Greenyard lands full year profitability at upper end of its guidance at € 64,5m. Recovery started thanks to Transformation Plan. Important new contracts signed.

Sint-Katelijne-Waver, Belgium, 4 June 2019

Key Financials – Accounting year ending 31 March 2019

- Greenyard has faced a number of challenges in the past year, ranging from fierce market pressure in its Fresh segment where it is transforming its business model into a partnership model, combined with extremely dry climatological circumstances in its prime harvesting season in its segments Fresh and Long Fresh, to managing the consequences of a recall action in its Frozen division. Greenyard has taken decisive steps and has appointed a new co-CEO, Mr Marc Zwaaneveld to help transform the company. Today, Greenyard is executing its Transformation Plan and seeing the first indications of recovery.
- **Sales.** Overall net sales amounted to € 3.911,5m, indicating a decline of -4,3% YoY.
  - Fresh sales amounted to € 3.188,7m, down € 154,2m from € 3.342,9m last year (-4,6%), mainly due to a volume decline from continuing market pressure in most of its key markets, in combination with the effects of the extreme weather conditions of last year. In Q4, Fresh slightly recovered from its Q3 low performance by reaching sales of € 810,7m (-5,0% YoY), versus Q3 sales of € 730,2m (-6,6% YoY).
  - Long Fresh sales amounted to € 722,8m, down € 20,0m from € 742,8m (-2,7%). The decline in Long Fresh is primarily due to the recall and related delays in production and distribution of Frozen products in the summer of 2018, alongside the effects of the extreme weather conditions during summer, resulting in lower crop yields, only partly offset by better product mix and prices. In Q4, Long Fresh continued its steady recovery from the previous period. Q4 Sales amounted to € 196,5m (0,8% YoY) versus Q3 sales of € 194,5m (-2,0% YoY).
- **Adjusted EBITDA landed at upper end of the guidance.** Greenyard's adjusted EBITDA amounted to € 64,5m, at the upper end of the range of its guidance given in January 2019. The decrease of € 64,3m YoY (-49,9%) is attributable to the following elements:
  - Fresh: the ultimate low adjusted EBITDA of € 25,0m versus € 72,7m last year (-65,7%) resulted from a drop in sales due to the continuing competitive market pressure and due to price, quality and quantity effects of the extreme weather conditions. In addition, our mission to become the partner of the retailer and consequential shift from the transactional model to a partnership model has resulted in margin vulnerability in this transitional year. Greenyard's partnership models continue to perform well and show resilience and stability in challenging market conditions.
  - Long Fresh: the adjusted EBITDA amounted to € 41,9m for the AY 18/19 versus € 56,7m last year (-26,2%). A loss in volumes and lower cost absorption, of which the majority is due to the recall in Greenyard's Frozen division, and the extremely dry summer are the main drivers of the decreased adjusted EBITDA.
- **Execution of the Transformation Plan on course, showing first signs of recovery.** Greenyard remains on course in executing its Transformation Plan. The Transformation Plan is expected to result in an increase in adjusted EBITDA of € 20,0m in AY 19/20, and a cumulative increase of € 44,0m for AY 20/21, resulting in an adjusted EBITDA of more than € 100,0m in AY 20/21. Greenyard already notes that its April 2019 performance ended above budget and above last year.

    - Greenyard continues to invest in its partnership model. New partnerships have been announced with Carrefour, Delhaize and Tesco and more partnerships are in the pipeline. These new partnerships will start contributing to the results in the coming quarters. In this respect, Greenyard is shifting the majority of its Fresh sales into the more stable partnership model.
    - Furthermore, Greenyard has executed various projects to reduce costs in among others logistics, waste management, procurement and labour (reduction in workforce), which are on track and expected to result in an improved adjusted EBITDA as of the coming months.
- **Net result affected by one-off costs (adjustments) and non-cash impairment.** One-off items such as recall costs, reorganisation costs and a goodwill impairment in Long Fresh resulted in a net loss (before discontinued operations) of € 192,0m.
    - Adjustments. Greenyard is currently in the process of a further transformation of the company, addressing the competitive challenges of last year as well as recovering from the recall in its Frozen division in the summer of 2018. As a result, Greenyard is accounting for a number of one-off items, of which the main items are (i) recall action and consequences (€ 25,7m), and (ii) reorganisation costs (€ 14,6m).
    - Goodwill impairment. A goodwill impairment on Long Fresh (€ 78,9m), due to a delay in the execution of the business plan in Long Fresh caused by the events over the summer.
- **Discontinued operations.** Discontinued operations include the impact of the sale of the Horticulture segment, which was finalised in December 2018 and amounted to € -45,7m, leading to an overall net result of € -237,7m.
- **Net financial debt under control**. Net financial debt (NFD) increased by € 37,2m ending at € 456,3m, up from € 419,1m last year, mainly due to non-recurring costs related to the transformation and the recall in its Frozen division. Greenyard also received € 120m proceeds from the sale of the Horticulture segment, offsetting a deterioration of its working capital. On 11 April 2019, Greenyard signed a consent letter with its relationship banks for a covenant waiver period until June 2020, which allows Greenyard the time and calm to implement and execute its Transformation Plan. The consent is conditional upon realising the various transformation results, the divestment of non-core assets in a timely and diligent manner, the identification of a cornerstone investor that supports a subsequent additional capital raise, as well as the exploration of the sale of its Prepared division. Further to this consent letter, Greenyard's banks have waived the leverage and interest ratio covenants up to and including June 2020. For AY 18/19, the decrease in adjusted EBITDA combined with the increase in NFD resulted in a leverage of 7,1x.
- **Divestments are on track**. Greenyard is committed to reduce the Net Financial Debt and leverage in the coming three years to a leverage ratio below 3,0x. Combined with a gradual recovery of the LTM adjusted EBITDA over the coming years, Greenyard has identified assets that are no longer essential in maintaining its service level towards its customers and is in the process of divesting these assets. Greenyard is expecting to yield cash proceeds in a range of € 50,0m to € 75,0m. In the meantime, Greenyard has closed the divestment of its Greenyard Frozen Hungary facility in Baja. Other divestments are also in well advanced stages of divestment, while others are currently being prepared for divestment.
- **Exploration sale of Prepared on course**. Greenyard has initiated the exploration of the sale of its Prepared division. This project continues its course.
- **Conversations with cornerstone investors ongoing**. Over the past couple of months Greenyard has initiated conversations with a shortlisted number of potential cornerstone investors with the intention to close a deal at the latest by the end of AY 19/20.
- **Dividend.** The Board of Directors will propose not to pay a dividend for AY 18/19.

- Interested parties are invited to listen to a live webcast by visiting the following link: https://globalmeet.webcasts.com/starthere.jsp?ei=1247919&tp_key=b10cc74529. The call will begin promptly at 9:30 a.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-CEO's:

Hein Deprez, co-CEO said today: "*Last accounting year was a transitional year. We have put a lot of effort and time in shifting our model further from a transactional model in fruit and vegetables to a real partnership model with our retailers and this shift proved to be more challenging than expected. Given the unexpected impact of the extremely dry summer in our Fresh and Long Fresh segments, the recall action in the beginning of the summer in Long Fresh, but in particular, the longer than expected market pressure in our key Fresh markets, Greenyard experienced difficult times, which called for decisive actions. We have appointed Mr Marc Zwaaneveld as co-CEO and together with our colleagues, we have taken important decisions to transform Greenyard into the global partner of choice for our customers. We are consolidating the company and using our strength and scale to increase our efficiency to the benefit of all our stakeholders, colleagues, customers, consumers and shareholders. Today, there is still a way to go, but we see the first promising green shoots of the Transformation Plan gradually pushing up the results*."

Marc Zwaaneveld, co-CEO adds: "*We have a solid Transformation Plan which we are meticulously implementing today. The first results of the new accounting year are above budget and above last year and already show that Greenyard has a lot of unleashed potential. By driving a stringent execution of the Transformation Plan, we can unlock large untapped potential that will improve our efficiency and profitability. In addition, various divestments as well as conversations with potential cornerstone investors are ongoing. We refocus our footprint whilst continuing to guarantee our customers the service levels they are used to. We are working diligently to improve the profitability of our company again with a stronger balance sheet that is more robust and built for the future.*"

Figure 1 – Key financials

Key financials	AY 18/19	AY 17/18	Difference
Sales (€'000 000)	3.911,5	4.085,6	-4,3%
Adjusted EBITDA (€'000 000)	64,5	128,8	-49,9%
Adjusted EBITDA-margin %	1,6%	3,2%	
Net result (€'000 000)	-192,0	-1,7	
EPS continuing operations (€)	-4,48	-0,05	
NFD (€'000 000)	456,3	419,1	8,9%
Leverage	7,1	2,8	

Segment review

1. Fresh

Figure 2 – Sales & adjusted EBITDA evolution

Fresh	AY 18/19 €'000 000	AY 17/18 €'000 000	Difference
Sales	3.188,7	3.342,9	-4,6%
Adjusted EBITDA	25,0	72,7	-65,7%
Adjusted EBITDA-margin %	0,8%	2,2%	

Bearing in mind that there is very limited foreign exchange impact and an M&A/divestitures impact of 0,4%, sales declined internally by 5,0%, mainly due to lower volumes in the key markets, mainly in Germany and, to a lesser extent in Belgium primarily due to the continuing market pressure, as well as the quantity, quality and price impact of the extreme summer weather. Volumes declined in combination with a price deflation on certain key categories, across all main companies in Fresh.

On the other hand, Greenyard continues to note the resilience of its partnership models in this challenging year, both in terms of sales and margin. In this respect, Greenyard has closed additional partnerships with large important retailers Carrefour and Delhaize in the months following 31 March 2019.

Lost volumes also impact adjusted EBITDA, which drops by 65,7%, translating into a margin of 0,8%, versus 2,2% last year.

2. Long Fresh

Figure 3 – Sales & adjusted EBITDA evolution

Long Fresh	AY 18/19 €'000 000	AY 17/18 €'000 000	Difference
Sales	722,8	742,8	-2,7%
Adjusted EBITDA	41,9	56,7	-26,2%
Adjusted EBITDA-margin %	5,8%	7,6%	

Long Fresh sales were mainly impacted by the recall in the Frozen division, which caused a temporary slow-down in sales, and the extreme drought in Europe. Sales decreased by € 20,0m versus last year, representing a decrease of 2,7% (including a 0,4% negative FX impact). The majority of this impact was in H1 of the AY 2018/19 and a recovery in the subsequent quarters was evident.

The adjusted EBITDA decreased by 26,2% (-€ 14,8m) versus last year, caused primarily by the lower cost absorption effect in both the Frozen and Prepared divisions due to the extreme drought in the harvesting season, but also by the impact of the recall in the Frozen division (due to the production stop in its Hungarian facility). After the balance sheet date, Greenyard has announced the sale of its Hungarian Frozen factory in Baja.

Adjustments

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

EBIT - Adjusted EBITDA	AY 18/19				AY 17/18			
	Fresh €'000	Long Fresh €'000	Unallocated €'000	TOTAL €'000	Fresh €'000	Long Fresh €'000	Unallocated €'000	TOTAL €'000
EBIT	-19.342	-105.528	-8.543	-133.413	26.880	18.889	-10.838	34.931
Depreciation and amortisation	28.835	37.197	608	66.641	27.951	34.037	90	62.078
Goodwill impairment	-	78.910	-	78.910	-	-	-	-
EBITDA	**9.493**	**10.579**	**-7.935**	**12.138**	**54.831**	**52.926**	**-10.748**	**97.008**
Reorganisation costs	10.400	2.938	1.274	14.613	17.594	3.335	1.084	22.013
Merger & acquisition and other project costs	-	584	3.371	3.955	250	-	9.127	9.377
Costs related to legal claims	118	250	-	368	1.119	235	-	1.354
Impairment long-term receivables	4.228	-	-	4.228	-	-		-
Result on sale subsidiaries	593	-	-	593	-843	19	-	-824
Result on sale of assets	-400	-373	-	-773	-808	-	-	-808
Listeria related net cost	-	25.661	-	25.661	-	-	-	-
Other	529	127	598	1.253	843	174	-510	507
Adjustments	**15.469**	**29.187**	**5.243**	**49.899**	**18.155**	**3.763**	**9.701**	**31.619**
Divestitures (not in IFRS 5 scope)	**-**	**2.086**	**-**	**2.086**	**-256**	**-**	**-**	**-256**
Net intercompany transactions between continuing and discontinued operations	**-**	**-**	**353**	**353**	**-**	**-**	**446**	**446**
Adjusted EBITDA	24.962	41.852	-2.339	64.475	72.730	56.689	-602	128.817

During summer, Greenyard organised a large recall of frozen products from its Hungarian facility, subsequent to an investigation by the European Food Safety Authority in a European outbreak of a Listeria contamination. Greenyard incurred a non-recurring cost of € 25,7m (net of insurance proceeds) related to the recall and destruction of frozen vegetables from its Hungarian facility and other related consequences thereof.

The transformation costs mainly relate to provisions for redundancy of personnel consequent to the Transformation Plans to be executed in the beginning of AY 19/20. A smaller part of the amount is related to the closure of plants e.g. distribution centres in Germany and the frozen plant in Baja, Hungary.

M&A and other project costs are mainly related to external projects costs incurred in relation to the Transformation Plan with a view on identifying and realising cost savings, running the disposal processes, looking for a cornerstone investor and supporting the bank waiver process.

Finance result

Figure 5 – Finance result

Net finance income/cost (-)	AY 18/19 €'000	AY 17/18 €'000
Net interest expenses	**-35.184**	**-28.736**
interest expense	-31.696	-29.275
interest income	465	539
Amortisations (CB, RCF, …)	*-3.952*	*-3.688*
MtM & Exchange gains/ (losses)	**-294**	**-478**
Bank & Other finance expenses	**-2.478**	**-5.391**
Finance result	-37.955	-34.604

Net finance cost increased by € 3,4m YoY to € 38,0m. Net interest expense increased by € 6,4m due to the combination of an increased interest margin payable consequent to the waiver in September 2018, and an increased Net Financial Debt.

Income taxes and net result

Figure 6 – Income taxes and net result

Consolidated income statement	AY 18/19 €'000	AY 17/18 €'000
Profit/loss (-) before income tax	**-171.368**	**327**
Income tax expense (-)/income	-20.592	-1.992
Profit/loss (-) for the period from continuing operations	**-191.960**	**-1.665**
DISCONTINUED OPERATIONS		
Profit/loss (-) for the period from discontinued operations	-45.723	5.095
PROFIT/LOSS (-) FOR THE PERIOD	-237.683	3.429
Attributable to:		
The shareholders of the Group	-238.243	2.912
Non-controlling interests	560	517

Income tax for AY 18/19 amounts to € 20,6m. This implies a consolidated effective tax rate of -12,0%. The effective tax rate for AY 18/19 is highly impacted by the non-deductible goodwill impairment and the reversal and non-recognition of DTA's on tax losses.

Financial position

Cash Flow

Figure 7 – Cash flow statement

Consolidated statement of cash flows	AY 18/19 €'000	AY 17/18 €'000
CASH, CASH EQUIVALENTS AND BANK OVERDRAFTS, OPENING BALANCE	57.432	112.735
CASH FLOW FROM OPERATING ACTIVITIES (A)	-51.060	115.138
EBIT from continuing operations	**-133.413**	**34.931**
EBIT from discontinued operations	**-43.789**	**5.647**
Income taxes paid	**-6.918**	**-12.706**
Adjustments	**208.324**	**76.165**
Fair value adjustments biological assets	-507	-747
Amortisation of intangible assets	18.797	15.933
Depreciation and impairment of property, plant & equipment	52.311	52.062
Impairment on goodwill	78.910	-
Write-off on stock/trade receivables	7.182	61
Increase/decrease (-) in provisions and employee benefit liabilities	1.577	8.987
Gain (-)/loss on disposal of property, plant & equipment and subsidiaries	49.317	-214
Share based payments and other	1.161	127
Share of profit/loss (-) of equity accounted investments	-425	-45
Increase (-) /decrease in working capital	**-75.265**	**11.101**
Increase (-)/decrease in inventories	18.358	-13.845
Increase (-)/decrease in trade and other receivables	46.003	-3.386
Increase/decrease (-) in trade and other payables	-139.626	28.332
CASH FLOW FROM INVESTING ACTIVITIES (B)	55.871	-131.096
Acquisitions (-)	**-71.044**	**-135.310**
Acquisition of intangible assets and property, plant & equipment	-68.010	-71.774
Acquisition of subsidiaries	-3.034	-63.536
Disposals	**126.915**	**4.214**
Disposal of intangible assets and property, plant & equipment	7.976	3.150
Disposal of subsidiaries	117.436	1.064
Disposal of associates/joint ventures	1.503	-
CASH FLOW FROM FINANCING ACTIVITIES (C)	5.228	-38.659
Dividend payment	-8.613	-8.525
Acquisition of treasury shares	-	-13.603
Long- and short-term funds paid (-)/ obtained	170.103	10.622
Net interests paid	-29.230	-24.923
Other financial expenses	-2.032	-2.231
Transfer to restricted cash	-125.000	-
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	10.038	-54.618
Effect of exchange rate fluctuations	-283	-685
CASH, CASH EQUIVALENTS AND BANK OVERDRAFTS, CLOSING BALANCE	67.186	57.432
Of which:		
Cash and cash equivalents	67.880	57.432
Bank overdrafts	694	-

The cash inflow from operating activities amounted to -€ 51,1m in AY 18/19, compared to a cash inflow from operating activities of € 115,1m in AY 17/18 or a decrease of € 166,2m. This decrease is the result of a combination of a lower EBIT corrected for mainly non-cash EBIT adjustments (€ 85,6m) and a higher net working capital cash outflow for € 86,4m from € 11,1m in AY 17/18 to € -75,3m in AY 18/19. The amount of income taxes paid (€ 6,9m) decreased compared to AY 17/18.

The cash outflow from investing activities amounted to € 55,9m, which is € 187,0m higher than in AY 17/18. The improvement can be explained by the disposals from subsidiaries (mainly Horticulture) in AY 18/19 of € 117,4m and the acquisition of subsidiaries in AY 17/18 (mainly Mykogen transaction) of € 60,5m. Acquisitions of intangible assets and property, plant & equipment decreased by € 3,8m (from € 71,8m in AY 17/18 to € 68,0m in AY 18/19), while disposals of intangible assets and property, plant & equipment generated an increased cash in of € 4,8m.

The cash outflow from financing activities increased with € 168,9m to € 130,2m. This is mainly the result of increased borrowings.

Capex

Capex was reduced during the year. As there was an overflow in capex invoiced from last year for an amount of € 16,0m, total capex for the year amounted to € 68,0m, after a high capex year of € 71,8m last year.

- In Fresh, capex mainly relates to a new ERP system and ripening capacity, e.g. in Germany and UK.
- In Long Fresh, the main focus was on replacement and safety, health, environment and efficiency improvements.

Net financial debt

Net Financial Debt increases by € 37,2m to € 456,3m in AY 18/19. The increase is driven by the temporary but sharp drop in profitability and the one-off costs related to the recall and the transformation in the divisions. The net proceeds from the sale of the Horticulture segment offset a deterioration of the working capital. Related to the indebtedness and leverage, Greenyard has obtained a consent from its relationship banks to waive its leverage and interest covenants until June 2020. This consent agreement gives Greenyard the time and calm to execute its Transformation Plan. For AY 18/19, the decrease in adjusted EBITDA combined with the increase in NFD results in a leverage of 7,1x.

Working capital

Working capital worsened from € -152,3m to € -91,3m, mainly due to the movement in trade payables that could not be offset by a reduction in inventories and trade receivables. This implies that the working capital to sales ratio deteriorated to -2,4% from -3,6% last year. At year-end, factoring amounted to € 418,1m, up € 2,2m versus last year.

Outlook statement

Management keeps for 19/20 the earlier announced an increase of € 20,0m of adjusted EBITDA in line with the current outlook statement.

Subsequent events

On 11 April, Greenyard has entered into a waiver consent agreement with its relationship banks regarding the waiver of its covenants in its syndicated bank facility.

In May, Greenyard has closed an agreement to increase its investment in Bardsley England and to strengthen its position in the UK. Bardsley England is a UK based and fifth generation premium apple and pear producer and packer. The expansion of the Joint Venture has also positioned the business with a significant competitive advantage in case of a hard Brexit. Given the success of the Joint Venture, Greenyard's vision to develop new and innovative business models and Bardsley's commitment to high quality fruit with local provenance and a strong pedigree, both companies anticipate that the growth over the next three to five years will see the position of both businesses further build market share and penetration. Moreover both companies have the ambition to expand the volumes of fruit passing through the business by 50% in the next three years.

Greenyard has closed the divestment of its Baja Frozen facility in Hungary.

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

<u>Change in consolidation perimeter</u>

During AY 18/19 the following changes to the consolidation scope occurred:

- On 24 September 2018 Greenyard announced that they have signed a Share Purchase Agreement for the sale of the Horticulture segment to Straco for a total consideration of € 120,9m, consisting of a € 95,6m consideration for its shares and € 25,3m for debt settlement. The disposal of the Horticulture segment is part of Greenyard's deleveraging actions towards a strengthened balance sheet. The disposal was completed on 18 December 2018, on which date control of the Horticulture segment passed to the acquirer. Pursuant to the agreement, all the operations and assets of both the Horticulture and Mycoculture divisions were transferred to Straco.
- On 3 April 2018 Greenyard reached an agreement to take over the 49% stake of Ben De Pelsmaeker in Greenyard Fresh Direct Belgium for € 7,8m. Greenyard now obtains 100% of the shares in the company. This transaction was mainly settled in treasury shares (€ 7,6m).
- Greenyard has acquired a 65% stake in Mor International for an amount of € 3,1m, resulting in goodwill of € 0,2m. Mor International is a well-known Israeli fruit sourcing and exporting company strongly focused on sourcing high quality exotics (mangos, avocados, kakis, pomegranates, fresh dates and bell peppers). The company realised around € 50,0m sales in 2017. Mor International holds shares in Mor USA (100%), M.I.S.A. Int. (100%) and Amore (70%). Already today, Mor International has long-term relationships with important growers, both within and outside Israel. As such, the company is ideally positioned to reinforce Greenyard's strategy to build a direct connection with the grower via programmed growing, ensuring a high quality and freshness for the consumer. Furthermore, Mor International enables Greenyard to enlarge the geographical spread and sourcing capabilities.

APPENDIX 1: Consolidated income statement

Consolidated income statement	AY 18/19 €'000	AY 17/18 €'000
CONTINUING OPERATIONS		
Sales	3.911.468	4.085.624
Cost of sales	-3.712.509	-3.809.898
Gross profit/loss (-)	**198.959**	**275.726**
Selling, marketing and distribution expenses	-100.469	-97.256
General and administrative expenses	-153.005	-151.531
Goodwill impairment	-78.910	0
Other operating income/expense (-)	-413	7.947
Share of profit/loss (-) of equity accounted investments	425	45
EBIT	**-133.413**	**34.931**
Interest expense	-35.649	-29.275
Interest income	465	539
Other finance result	-2.771	-5.869
Net finance income/cost (-)	**-37.955**	**-34.604**
Profit/loss (-) before income tax	**-171.368**	**327**
Income tax expense (-)/income	-20.592	-1.992
Profit/loss (-) for the period from continuing operations	**-191.960**	**-1.665**
DISCONTINUED OPERATIONS		
Profit/loss (-) for the period from discontinued operations	-45.723	5.095
PROFIT/LOSS (-) FOR THE PERIOD	-237.683	3.429
Attributable to:		
The shareholders of the Group	-238.243	2.912
Non-controlling interests	560	517

Consolidated income statement - Like-for-like (LFL)	AY 18/19 €'000	Adjustments €'000	LFL AY 18/19 €'000	AY 17/18 €'000	Adjustments €'000	LFL AY 17/18 €'000
Sales	3.911.468	7.140	3.918.608	4.085.624	22	4.085.646
Cost of sales	-3.712.509	17.938	-3.694.571	-3.809.898	6.256	-3.803.642
Gross profit/loss (-)	**198.959**	**25.078**	**224.037**	**275.726**	**6.278**	**282.004**
Selling, marketing and distribution expenses	-100.469	3.772	-96.697	-97.256	3.450	-93.806
General and administrative expenses	-153.005	16.097	-136.908	-151.531	23.591	-127.940
Goodwill impairment	-78.910	-	-78.910	-	-	-
Other operating income/expense (-)	-413	4.952	4.539	7.947	-1.700	6.247
Share of profit/loss (-) of equity accounted investments	425	-	425	45	-	45
EBIT before adjustments	**-133.413**	**49.899**	**-83.514**	**34.931**	**31.619**	**66.550**
Adjustments	-	-49.899	-49.899	-	-31.619	-31.619
EBIT	**-133.413**	-	**-133.413**	**34.931**	**-**	**34.931**

APPENDIX 2: Consolidated statement of financial position

Assets	31 March 2019 €'000	31 March 2018 €'000
NON-CURRENT ASSETS	1.103.798	1.361.377
Property, plant & equipment	350.572	419.512
Goodwill	477.247	633.852
Other intangible assets	221.230	252.706
Biological assets	21.713	20.711
Investments accounted for using equity method	9.833	9.435
Other financial assets	5	35
Deferred tax assets	16.704	19.630
Trade and other receivables	6.494	5.495
CURRENT ASSETS	753.555	702.245
Biological assets	13	76
Inventories	271.625	312.393
Trade and other receivables	284.509	331.786
Other financial assets	1.137	558
Cash and cash equivalents	67.880	57.432
Restricted cash	125.000	-
Assets held for sale	3.391	-
TOTAL ASSETS	1.857.354	2.063.622

Equity and liabilities	31 March 2019 €'000	31 March 2018 €'000
EQUITY	467.882	709.218
Issued capital	288.392	288.392
Share premium and other capital instruments	317.882	317.882
Consolidated reserves	-144.467	97.316
Cumulative translation adjustments	-5.943	-7.893
Non-controlling interests	12.018	13.521
NON-CURRENT LIABILITIES	197.890	479.573
Employee benefit liabilities	19.046	21.708
Provisions	10.700	10.940
Interest-bearing loans	117.538	401.034
Other financial liabilities	26	1.341
Trade and other payables	4.063	3.118
Deferred tax liabilities	46.517	41.432
CURRENT LIABILITIES	1.191.583	874.831
Provisions	12.458	8.060
Interest-bearing loans	520.000	59.983
Other financial liabilities	1.572	2.317
Trade and other payables	657.552	804.470
TOTAL EQUITY AND LIABILITIES	1.857.354	2.063.622

APPENDIX 3: Reconciliation working capital and net financial debt

Reconciliation working capital	31 March 2019 As reported €'000	Reconciliation €'000	Total €'000	31 March 2018 As reported €'000	Reconciliation €'000	Total €'000
Inventories	271.625	-	271.625	312.393	-	312.393
Trade and other receivables (non-current/current)[1]	291.003	-5.936	285.067	337.281	-5.861	331.420
Current trade and other payables[2]	-657.552	9.529	-648.023	-804.470	8.345	-796.125
Working capital			**-91.331**			**-152.311**

[1] Long-term (financing) receivables for € 5,4m (AY 17/18 € 5,3m) and accrued interest income for € 0,6m (AY 17/18 € 0,6m) are excluded from the reported working capital.

[2] Accrued interest expenses for € 9,5m (AY 17/18 € 8,3m) are excluded from the reported working capital.

Reconciliation net financial debt	31 March 2019 As reported €'000	Reconciliation (*) €'000	Total €'000	31 March 2018 As reported €'000	Reconciliation (*) €'000	Total €'000
Cash and cash equivalents	-67.880	-	-67.880	-57.432	-	-57.432
Restricted cash	-125.000	-	-125.000	-	-	-
Interest-bearing loans (non-current/current)	637.538	11.608	649.146	461.017	15.560	476.577
Net financial debt			**456.266**			**419.145**

(*) Net capitalised transaction costs related to the refinancing for € 4,5m (AY 17/18 € 6,2m) and net value of the conversion option at inception after amortisation for € 7,1m (AY 17/18 € 9,4m) are added back in order to present the nominal amounts of drawn financing as part of the reported net financial debt.

For additional information, please contact Greenyard:

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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 more than 9,000 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.

www.greenyard.group

Glossary

CAPEX	Capital expenditures
EBIT	Operating result
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) less derivatives, bank deposits, cash and cash equivalents and restricted cash
Net result	Profit/loss (-) for the period
Adjusting items	Adjusting items are those that in management's judgement need to be disclosed by virtue of their size or incidence. Such items are disclosed on the face of the consolidated income statement and separately disclosed in the notes to the financial statements. Transactions which may give rise to non-recurring 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
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 17/18	Accounting year ended 31 March 2018
AY 18/19	Accounting year ended 31 March 2019