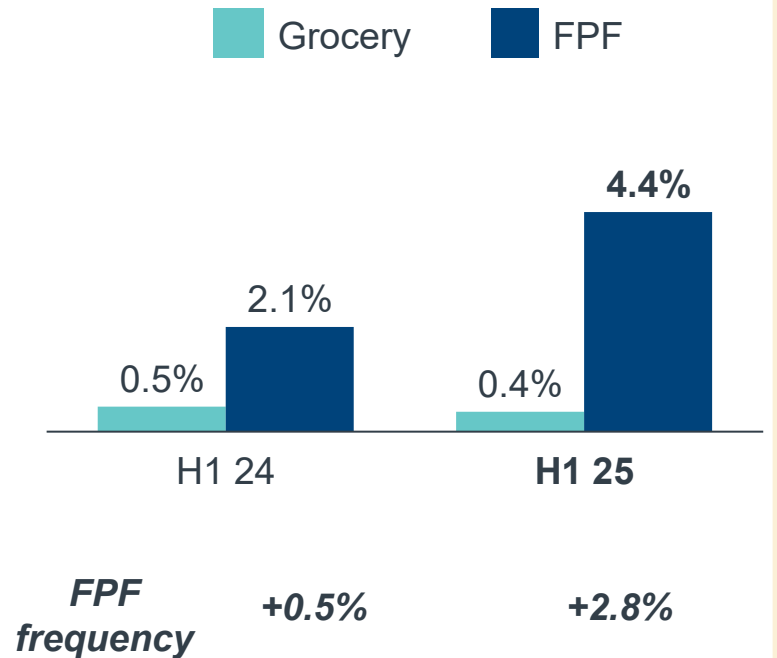


Premium continues to be in strong volume growth



More frequent, smaller trips to stores

Driving strong FPF volume growth, ahead of grocery¹⁰

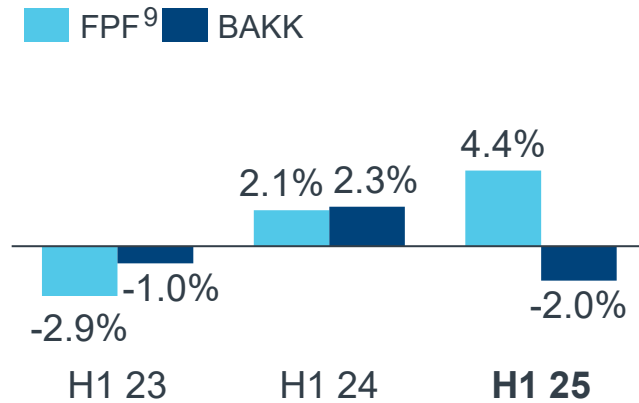




UK

Strategic actions impact volume, but enhance margin

Volume impact in line with plan



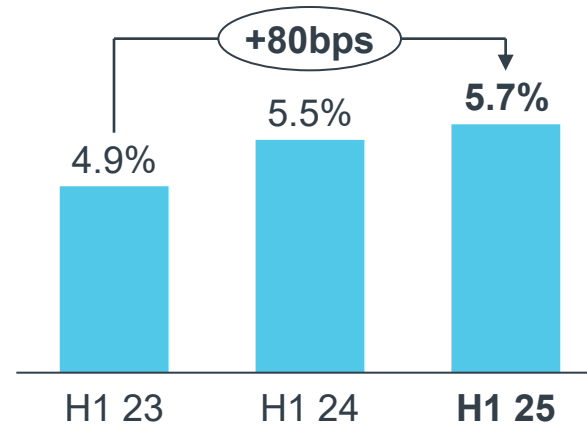
FPF & Bakkavor volume growth YoY¹¹

Planned volume reduction to improve margin

Exit of low margin business, including Wigan closure

Desserts category underperformance due to inflation

3 years of progressive margin



UK adjusted operating margin

Fundamentals remain best-in-class

QUALITY

Progressive technical KPIs

SERVICE

> 99% customer service

INNOVATION

>450 products launched, 27% of total range

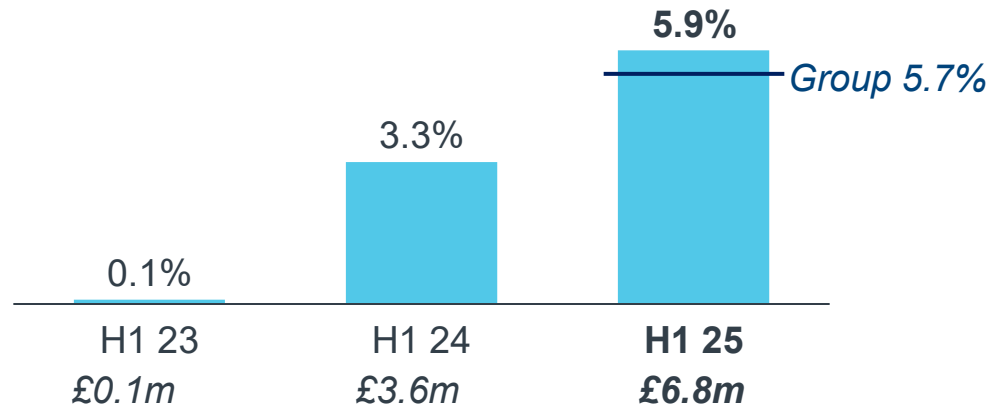


Delivered strategic imperatives internationally



Margin now accretive to Group

US adjusted operating profit & margin



Strong leadership team, progressive KPIs, with business in great shape



Successful exit of dilutive China business

Total disposal proceeds¹²

c.£65m

Net profit on China disposal¹³

>£18m

Reduced risk profile of Group, reduces leverage & sharpens focus



Bakkavor Operating System fuelling efficiencies

BOS delivering excellence



Key principles in action

STANDARDISATION

Consistent tools & ways of working

Well-embedded standardised performance reporting & behaviours

Data driven insight driving waste down; 40 live projects

PEOPLE

Centralised experts & upskilled teams

OpEx team at every site & established business partnering

c.4,300 OpEx Academy sessions completed

OPTIMISATION

Winning the day & fuelling activity pipeline

Automation of stuffed crust pizza improves quality & reduces labour

US roll-out of smart manufacturing system

Significant pipeline of opportunities to fuel future efficiencies



TRUST

Proud to be a positive force internally & externally

Investing in pay & benefits



2025 pay negotiations complete





c.£1m
Staff shop savings vs. high street

PROUD TO BE
FAMILY FRIENDLY

If you are planning or going through a big family event, like having a baby or adopting, Bakkavör's Family Leave Policy can support you.



Family friendly people policies

Engaging with our people

360bps
reduction in UK employee turnover¹⁴



The
JobCrowd
TOP COMPANY
FOR APPRENTICES &
GRADUATES TO WORK FOR
2025/26

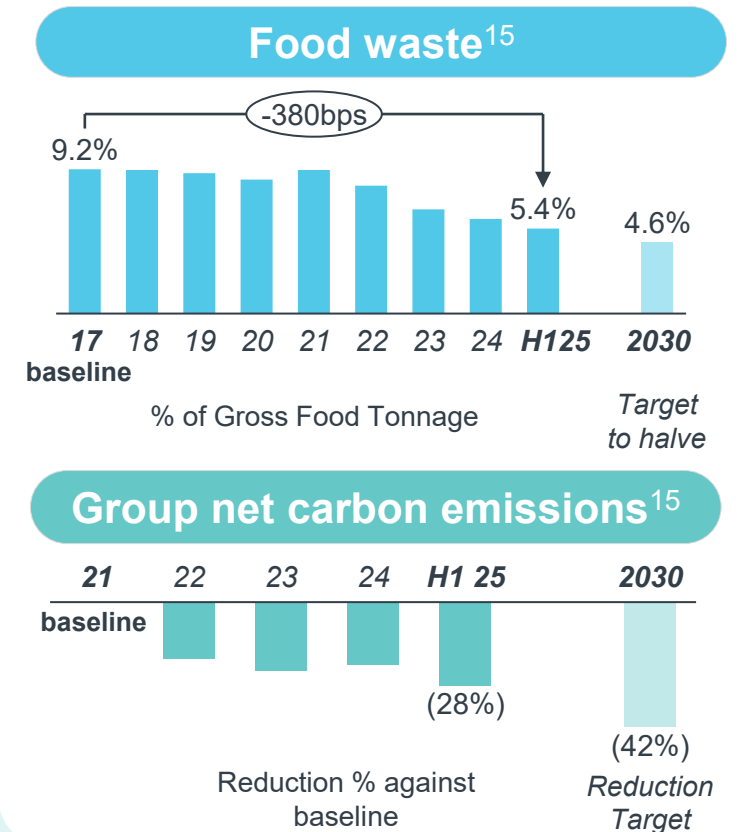
#1
apprentice &
graduate employer

1:2:1 meetings
for all weekly colleagues

BAKKAVÖR
Weekly paid employees
1-2-1 meetings!



Ahead of ESG target glidepath





FY25 outlook & summary

Mike

Update on acquisition of Bakkavor by Greencore

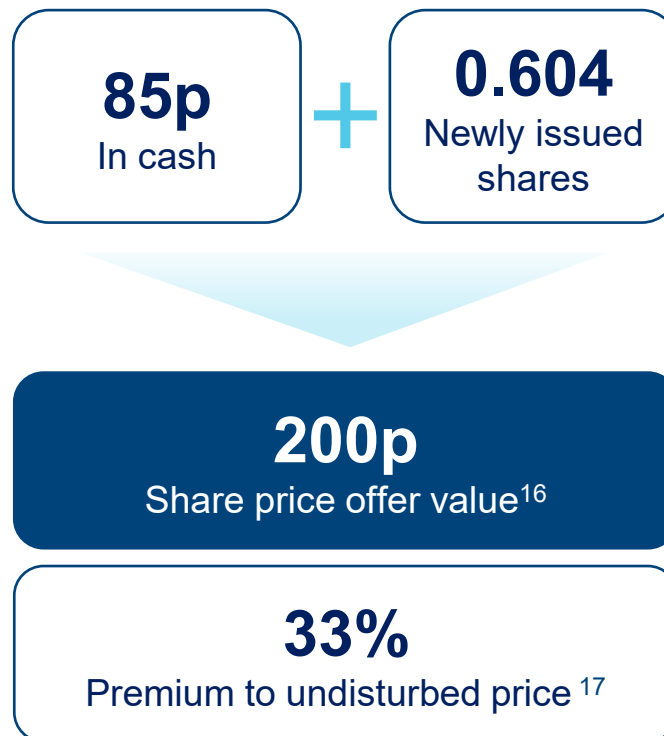
A compelling opportunity

Combining with Greencore would bring together two fantastic businesses that will:

1. Create **more opportunities for colleagues**
2. Allow us to do an **even better job for customers**
3. Deliver **attractive returns** to shareholders

An attractive valuation

For each Bakkavor share:



Process update



Excellent strategic progress



UK

Continues to drive margin improvement

Volume impact in line with plan



INTERNATIONAL

US margin now accretive to the Group

Strategic exit from China complete²



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TRUST

Progressive KPIs across people & ESG priorities



FY25 profit guidance upgraded towards upper end of range³

Six for 26

Accelerated delivery of 6% margin⁴ target to FY26, one year ahead of plan



RESPECT AND TRUST
EACH OTHER



KEEP THE CUSTOMER AT THE
HEART OF WHAT WE DO



BE PROUD OF
WHAT WE DO



GET IT RIGHT,
KEEP IT RIGHT



Q&A



Appendix

Basis of preparation & Alternative Performance Measures

Continuing and discontinued operations

- The Group completed the disposal of its operations in China on 11 July 2025
- The results of China have been presented as a discontinued operation in the Group Financial Statements in H1 25 and the H1 24 comparatives have been re-presented on the same basis
- Further detail is provided in Note 18 in the Bakkavor Group plc H1 25 Results

Alternative Performance Measures

- Alternative Performance Measures are referred to as 'like-for-like', 'adjusted' and 'underlying', and are applied consistently throughout this presentation.
- Refer to Note 22 in the Bakkavor Group plc H1 25 Results for a reconciliation
- The following APMs have been included within this presentation:
 - Like-for-like revenue
 - Adjusted operating profit / loss
 - Adjusted operating margin
 - Free cash flow
 - Operational net debt
 - Leverage
 - Adjusted earnings
 - Adjusted EPS – Adjusted basic Earnings Per Share
 - ROIC – Return On Invested Capital

FY25 guidance

Note: Due to the disposal of our China operations, which completed in July 2025, FY25 guidance therefore relates to the Group's remaining business in the UK and US

P&L – continuing ops.

Reported revenue	Broadly in line with FY24; US expect to low-single-digit growth, UK price & underlying growth largely offset by annualisation of site closure
Adjusted operating profit	Towards upper end of £120m - £126m range
Exceptional items	c.£33m (including c.£15m Greencore transaction costs, £8m UK ERP transformation)
Inflation	c.£65m
Tax	Underlying effective tax rate c.26%

Cash flow / balance sheet

Capex	c.£65m (including £7m UK ERP transformation)
Leverage	Below bottom end of target range (1.0 – 2.0x). China proceeds (received July 2025) c.0.3x impact on leverage (China net consideration of £51m less c.£3m cash held for sale results in £48m net debt impact)
Interest	c.£20m (excl. IFRS 16) UK base rate assumption for H2 25 4.00%
Dividend	Per the terms of the Co-operation Agreement (15 May 2025) – if completion not on or before: • 31-Jan-26, entitled to pay interim dividend equal to no more than 75% of adjusted EPS, capped at 3.20p per share. Further dividend may also be paid, equal to no more than 75% of adjusted EPS, capped at 5.20p per share • 31-Jul-26, entitled to pay interim dividend equal to no more than 75% of adjusted EPS, capped at 3.53p per share

Other financial information: Exceptional items

<u>Continuing operations</u>	26 weeks ended 28 June 2025	Re-presented ¹ 26 weeks ended 29 June 2024
£m		
UK: Greencore transaction costs	(11.0)	-
UK: ERP transformation costs	(3.7)	-
US: Site closure and impairment costs	(9.3)	(0.6)
Total exceptional items included in operating profit	(24.0)	(0.6)
Exceptional finance costs (Note 5)	-	(0.6)
Total exceptional items before tax	(24.0)	(1.2)
Tax on exceptional items	3.2	0.3
Total exceptional items from continuing operations after tax	(20.8)	(0.9)
<u>Discontinued Operations</u>		
Net profit on disposal of China operations	0.7	4.4
Tax on exceptional items	-	(0.3)
Total exceptional items from discontinuing operations after tax	0.7	4.1
Total exceptional items before tax	(23.3)	3.2
Total tax on exceptional items	3.2	-
Total exceptional items after tax	(20.1)	3.2

Other financial information: EPS, ROIC

Earnings per share £m (unless otherwise stated)	H1 25			H1 24		
	Cont. ops	Disc. ops	Total	Cont. ops	Disc. ops	Total
Basic earnings	15.3	1.5	16.8	32.1	3.1	35.2
Exceptional items	24.0	(0.7)	23.3	1.2	(4.4)	(3.2)
Tax on the above items	(3.2)	-	(3.2)	(0.3)	0.3	-
Adjusted earnings	36.1	0.8	36.9	33.0	(1.0)	32.0
Weighted average number of Ordinary shares (000's)	578,383			577,790		
Basic earnings per share	2.7p	0.2p	2.9p	5.6p	0.5p	6.1p
Adjusted basic earnings per share	6.3p	0.1p	6.4p	5.7p	(0.2p)	5.5p

ROIC £m (unless otherwise stated)	H1 25			H1 24		
	Cont. ops	Disc. ops	Total	Cont. ops	Disc. ops	Total
Adjusted operating profit	120.6	-	120.6	108.4	(2.5)	105.9
Tax at the underlying effective rate	(26.0)	-	(26.0)	(25.8)	0.6	(25.2)
<i>Effective tax rate</i>	<i>21.6%</i>	<i>21.6%</i>	<i>21.6%</i>	<i>23.8%</i>	<i>23.8%</i>	<i>23.8%</i>
Adjusted operating profit after tax	94.6	-	94.6	82.6	(1.9)	80.7
Average invested capital	848.1	31.9	880.0	887.2	38.3	925.5
ROIC	11.2%	-%	10.8%	9.3%	(5.0%)	8.7%

Other financial information: IFRS 16, pensions

IFRS 16 earnings impact

£m	H1 25			H1 24		
	Cont. ops	Disc. ops	Total	Cont. ops	Disc. ops	Total
Operating lease charge	8.4	0.2	8.6	6.9	0.2	7.1
Depreciation	(7.3)	(0.2)	(7.5)	(5.8)	(0.2)	(6.0)
Operating profit	1.1	-	1.1	1.1	-	1.1
Finance costs	(1.5)	-	(1.5)	(1.5)	-	(1.5)
Loss before tax	(0.4)	-	(0.4)	(0.4)	-	(0.4)
Tax	0.1	-	0.1	0.1	-	0.1
Loss after tax	(0.3)	-	(0.3)	(0.3)	-	(0.3)

Pensions

- UK Defined Benefit scheme surplus of £22.9m on IAS19 basis (Dec-24: £18.8m surplus)
- UK Defined Benefit scheme closed to future accrual in March 2011
- Pension Fair value of Scheme assets of £177.4m (Dec-24 £175.9m)
- As the scheme was in surplus at Dec-24 and Jan-25, final deficit contributions in H1 25 were £0.6m and were paid over a recovery period ending on 31-Mar-25

Other financial information: Group net debt

Group net debt reconciliation

£m	H1 25
Cash and cash equivalents	(25.6)
Term loans	150.0
Revolving credit facility	45.0
Asset financing, finance leases & overdrafts	25.4
Operational net debt	194.8
IFRS 16 leases	91.5
Restricted cash	(7.1)
Other adjustments	(0.8)
Statutory net debt	278.4

Cash and cash equivalents: Core debt facilities

- Aggregate corporate loan facility of £350m comprising a £150m term loan and £200m revolving credit facility
- Four-year tenure with maturity in Jul-28 with the option of two one-year extensions
- Margin of 1.85%, a 25bps improvement versus previous facilities
- Liquidity headroom of c.£180m

Cash and cash equivalents, and restricted cash

- Cash & cash equivalents: includes £21.2m per balance sheet, plus £11.5m cash included in assets held for sale (China), less £7.1m restricted cash excluded from operational net debt.
- Restricted cash of £7.1m relates to deposit proceeds for the disposal of the China business. Under the banking agreement, restricted cash is not included when calculating leverage and is therefore adjusted to arrive at Operational net debt

Re-presented three-year history – continuing operations

The Group's continuing operations exclude the results of the China business, which was sold on 11 July 2025 and the Hong Kong business sold on 14 March 2025, and therefore reflects the Group's remaining business in the UK and US. The relevant prior year data has been re-presented accordingly.

Continuing basis £m	H1 25	H1 24	H1 23	2024	2023
Reported revenue	1,076.3	1,066.8	1,031.3	2,176.2	2,082.1
Adjusted operating profit ¹	61.5	56.0	44.9	115.1	97.3
Adjusted profit before tax ¹	48.6	43.0	31.4	90.9	70.5
Profit after tax	15.3	32.1	23.9	55.7	54.1
Basic EPS (pence)	2.7	5.6	4.2	9.6	9.4
Adjusted EPS (pence)	6.3	5.7	4.2	12.6	9.3
ROIC %	11.2%	9.3%	7.7%	10.6%	8.1%
Group basis £m					
Free cash flow ³	47.3	53.2	45.2	88.7	103.2
Operational net debt ⁴	194.8	201.8	268.7	193.8	229.6
Leverage (Net debt/EBITDA) ⁴	1.1x	1.2x	1.8x	1.1x	1.5x

1. Adjusted operating profit and adjusted profit before tax excludes restructuring costs, asset impairments and those additional charges or credits that are considered significant or one-off in nature

2. Free cash flow is the amount of cash generated after meeting obligations for interest, tax, pensions and spend on capital expenditure

3. Operational net debt excludes IFRS 16 lease liabilities. Leverage is the ratio of operational net debt to adjusted EBITDA per IFRS 16 after covenant adjustments

4. Return on invested capital is calculated as adjusted operating profit after tax divided by the average invested capital

