

Boparan Holdings

**Q1 Results for
the 13 weeks ended
29th October 2016**

15th December 2016

Charles Allen, Chairman
Ranjit Singh, CEO
Steve Leadbeater, CFO



Headlines

Positive momentum maintained



Encouraging progress over past year continues

Total revenue up 5.1% to £818.3m;
LFL operating profit up 5.1% to £18.6m

Tough operating environment; significant
headwinds

Better Before Bigger strategy working

Better Before Bigger – divisional overview

Building a better, stronger business; taking action now to mitigate headwinds

PROTEIN

- Improvement in sales
- Taking action to improve profit position
- Red Meat cost reduction programme

CHILLED

- Good progress maintained
- Strategic investments supplemented by efficiency improvements
- Major launch activity

BRANDED

- Positive performance
- Taking action to mitigate inflationary headwind



Better Before Bigger

Building a better, stronger business; taking action now to mitigate headwinds

EFFICIENCY

- Focussed 'cost out' culture across the business to tackle 2017 headwinds
- Protein consolidation plans will bring major cost benefits
- Investment and efficiency programmes in Chilled
- Extensive drive to mitigate ingredient inflation in Brands

INNOVATION

- Oriental foods hub at Rogerstone site
- Major product launch activity in Chilled
- Multiple awards in Frozen and UK Poultry divisions

INVESTMENT

- Targeted investments running in parallel with efficiency programmes
- Poultry investments already reaping rewards with new business
- Investment will be underpinned by cost reduction culture



Financial overview

| | Q1 2016-17 | Q1 2015-16 | Y-o-Y Variance |
|---|---------------|---------------|-------------------|
| Revenue: Like-for-like (£m)¹ | 797.0 | 778.3 | 2.4% |
| Revenue (£m) | 818.3 | 778.3 | 5.1% |
| EBITDA: Like-for-like (£m)^{1,2} | 41.1 | 40.4 | 1.7% |
| EBITDA margin: Like-for-like (%)² | 5.2% | 5.2% | 0bps |
| EBITDA (£m) ² | 42.8 | 40.4 | 5.9% |
| Cash flow from operations (£m) | 16.0 | 28.8 | (12.8) |
| Net Debt (£m) | 777.6 | 726.3 | 51.3 |
| LTM Adjusted EBITDA (£m) ^{2,3} | 180.6 | 157.6 | 23.0 |
| Net debt to Adj. EBITDA ratio^{2,3} | 4.31 x | 4.61 x | (0.3) x |

Q1 results:

- Progress on improving results continued
- Total Sales up 5.1%, LFL up 2.4%
- LFL EBITDA up 1.7% to £41.1m



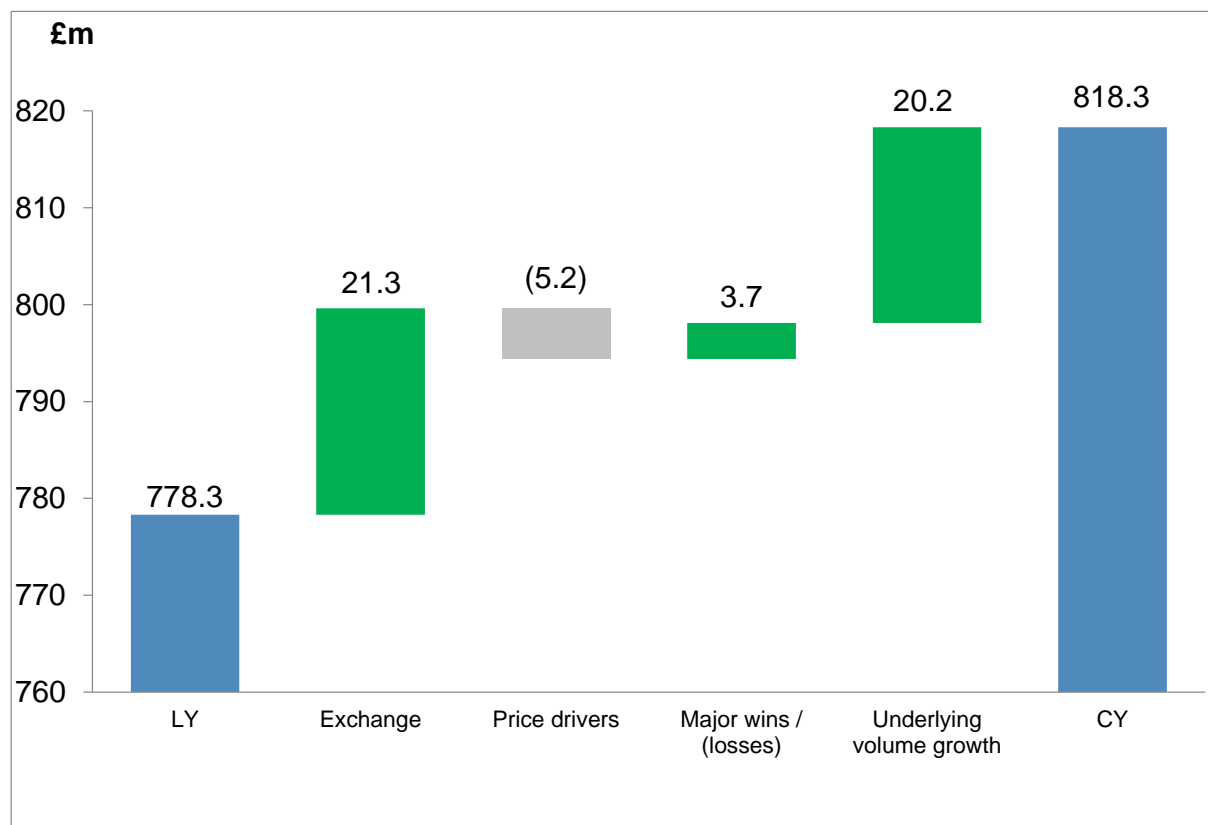
1. LFL CY Revenue & EBITDA adjusted for the impact of exchange rate movements year on year.

2. EBITDA excludes defined benefit pension scheme admin expenses of £0.7m (Q1 2015-16: £1.0m).

3. PY Last Twelve Months (LTM) Adjusted EBITDA = LFL EBITDA before the impact of £17.4m of costs incurred in Q2 14-15 relating to Avian influenza and IT system issues.

Revenue analysis

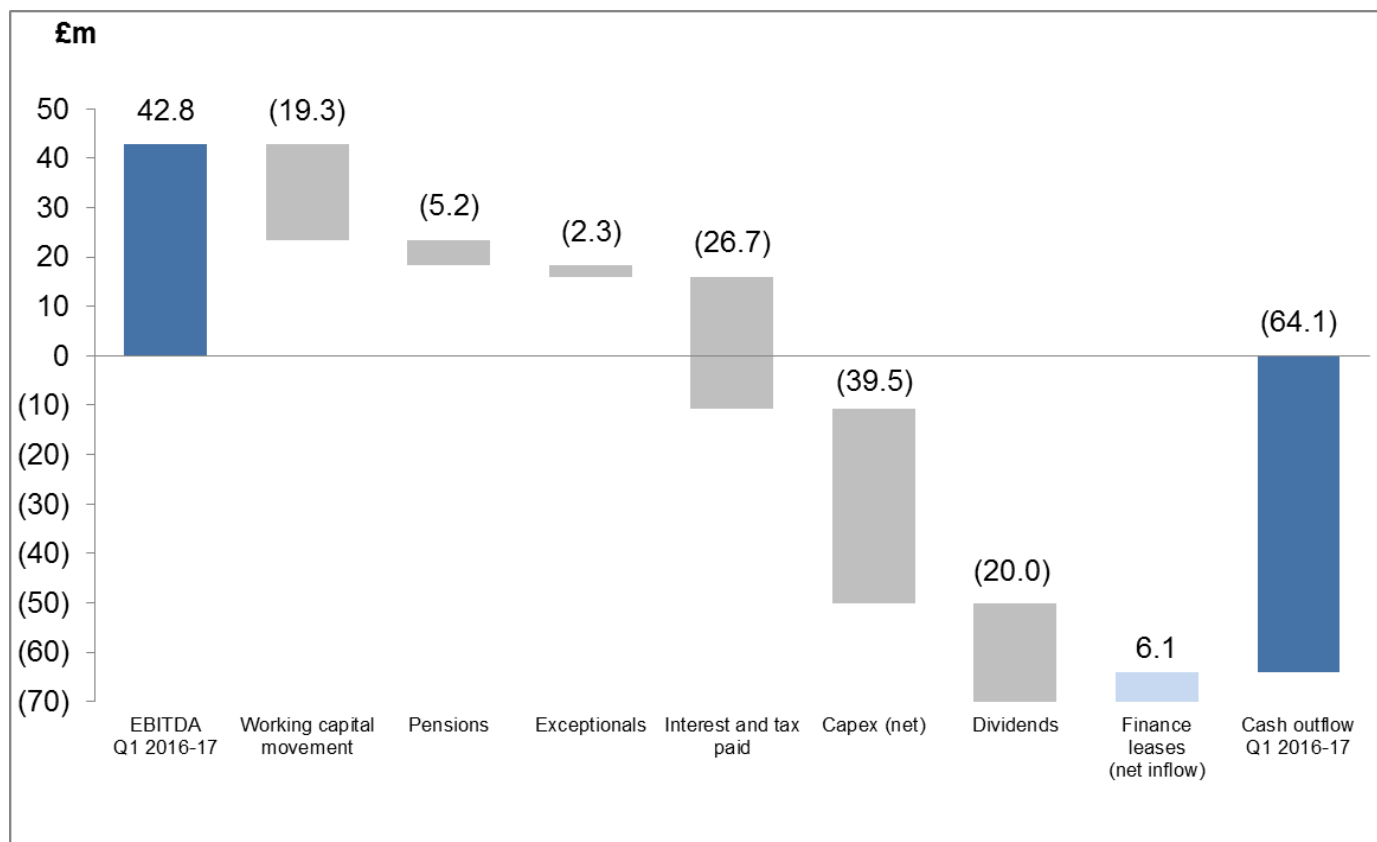
Q1 2016/17 Revenue analysis



- Overall sales growth of 5.1%
- Exchange rate movement accounts for 2.7%; giving underlying growth of 2.4%
- 0.7% price reduction due to adverse sales mix, partially offset by neutralisation of feed price deflation
- Major wins and losses enhanced the underlying position by 0.5%
- Strong underlying organic growth contributed a further 2.5% improvement

Cashflow

Q1 2016/17 Cashflow



- Seasonal working capital increase of £19.3m
- Quarterly payment of pension contributions in line with the agreed recovery plan, along with annual PPF levies
- Exceptionals in the period relate to restructuring and redundancy costs
- Interest of £26.0m, mainly relating to bi-annual bond interest payment, and tax payments of £0.7m
- Capex of £39.5m driven by Poultry footprint progress
- Dividend of £20.0m paid to shareholder in respect of 2015/16 performance

Protein performance

Protein – UK and European Poultry & Red Meat

| Year on year | Q1 2016-17 | Q1 2015-16 | Y-o-Y Variance |
|---|--------------|--------------|----------------|
| Revenue: Like-for-like (£m)¹ | 535.4 | 530.2 | 1.0% |
| Revenue (£m) | 554.1 | 530.2 | 4.5% |
| EBITDA: Like-for-like (£m)¹ | 15.4 | 18.0 | (14.4)% |
| EBITDA margin: Like-for-like (%)¹ | 2.9% | 3.4% | (50)bps |
| EBITDA (£m) | 16.1 | 18.0 | (10.6)% |

- Overall revenue growth of 4.5%
- LFL revenue up 1.0%:
- LFL EBITDA down to £15.4m
- Margins improved in Poultry; overall decline driven by fall in Red Meat
- Rationalisation of Red Meat retail packing function expected to realise substantial cost benefits



Chilled performance

Chilled – Food To Go & Bakery; Meal Solutions

| Year on year | Q1 2016-17 | Q1 2015-16 | Y-o-Y Variance |
|---|--------------|--------------|----------------|
| Revenue: Like-for-like (£m)¹ | 156.6 | 148.0 | 5.8% |
| Revenue (£m) | 156.7 | 148.0 | 5.9% |
| EBITDA: Like-for-like (£m)^{1,2} | 10.4 | 8.3 | 25.3% |
| EBITDA margin: Like-for-like (%)^{1,2} | 6.6% | 5.6% | 100bps |
| EBITDA (£m) ² | 10.4 | 8.3 | 25.3% |

- Significant launch activity and efficiency gains delivering strong revenue and earnings growth
- Like-for-like revenue growth of 5.8%
- Strong like-for-like EBITDA growth of 25.3% to £10.4m
- Margin improvement of 100bps compared with Q1 last year to 6.6%



¹ CY At constant currency

² EBITDA excludes defined benefit pension scheme admin expenses of £0.3m (Q1 2015-16: £0.4m)

Branded performance

Branded – Frozen & Biscuits

| Year on year | Q1 2016-17 | Q1 2015-16 | Y-o-Y Variance |
|---|--------------|--------------|----------------|
| Revenue: Like-for-like (£m)¹ | 105.0 | 100.1 | 4.9% |
| Revenue (£m) | 107.5 | 100.1 | 7.4% |
| EBITDA: Like-for-like (£m)^{1,2} | 15.3 | 14.1 | 8.5% |
| EBITDA margin: Like-for-like (%)^{1,2} | 14.6% | 14.1% | 50bps |
| EBITDA (£m) ² | 16.3 | 14.1 | 15.6% |

- Like-for-like revenue Growth of 4.9%
- Like-for-like EBITDA up 8.5% to £15.3m
- Like-for-like margin growth to 14.6%



1. CY At constant currency

2. EBITDA excludes defined benefit pension scheme admin expenses of £0.4m (Q1 2015-16: £0.6m)

Summary

Better Before Bigger strategy working

Further quarter of encouraging results

Investment and innovation will be supplemented by cost reduction

Well-placed as we head into 2017



Appendix I - FRS102 Impact Summary - Income Statement

Q1 15-16 Quarterly Group Restatement of Financial Performance

| | Q1 FY 15-16 UK GAAP | DB pension scheme | Financial instruments | Depreciation on deemed cost | Tax effect | Q1 FY15-16 FRS102 |
|-----------------------------------|------------------------|----------------------|--------------------------|--------------------------------|------------|----------------------|
| EBITDA | 40.4 | | | | | 40.4 |
| Exceptional items | (0.1) | | | | | (0.1) |
| Share of operating profit from JV | (0.2) | | | | | (0.2) |
| Depreciation | (14.8) | | | 0.6 | | (14.2) |
| Amortisation of intangible assets | (7.5) | | | | | (7.5) |
| Pension scheme admin costs | | (1.0) | | | | (1.0) |
| Operating profit | 17.8 | (1.0) | - | 0.6 | - | 17.4 |
| Share of operating profit from JV | 0.2 | | | | | 0.2 |
| Net financing costs | (13.8) | (2.5) | 1.0 | | | (15.3) |
| Profit before tax | 4.2 | (3.5) | 1.0 | 0.6 | - | 2.3 |
| Taxation | (2.4) | | | | 0.5 | (1.9) |
| Profit after tax | 1.8 | (3.5) | 1.0 | 0.6 | 0.5 | 0.4 |

Appendix II - FRS102 Impact Summary - Balance Sheet

Q1 15-16 Quarterly Group Restatement of Financial Position as at 31 October 2015

| | Q1 FY 15-16 UK GAAP | FY15 Transitional adjustments ¹ | External bonds | Derivative FV | Fixed assets deemed cost | DB pension scheme | Tax | Q1 FY15-16 FRS102 |
|----------------------------|------------------------|--|-------------------|---------------|-----------------------------|----------------------|------------|----------------------|
| Fixed assets | 853.6 | (22.0) | | | 0.6 | | | 832.2 |
| Current assets | 589.2 | 79.5 | | | | 1.6 | 0.3 | 670.6 |
| Creditors < 1 year | (585.7) | 16.8 | 2.4 | (4.4) | | | | (570.9) |
| Creditors > 1 year | (830.5) | (21.4) | (1.8) | 5.6 | | | | (848.1) |
| Provisions | (9.9) | | | | | | | (9.9) |
| Net pension scheme deficit | (262.5) | (65.8) | | | | (5.1) | | (333.4) |
| Net assets | (245.8) | (12.9) | 0.6 | 1.2 | 0.6 | (3.5) | 0.3 | (259.5) |

1. The FY15 transitional adjustments represent the effect of transition to FRS 102 on the Group's opening balance sheet of the comparative period (1 August 2015). Further information on the nature of these adjustments is set out in the Group's latest set of annual financial statements, which can be obtained from investor relations.
2. The remaining adjustments set out the impact of restatement relating to Q1 15-16. Further information on the Q1 15-16 restatement is set out in the Group's interim and quarterly report that was distributed with this presentation.