Press Release

Greenyard returns to financial health through successful transformation

Sint-Katelijne-Waver, Belgium, 16 June 2020

Key Highlights – ***Thanks to transformation, a return to normal business***

- **The fiscal year 2019/2020 was a year of recovery for Greenyard, driven by a successful transformation**. The Transformation Plan was meticulously implemented since the beginning of the fiscal year, based on three fundamental pillars: (i) the revitalisation of Greenyard's commercial relationships, (ii) the improvement of Greenyard's operational excellence and leveraging its scale to the benefit of the Group and its customers, and (iii) the rationalisation of Greenyard's footprint, refocusing on its core business and executing divestments where necessary. At the same time, the transformation was culturally embedded in the organisation, creating a mentality of continuous improvement.
- **Greenyard is building long-term integrated relationships with Delhaize, Carrefour Belgium, REWE Group and Tesco in respectively the Fresh and Long Fresh segment**. Currently, all these partnerships are running or are being ramped up as long-term relationships. The results thereof are starting to become visible in Greenyard's financial results.
- **Greenyard has executed various projects to improve its operational excellence** through new transport flows and way of working, group procurement initiatives, rigorous cost discipline and taking further steps in the development of joint sourcing across Greenyard.
- **Several parallel divestment transactions have been initiated to focus on core operations and activities and improve the financial situation**. At the end of AY 19/20, Greenyard has closed several of these divestments for a total consideration of € 20,7m. The current COVID-19 pandemic inducing turbulence on the financial markets has accelerated Greenyard's decision to re-evaluate its planned divestments. Greenyard will continue to review its activities and assets and will optimise its business portfolio where needed in line with its strategy.
- The ongoing change of Greenyard's culture and organisation with a continuous improvement and customer-oriented mindset is an excellent basis for a sustainable future. Combined with its refocused operations and 'fit for purpose' footprint, Greenyard is confident to further strengthen its position and secure a continuous profitable growth.
- In addition, during the COVID-19 quarantine period, Greenyard's products and activities have been acknowledged again as highly relevant, and even vital, to consumers and society in general. Using the strength of its strategy to operate with short supply chains and its strong commercial relationships, Greenyard has fully taken up its responsibility to secure the supply of fruit and vegetables to consumers together with its growers and customers. Being a major fruit and vegetables player in retail, demand was thriving as consumers were rebalancing their eating habits towards a healthier diet in a period where out-of-home consumption was replaced by at-home consumption.
- Greenyard is also increasingly paying attention to the sustainability of its operations, socially and ecologically. This has resulted in rephrased ambitions on which Greenyard will report regularly.

Key Financials – ***A year of financial recovery***

- **Sales.** Overall net sales amounted to € 4.061,0m, indicating an increase of +3,8% YoY.
  - Fresh sales amounted to € 3.263,4m, up € 74,7m from € 3.188,7m last year (+2,3%), mainly thanks to the revitalisation of the commercial relationships and ramping up of the partnerships in the second half of the fiscal year. This also includes a recovery of the loss-making volumes that were terminated in the Fresh division.
  - Long Fresh sales amounted to € 797,6m, up € 74,9m from € 722,8m (+10,4%). The additional volumes were mainly sold to customers in the food service and industry in the first half of the fiscal year, while sales to retail customers boomed in the second half of the fiscal year, in part due to the new partnership with Tesco in the Frozen division.

Adjusted EBITDA landed above the upper end of the initially given guidance. Greenyard's adjusted EBITDA (excluding the impact of IFRS 16) amounted to € 95,7m. During the last weeks of the financial year, COVID-19 had a positive impact of € 1,5m to € 2,0m. The impact is limited due to significant extra costs incurred to secure sourcing and operations.

- The increase of € 31,2m YoY (+48,4%) is attributable to the following elements:
  - Fresh: The adjusted EBITDA recovered to € 43,4m, up € 18,4m versus € 25,0m last year (+73,9%). Greenyard was able to implement its transformation initiatives including a strong cost control, workforce resizing, efficiency improvements and waste control. Moreover, throughout the fiscal year it reconnected with volume growth thanks to its customer-oriented strategy. As a result of this cost rationalisation and the higher volumes, the negative trend of margin pressure on profitability could be reversed.
  - Long Fresh: the adjusted EBITDA amounted to € 53,9m for AY 19/20 versus € 41,9m last year (+28,8%). Long Fresh has significantly improved adjusted EBITDA compared to last year when the Frozen division suffered from the Listeria recall. Improvement is also thanks to a better capacity utilisation and production efficiency as well as savings on logistics and overhead costs. A key driver in this was the better cooperation between the various Greenyard entities and production facilities. This profitability increase was realised despite some adverse impact from price pressure in mushrooms and the external sourcing of corn after the sale of the Frozen factory in Baja, Hungary.
- **EBIT**. EBIT amounted to a loss of € 2,6m compared to a loss of € 133,4m last year. On the one hand, last year was impacted by a goodwill impairment which amounted to € 78,9m as compared to a much lower asset impairment of € 7,6m this year. On the other hand, last year € 49,9m of one-off adjustments were recorded mainly related to the Listeria recall and reorganization accruals. This year one-off adjustments were lower at € 28,4m and mainly related to a loss on the sale of Greenyard Flowers UK (primarily due to a write-off of biologic assets). The application of IFRS 16 Leases as from AY 19/20 had a positive net impact of € 5,7m on current year's EBIT.
- **Net result.** Net result from continued operations amounted to a loss of € 68,0m, up from a loss of € 192,0m last year. The application of IFRS 16 Leases had a total negative impact of € 5,4m on the net result of AY 19/20.
- **Net financial debt reducing.** Net financial debt (NFD) decreased by € 30,7m to € 425,6m in AY 19/20. This translates into a leverage of 4,4x in March 2020 (excluding IFRS 16), down from 7,1x in March 2019. The decrease is driven by the improvement in profitability and working capital, the gaining of disposal proceeds and the re-installed cash focus within Greenyard to bring down nominal debt. As regards indebtedness and leverage, Greenyard has obtained consent from its relationship banks on 15 November 2019 to waive its leverage and interest covenants until December 2021, which is the maturity date of the syndicated bank financing. The adjusted EBITDA

was corrected for IFRS 16 to an amount of € 133,4m, with a net debt of € 660,1m, resulting in a post-IFRS 16 leverage of 4,9x.

- **Dividend.** The Board of Directors will propose not to pay a dividend for AY 19/20.
- **Outlook.** Based on the current expectations, Greenyard expects adjusted EBITDA (excluding IFRS 16 impact) for the full year ending 31 March 2021 to range between € 100,0m and € 105,0m.
- Interested parties are invited to listen in on a live webcast today by visiting the following link: https://globalmeet.webcasts.com/starthere.jsp?ei=1331743&tp_key=2d23fa39fe, or through the following dial-in: +32 342 07 47, passcode: 25616601#. The call will begin promptly at 2.00 p.m. (CET). An audio replay of the conference call will be available on Greenyard's Investor Relations webpage in the coming days.

Quote of the co-CEOs:

Hein Deprez, co-CEO said today: "*We live in turbulent times. Our society and our customer landscape have changed. Also, our company has changed. This change was needed and will gear us up for the future. The way we have responded to the challenge of securing the food supply chain during the COVID-19 quarantine period, clearly demonstrates Greenyard's strength and relevance. Therefore, I am grateful for the resilience and hard work of all our colleagues in order to regain our position in the market and increasingly earn the confidence of our customers, growers and suppliers.*"

Marc Zwaaneveld, co-CEO adds: "*This fiscal year started just after the announcement of the Transformation Plan, followed by the strong implementation thereof. It was paramount to install an agile organisation with a continuous improvement culture. From the start, the Transformation Plan showed an untapped efficiency and profitability potential. Throughout the year, the recovery continued and exceeded expectations. Greenyard is on its way to regain financial health and will be ready for sustainable growth.*"

Figure 1 – Key financials

Key financials	AY 19/20	AY 18/19	Difference
Sales (€'000 000)	4.061,0	3.911,5	3,8%
Adjusted EBITDA (€'000 000)	95,7	64,5	48,4%
Adjusted EBITDA-margin %	2,4%	1,6%	
Net result continuing operations (€'000 000)	-68,0	-192,0	
EPS continuing operations (€)	-1,59	-4,48	
NFD (€'000 000)	425,6	456,3	-6,7%
Leverage	4,4	7,1	

The adjusted EBITDA of € 95,7m includes a positive effect of around € 1,5m to € 2,0m from higher volumes induced by COVID-19 effects in March 2020.

Segment review

1. Fresh

Figure 2 – Sales & adjusted EBITDA evolution

Fresh	AY 19/20	AY 18/19	Difference
Sales (€'000 000)	3.263,4	3.188,7	2,3%
Adjusted EBITDA (€'000 000)	43,4	25,0	73,9%
Adjusted EBITDA-margin %	1,3%	0,8%	

Sales increased again by +2,3% YoY thanks to the revitalisation of the commercial relationships and the ramping up of the partnerships in the second half of the fiscal year. The segment showed an organic growth of +2,4%, with slight foreign exchange tailwind of +0,2%, and M&A and divestitures impact of -0,2%. This entails a recovery of the loss-making volumes that were terminated in the Fresh segment.

In the last weeks of the fiscal year, the COVID-19 induced quarantine measures resulting in a shift from out-of-home consumption to at-home consumption. This has resulted in higher volumes in Fresh.

Greenyard was able to reverse the negative trend in its adjusted EBITDA by a strong cost control, workforce resizing, efficiency improvements and waste control. Together with volume growth in the second half of the fiscal year, this has offset continuing margin pressure. The adjusted EBITDA increased by +73,9% YoY.

Greenyard expects its margin to become less volatile over the coming periods thanks to an increasing part of sales being generated in the partnership models which are long-term oriented and partially cost-plus based.

2. Long Fresh

Figure 3 – Sales & adjusted EBITDA evolution

Long Fresh	AY 19/20	AY 18/19	Difference
Sales (€'000 000)	797,6	722,8	10,4%
Adjusted EBITDA (€'000 000)	53,9	41,9	28,8%
Adjusted EBITDA-margin %	6,8%	5,8%	

In its Long Fresh segment, Greenyard was able to generate an important volume increase, resulting in a double-digit growth of +10,4% (of which 0,1% FX impact, -0,8% M&A and divestitures and an organic growth of 11,0%), proving the full recovery after the recall of last year. The additional volumes were mainly sold to customers in the food service and industry in the first half of the year, while sales to retail customers boomed in the second half of the year, in part due to the new partnership with Tesco in the Frozen division.

In the last weeks of the fiscal year, the COVID-19 induced quarantine measures resulting in a shift from out-of-home consumption to at-home consumption. In addition, consumers hoarded long fresh products in fear of running out. Both tendencies have resulted in higher volumes in the Long Fresh segment through its retail customers, though this was slightly compensated by lower volumes in the food service.

The Long Fresh segment has shown a better adjusted EBITDA than last year thanks to better capacity utilisation and production efficiency as well as savings on logistics and overhead costs. This increase of +28,8% was realised despite some adverse impact from price pressure in mushrooms and the external sourcing of corn after the sale of the Frozen factory in Baja, Hungary.

Adjustments

Figure 4 – Adjustments made for one-off items from operating activities

EBIT - Adjusted EBITDA	AY 19/20				AY 18/19			
	Fresh	Long Fresh	Unallocated	TOTAL	Fresh	Long Fresh	Unallocated	TOTAL
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
EBIT	**-8.813**	**12.918**	**-6.681**	**-2.576**	**-19.342**	**-105.528**	**-8.543**	**-133.413**
Depreciation and amortisation	57.313	37.382	1.181	95.876	28.835	37.197	608	66.641
Impairment goodwill	-	-	-	-	-	78.910	-	78.910
Impairment property, plant & equipment	-	7.566	-	7.566	-	-	-	-
EBITDA	**48.500**	**57.866**	**-5.500**	**100.866**	**9.493**	**10.579**	**-7.935**	**12.138**
Reorganisation costs and reversal of provision for reorganisation costs (-)	57	-998	401	-540	10.400	3.368	1.274	15.043
Disposal project costs	144	1.186	211	1.541	-	-	1.879	1.879
Financing project costs	456	170	3.114	3.741	-	154	2.444	2.598
Costs related to legal claims	2.463	494	81	3.038	118	250	-	368
Impairment long-term receivables	780	-	-	780	4.228	-	-	4.228
Result on change in control of equity accounted investments	1.375	-	-	1.375	593	-	-	593
Result on sale of subsidiaries	22.538	-	-	22.538	-	-	-	-
Result on sale of assets	-3.814	81	-	-3.733	-400	-373	-	-773
Listeria related net result	-	-1.746	-	-1.746	-	25.661	-	25.661
Other	773	223	443	1.439	529	127	-354	302
Adjustments	**24.774**	**-589**	**4.249**	**28.435**	**15.469**	**29.187**	**5.243**	**49.899**
IFRS 16 impact	**-32.902**	**-4.470**	**-369**	**-37.741**	**-**	**-**	**-**	**-**
Divestitures (not in IFRS 5 scope)	**3.030**	**1.112**	**-**	**4.141**	**-**	**2.086**	**-**	**2.086**
Net intercompany transactions between continuing and discontinued operations	**-**	**-**	**-**	**-**	**-**	**-**	**353**	**353**
Adjusted EBITDA	**43.401**	**53.919**	**-1.619**	**95.701**	**24.962**	**41.852**	**-2.339**	**64.475**

Based on an impairment test on the level of Greenyard Prepared Netherlands an impairment loss was recorded bringing the equipment to its fair value.

Reorganisation costs have mainly been accrued for in the previous fiscal year consequent to the Transformation Plan and mostly relate to redundancy costs. This cost saving program has been diligently executed and the accrual could be partially reversed.

Disposal and financing project costs relate to several corporate finance processes that have been explored aiming for deleveraging as a part of the Transformation Plan. This includes several disposals of core (up to November 2019) and non-core assets/business, the search for a cornerstone investor (up to November 2019) and the bank waiver process.

With respect to the sale of Greenyard Flowers UK, a loss was accounted for because long-term cashflow projections on biological assets became non-realisable. On the contrary, a gain was realised on the sale of several assets in Germany and the Netherlands.

As to the Listeria recall, insurance proceeds have been fully received and agreements on most of the Listeria-related costs have been reached. A remaining cost accrual on pending cases with customers has been reviewed. On a net basis, this has led to a positive result as compared to the estimation end of March 2019.

Finance result

Figure 5 – Finance result

Net finance income/cost (-)	AY 19/20 €'000	AY 18/19 €'000
Interest expense	**-51.865**	**-35.649**
Interest income	**283**	**465**
Foreign exchange gains/losses (-)	-3.052	-417
Fair value gains/losses (-) on IRS	10	124
Bank and other financial income/cost (-)	-6.185	-2.478
Other finance result	**-9.227**	**-2.771**
TOTAL	**-60.808**	**-37.955**

Net finance cost increased by € 22,9m YoY to € 60,8m mainly due to higher interest expenses of € 16,3m which can be explained by higher interest rates on bank borrowings as a consequence of a higher leverage ratio, higher usage of funding and higher costs on additional funding (impact of approximately € 10,4m) and interest on leasing debt of € 10,8m resulting from the implementation of IFRS 16 in AY 19/20, partially offset by lower interest expenses on the retail bond as this bond was repaid in July 2019, at maturity date (€ 5,5m).

The bank and other financial costs consist primarily of the following non-recurring items in AY 19/20: fees related to waiver agreements of € 1,9m (an increase of € 0,9m compared to AY 18/19) and write-offs of financial assets € 1,8m. Last year was positively impacted by a gain of € 1,3m on the sale of financial assets.

Income taxes and net result

Figure 6 – Income taxes and net result

Consolidated income statement	AY 19/20 €'000	AY 18/19 €'000
CONTINUING OPERATIONS		
Profit/loss (-) before income tax	**-63.384**	**-171.368**
Income tax expense (-)/ income	-4.597	-20.592
Profit/loss (-) for the period from continuing operations	**-67.981**	**-191.960**
DISCONTINUED OPERATIONS		
Profit/loss (-) for the period from discontinued operations	-	-45.723
PROFIT/LOSS (-) FOR THE PERIOD	-67.981	-237.683
Attributable to:		
The shareholders of the Group	-68.533	-238.243
Non-controlling interests	552	560

The income tax expense for AY 19/20 amounts to € 4,6m. This implies a consolidated effective tax rate of -7,3% (AY 18/19 -12,0%). The effective tax rate for AY 19/20 was highly impacted by the non-recognition of deferred tax assets on tax losses, the loss on the sale of subsidiaries, the impairment of property, plant & equipment and the adjustments in the rates used to calculate deferred taxes resulting from the evolution in local tax rates.

Financial position

Cash Flow

Figure 7 – Cash flow statement

Consolidated statement of cash flows	AY 19/20 [1] €'000	AY 18/19 €'000
CASH, CASH EQUIVALENTS AND BANK OVERDRAFTS, OPENING BALANCE	67.186	57.432
CASH FLOW FROM OPERATING ACTIVITIES (A)	126.643	-51.060
EBIT from continuing operations	**-2.576**	**-133.413**
EBIT from discontinued operations	**-**	**-43.789**
Income taxes paid	**-6.096**	**-6.918**
Adjustments	**115.461**	**208.324**
Fair value adjustments biological assets	27	-507
Amortisation of intangible assets	18.072	18.797
Depreciation and impairment of property, plant & equipment and right-of-use assets	85.369	52.311
Impairment on goodwill	-	78.910
Write-off on stock/trade receivables	498	7.182
Increase/decrease (-) in provisions and employee benefit liabilities	-9.086	1.577
Gain (-)/loss on disposal of property, plant & equipment	-3.796	-1.072
Result on change in control of subsidiares and equity accounted investments	23.328	50.389
Share based payments and other	1.146	1.161
Share of profit/loss (-) of equity accounted investments	-97	-425
Increase (-) / decrease in working capital	**19.854**	**-75.265**
Increase (-)/ decrease in inventories	7.894	18.358
Increase (-)/ decrease in trade and other receivables	-22.007	46.003
Increase/ decrease (-) in trade and other payables	33.967	-139.626
CASH FLOW FROM INVESTING ACTIVITIES (B)	-16.584	55.871
Acquisitions (-)	**-37.280**	**-71.044**
Acquisition of intangible assets and property, plant & equipment	-36.069	-68.010
Acquisition of subsidiaries	-1.211	-3.034
Disposals	**20.696**	**126.915**
Disposal of intangible assets and property, plant & equipment	11.085	7.976
Disposal of subsidiaries	9.610	117.436
Disposal of associates/joint ventures	-	1.503
CASH FLOW FROM FINANCING ACTIVITIES (C)	-44.939	5.228
Dividend payment	-147	-8.613
Long- and short-term funds obtained	93.133	182.390
Long- and short-term funds paid	-186.474	-12.286
Payment of principal portion of lease liabilities	-37.741	-
Net interests paid	-37.685	-29.230
Other financial expenses	-1.026	-2.032
Transfer from restricted cash	125.000	-125.000
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	65.119	10.038
Effect of exchange rate fluctuations	-674	-283
CASH, CASH EQUIVALENTS AND BANK OVERDRAFTS, CLOSING BALANCE	131.632	67.186
Of which:		
Cash and cash equivalents	132.709	67.880
Bank overdrafts	1.077	694

[1] *The statement of cash flows of AY19/20 is not comparable to AY18/19 because of the adoption of IFRS16 Leases as of AY19/20.*

The net increase in cash and cash equivalents for AY 19/20 amounts to € 65,1m, an improvement of € 55,1m compared with AY 18/19 (€ 10,0m).

The cash inflow from operating activities amounts to € 126,6m in AY 19/20, compared with a cash inflow from operating activities of € -51,1m in AY 18/19, or an increase of € 177,7m. This improvement is the result of (i) a higher EBIT corrected for mainly non-cash EBIT adjustments i.e. € 81,8m from € 31,1m in AY 18/19 to € 112,9m in AY 19/20, as explained by the transformation of the Group and (ii) a lower working capital cash outflow for i.e. € 95,1m from € -75,3m in AY 18/19 to € 19,9m in AY 19/20. This is mainly due to better working capital management, as well in inventory as in Accounts Payable/Accounts Receivable and improvement of supplier payment terms after some pressure last year.

The cash outflow from investing activities amounts to € 16,6m, which is € 72,5m worse than in AY 18/19. The main explanation is the difference in disposal proceeds being € 20,7m in AY 19/20 as compared to € 126,9m in AY 18/19. Last year's proceeds were much higher due to the sale of the Horticulture segment for € 117,4m. Acquisitions of property, plant and equipment and subsidiaries have been reduced by € 33,8m (from € 71,0m in AY 18/19 to € 37,3m in AY 19/20).

The cash outflow from financing activities has worsened by € 50,2m to € 44,9m. This is mainly the result of the repayment of the retail bond (€ 150,0m), partly compensated by the restricted cash release of € 125,0m. Furthermore, the full lease payments have been presented within financing activities as from AY 19/20 following IFRS 16 (€ 37,7m).

In November 2018 Greenyard paid out a dividend of € 8,6m to its shareholders with respect to AY 17/18 following the decision of the Annual Shareholders' Meeting of 21 September 2018. Given the challenges Greenyard faced, the Board of Directors proposed not to pay a dividend with respect to AY 19/20. At the same time, Greenyard was confronted with increased interest payments i.e. € 8,5m from € 29,2m in AY 18/19 to € 37,7m in AY 19/20 given the higher debt usage and higher interest rates as a consequence of the increased leverage.

CAPEX

Capex was reduced during the year. Total capex for the year AY 19/20 amounted to € 36,1m, after a high capex year of € 68,0m last year. In AY 19/20 Greenyard was very strict on approving capex but still managed to honour the investment program conform the needs of the different businesses. In AY 18/19 the investment outflow was much higher mainly due to an important overflow on some large projects from AY 17/18.

Net financial debt

Net Financial Debt (NFD) decreased by € 30,7m to € 425,6m in AY 19/20. This translates into a leverage of 4,4x, down from 7,1x last year. The decrease is driven by the improvement in profitability, the improvement in working capital, the proceeds from disposal of assets/businesses and the re-installed cash focus within Greenyard to bring down nominal debt. As regards indebtedness and leverage, Greenyard has obtained consent from its relationship banks to waive its leverage and interest covenants until December 2021, which is the maturity date of the syndicated bank loans.

Outlook statement

Based on the current expectations, Greenyard expects the adjusted EBITDA (before application of IFRS 16) for the full year ending 31 March 2021 to range between € 100,0m and € 105,0m. Greenyard is regaining financial health and will be ready for sustainable growth in the near future.

Subsequent events

In December 2019 Greenyard signed an agreement for the divestment of Greenyard Logistics Portugal through a management buyout (MBO). This Greenyard company operates since 2001 in Portugal in the food products transport and logistics market, with a strong focus on perishable food products, including fruits and vegetables. After completion of the transaction, Greenyard Logistics Portugal will be owned and managed by its current management team supported by Vallis Capital Partners, an independent and solid holding company focused on managing private equity and investment funds. Due to the impact of the COVID-19 pandemic on the financial markets, the transaction could not be closed end of April 2020 as initially envisaged. An amended and restated Share Purchase Agreement was signed on 19 May 2020 with an ultimate closing date set on 31 July 2020.

Subsequent to March 2020, Greenyard noted that the retail hoarding demand gradually faded away and normalised in the second half of April 2020. Except for ongoing costs and procedures related to health protection measures, also the pressure on its operations is getting back to normal. Based on the first signals end of May 2020, Greenyard also noticed that food service demand is restarting prudently. Over the last periods Greenyard managed to collect outstanding receivables with only minor delays granted. Greenyard does not yet have a view on how food service will be ramping up in the coming months and whether historical demand levels will be restored soon. Furthermore, at this moment Greenyard cannot yet assess whether stocks built-up by its consumers 'at home' will temporarily impact demand in Long Fresh in the coming months. Finally, as its current in-company Long Fresh stocks have decreased significantly, Greenyard agreed with the growers to adapt the sowing plans in order to sufficiently replenish with new produce over the summer.

There are no other major events subsequent to the balance sheet date which have a major impact on the further evolution of the Group.

Change in consolidation perimeter

During AY 19/20 the following changes to the consolidation scope occurred:

- In May 2019, Greenyard reached an agreement to increase the investment in Bardsley Fruit Enterprises (formerly known as Bardsley England). Greenyard Fresh UK now owns 50,1% of the shares and has control over the entity. Consequently, the consolidation method changed from equity to full consolidation method.
- Greenyard acquired the remaining 50% of the shares in Lunasoft in May 2019. Consequently, the consolidation method changed from equity to full consolidation method.
- On 14 October 2019 Greenyard announced the divestment of Greenyard Flowers UK to Yellow Holdings Ltd. The total consideration amounts to € 9,7m, consisting of € 5,7m for the shares and € 4,0m for the debt settlement. Cumulative translation adjustments for an amount of € -1,4m have been recycled to the income statement. A loss on disposal of € 22,5m was recognised.

APPENDIX 1: Consolidated income statement

Consolidated income statement	AY 19/20 €'000	AY 18/19 €'000
CONTINUING OPERATIONS		
Sales	4.060.992	3.911.468
Cost of sales	-3.813.320	-3.712.509
Gross profit/loss (-)	**247.672**	**198.959**
Selling, marketing and distribution expenses	-94.275	-100.469
General and administrative expenses	-147.310	-153.005
Impairment goodwill	-	-78.910
Impairment property, plant & equipment	-7.566	-
Other operating income/expense (-)	-1.194	-413
Share of profit/loss (-) of equity accounted investments	97	425
EBIT	**-2.576**	**-133.413**
Interest expense	-51.865	-35.649
Interest income	283	465
Other finance result	-9.227	-2.771
Net finance income/cost (-)	**-60.808**	**-37.955**
Profit/loss (-) before income tax	**-63.384**	**-171.368**
Income tax expense (-)/ income	-4.597	-20.592
Profit/loss (-) for the period from continuing operations	**-67.981**	**-191.960**
DISCONTINUED OPERATIONS		
Profit/loss (-) for the period from discontinued operations	-	-45.723
PROFIT/LOSS (-) FOR THE PERIOD	**-67.981**	**-237.683**
Attributable to:		
The shareholders of the Group	-68.533	-238.243
Non-controlling interests	552	560

APPENDIX 2: Consolidated statement of financial position

Assets	31 March 2020 [1] €'000	31 March 2019 €'000
NON-CURRENT ASSETS	1.264.810	1.103.798
Property, plant & equipment	323.179	350.572
Goodwill	477.500	477.247
Other intangible assets	209.515	221.230
Right-of-use assets	226.791	-
Biological assets	-	21.713
Investments accounted for using equity method	7.193	9.833
Other financial assets	5	5
Deferred tax assets	15.575	16.704
Trade and other receivables	5.052	6.494
CURRENT ASSETS	700.113	753.555
Biological assets	-	13
Inventories	261.867	271.625
Trade and other receivables	303.311	284.509
Other financial assets	2.226	1.137
Cash and cash equivalents	132.709	67.880
Restricted cash	-	125.000
Assets classified as held for sale	-	3.391
TOTAL ASSETS	1.964.923	1.857.354

Equity and liabilities	31 March 2020 [1] €'000	31 March 2019 €'000
EQUITY	406.109	467.882
Issued capital	288.392	288.392
Share premium and other capital instruments	317.882	317.882
Consolidated reserves	-209.961	-144.467
Cumulative translation adjustments	-4.949	-5.943
Non-controlling interests	14.744	12.018
NON-CURRENT LIABILITIES	750.669	197.890
Employee benefit liabilities	17.971	19.046
Provisions	8.149	10.700
Interest-bearing loans	472.214	117.347
Lease liabilities	208.782	190
Other financial liabilities	-	26
Trade and other payables	2.228	4.063
Deferred tax liabilities	41.325	46.517
CURRENT LIABILITIES	808.146	1.191.583
Provisions	4.239	12.458
Interest-bearing loans	77.893	519.917
Lease liabilities	26.409	84
Other financial liabilities	860	1.572
Trade and other payables	698.745	657.552
TOTAL EQUITY AND LIABILITIES	1.964.923	1.857.354

[1] *The statement of financial position of 31 March 2020 is not comparable to 31 March 2019 because of the adoption of IFRS 16 Leases as of AY 19/20.*

APPENDIX 3: Reconciliation net financial debt

Reconciliation net financial debt	31 March 2020 €'000	31 March 2019 €'000
Cash and cash equivalents	-132.709	-67.880
Restricted cash	-	-125.000
Interest-bearing loans (non-current/current)	550.107	637.264
Lease liabilities (non-current/current)	235.191	274
As reported	**652.588**	**444.658**
Net capitalised transaction costs related to the refinancing	2.889	4.537
Net value of the conversion option at inception after amortisation	4.613	7.071
IFRS 16 impact	-234.509	-
Reconciling items	**-227.007**	**11.608**
Net financial debt	**425.581**	**456.266**

The annual report and financial statements will be released at the time of publication of the press release and are available on the Greenyard website. For additional information, please contact Greenyard:

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Disclaimer

About Greenyard

Greenyard (Euronext Brussels: GREEN) is a global market leader of fresh, frozen and prepared fruit & vegetables, flowers and plants. Counting Europe's leading retailers amongst its customer base, Greenyard provides efficient and sustainable solutions to customers and suppliers through best-in-class products, market leading innovation, operational excellence and outstanding service.

Our vision is to make lives healthier by helping people enjoy fruit & vegetables at any moment, easy, fast and pleasurable, whilst fostering nature.

With ca 8.800 employees operating in 25 countries worldwide, Greenyard identifies its people and key customer and supplier relationships as the key assets which enable it to deliver goods and services worth ca. € 4 billion per annum.

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Glossary

CAPEX	Capital expenditures
EBIT	Operating result
EPS	Earnings per share
Liquidity	Current assets (including assets classified as held for sale)/Current liabilities (including liabilities related to assets classified as held for sale)
Leverage	NFD/LTM adjusted EBITDA
Net financial debt (NFD)	Interest-bearing debt (at nominal value) before the impact of IFRS 16 as of AY 19/20, less derivatives, bank deposits, cash and cash equivalents and restricted cash
Net result	Profit/loss (-) for the period
Adjusting items	Adjusting items are one-off expenses and income that in management's judgement need to be disclosed by virtue of their size or incidence. Such items are included in the consolidated income statement in their relevant cost category, but separately disclosed in the chapter Key financial information reconciling EBIT to adjusted EBITDA. Transactions which may give rise to adjusting items are principally restructuring and reorganisation activities, impairments, disposal of assets and investments, claims, IFRS 3 acquisition accounting and merger & acquisition projects and the effect of the accelerated repayment of certain financial indebtedness.
Adjusted EBITDA	EBIT corrected for depreciation, amortisation and impairments excluding adjusting items, and EBIT corrected for depreciation, amortisation and impairments from minor divested operations (not within the scope of IFRS 5) and as of AY 19/20 also excluding the impact of IFRS 16.
LTM adjusted EBITDA	Last twelve months adjusted EBITDA, corrected for acquisitions
Working capital	Working capital is the sum of the inventories, trade and other receivables (non-current and current) and trade and other payables (current). In this respect trade and other receivables are corrected for long-term (financing) receivables and accrued interest income and trade and other payables exclude accrued interest expenses and dividend payable.
AY 18/19	Accounting year ended 31 March 2019
AY 19/20	Accounting year ended 31 March 2020