

# Nomad Foods

Serving the world with better food



## Third Quarter 2020 Earnings Results

November 5, 2020



# Disclosures



Certain statements and matters discussed in this Presentation, as well as the accompanying oral presentation, may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as "aim", "anticipate", "believe", "continue", "estimate", "expect", "intend", "may", "should", "strategy", "will" and words of similar meaning, including all matters that are not historical facts. This Presentation includes forward-looking statements regarding the Company's (i) beliefs regarding the impact of the COVID-19 pandemic; (ii) beliefs regarding the strategic drivers supporting sustained organic revenue growth; and (iii) expectations regarding the future operating and financial performance of the Company, including the Company's updated guidance with respect to organic revenue growth, gross margins, Adjusted EBITDA and Adjusted EPS in 2020; the Company's expected Organic Revenue growth in 2021, and factors and assumptions which may impact such performance.

The forward-looking statements in this Presentation speak only as of the date hereof and are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control that could cause actual results to differ materially from those expressed or implied by such forward-looking statements, including (i) the impact of the COVID-19 pandemic on the Company's business, suppliers, co-manufacturers, distributors, transportation or logistics providers, customers, consumers and employees; (ii) tapering or reduction of consumer demand for frozen foods as pandemic-related restrictions are lifted or conditions improve; and the success of the Company's strategic investments to support organic revenue and Adjusted EBITDA growth; (iii) disruptions or inefficiencies in the Company's operations, supply chain or distribution channels, including as a result of the COVID-19 pandemic, and the Company's ability to maintain the health and safety of its workforce; (iv) the duration, spread and intensity of the pandemic and related government restrictions and other government responses; (v) the Company's ability to successfully implement its strategies or strategic initiatives and recognize the anticipated benefits of such strategic initiatives; (vi) the commercial success of the Green Cuisine brand of products, including as a result of its expansion into continental Europe, and other innovations introduced to the markets and the Company's ability to accurately forecast the brand's performance in light of COVID-19; (vii) the Company's ability to retain new consumers through increased advertising and promotional investments; (viii) the Company's ability to effectively compete in its markets, including the ability of Green Cuisine to effectively compete in continental Europe; (ix) changes in consumer preferences, such as meat substitutes, and the Company's failure to anticipate and respond to such changes or to successfully develop and renovate products; (x) the effects of reputational damage from unsafe or poor quality food products; (xi) the Company's ability to successfully execute its acquisition plans, including its ability to identify suitable acquisition targets and successfully complete acquisitions; (xii) the adequacy of the Company's cash resources to achieve its anticipated growth agenda; (xiii) availability of debt and equity financing under favorable terms; (xiv) increases in operating costs, including labor costs, and the Company's ability to manage its cost structure; (xv) fluctuations in the availability of food ingredients and packaging materials that the Company uses in its products; (xvi) the Company's ability to effectively mitigate factors that negatively impact its supply of raw materials; (xvii) the Company's ability to successfully implement, and engage other stakeholders in implementing, its sustainability program; (xviii) the Company's ability to protect its brand names and trademarks; (xix) uncertainty about the terms of any trade agreement between the UK and the EU associated with Brexit, as well as the potential adverse impact of Brexit on currency exchange rates, global economic conditions and cross-border agreements that affect the Company's business; (xx) loss of the Company's financial arrangements with respect to receivables factoring; (xxi) the loss of any of the Company's major customers or a decrease in demand for its products; (xxii) economic conditions that may affect the Company's future performance including exchange rate fluctuations; (xxiii) the Company's ability to successfully interpret and respond to key industry trends and to realize the expected benefits of its responsive actions; (xxiv) the Company's failure to comply with, and liabilities related to, environmental, health and safety laws and regulations; (xxv) changes in applicable laws or regulations; and (xxvi) the other risks and uncertainties disclosed in the Company's public filings and any other public disclosures by the Company.

In addition, these forward-looking statements and the information in this Presentation are qualified in their entirety by cautionary statements and risk factor disclosures contained in the Company's Annual Report on Form 20-F filed with the Securities and Exchange Commission ("SEC") on February 27, 2020, and in subsequent filings with the SEC. Given these risks and uncertainties, prospective investors are cautioned not to place undue reliance on forward-looking statements. Other than in accordance with its legal or regulatory obligations, the Company is not under any obligation and the Company and its affiliates expressly disclaim any intention, obligation or undertaking to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. This Presentation shall not, under any circumstances, create any implication that there has been no change in the business or affairs of the Company since the date of this Presentation or that the information contained herein is correct as at any time subsequent to its date. No statement in this Presentation is intended as a profit forecast or estimate.

# Third Quarter 2020 Financial Results Overview

**ORGANIC**  
Revenue Growth

**+5.4%**

+4.2% volume/mix  
+1.2% price

**GROSS**  
Margin

**30.4%**

90 bps expansion

**ADJUSTED**  
EBITDA

**€109m**

13% growth

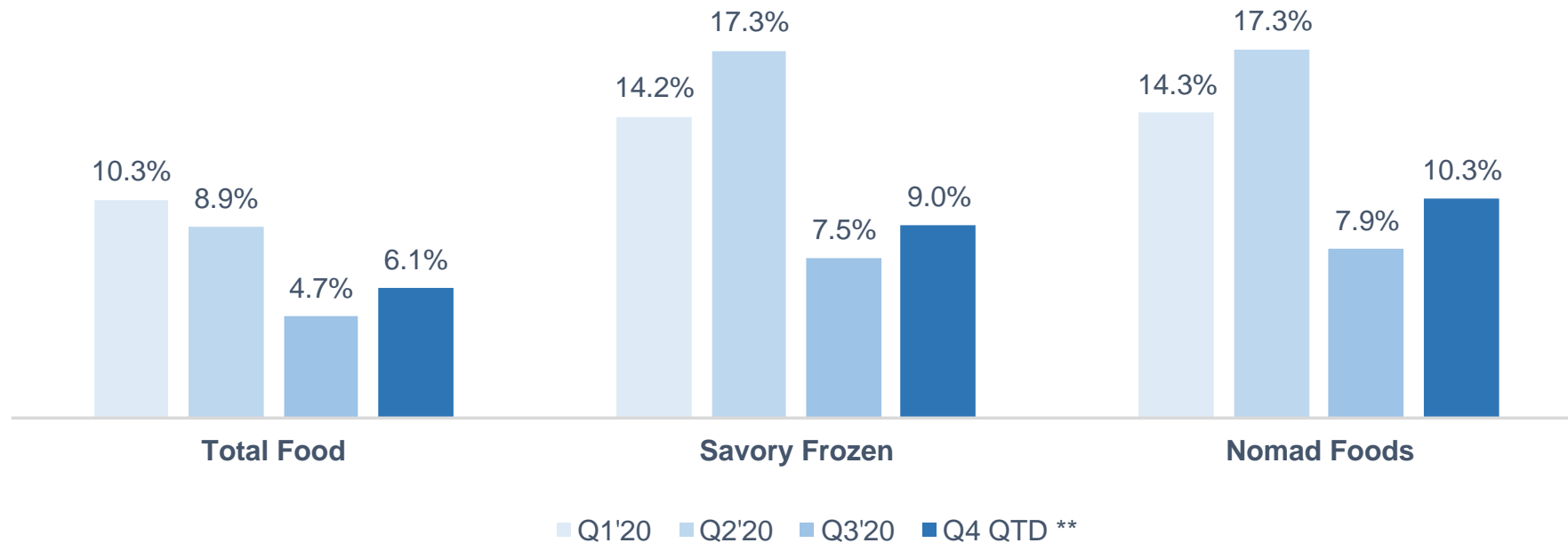
**ADJUSTED**  
EPS

**€0.30**

20% growth

# Nomad Branded Retail Sell-Through is Outpacing Frozen Food and Total Food in Western Europe

Western Europe  
Branded Retail Sell-Through Growth\*



\*Branded retail sell-through excludes impact from foodservice and private label

\*\*Q4 QTD growth represents YoY growth for the three-week period ending October 18, 2020

# Third Quarter 2020 Highlights

- 1** Continued growth in household penetration with new consumer retention tracking according to plan
- 2** Gross margin expansion of 90 basis points, driven by pricing, favorable mix and fixed cost leverage
- 3** Advanced the expansion of Green Cuisine with the introduction of chicken-free products and a new advertising campaign in several European markets
- 4** Returned \$467 million of cash to shareholders through a successful tender offer and share repurchases under the existing authorization



# Third Quarter 2020 Key Operating Metrics

| <i>(in €m unless otherwise noted)</i> | 3Q 2020      | 3Q 2019      | YoY Change  |
|---------------------------------------|--------------|--------------|-------------|
| <b>Revenue</b>                        | <b>€576</b>  | <b>€540</b>  | <b>6.7%</b> |
| <i>Organic revenue growth</i>         |              |              | 5.4%        |
| Gross profit                          | 175          | 159          | 10%         |
| <i>Gross margin</i>                   | 30.4%        | 29.5%        | 90 bp       |
| Adjusted operating expense            | (83)         | (80)         | 4%          |
| Depreciation & amortization           | 17           | 17           | 1%          |
| <b>Adjusted EBITDA</b>                | <b>€109</b>  | <b>€96</b>   | <b>13%</b>  |
| <i>Adjusted EBITDA margin</i>         | 18.9%        | 17.7%        | +120 bp     |
| <b>Adjusted profit for the period</b> | <b>€59</b>   | <b>€49</b>   | <b>20%</b>  |
| <b>Adjusted EPS</b>                   | <b>€0.30</b> | <b>€0.25</b> | <b>20%</b>  |



# Key Free Cash Flow Metrics

| <i>(in €m unless otherwise noted)</i>                              | Nine months ended<br>September 30, 2020 | Nine months ended<br>September 30, 2019 |
|--|---|---|
| <b>Adjusted EBITDA</b>   | <b>347</b>                              | <b>316</b>                              |
| Change in working capital  | 23                                      | (96)                                    |
| Capital expenditures <sup>1</sup>                                  | (37)                                    | (29)                                    |
| Cash taxes   | (42)                                    | (29)                                    |
| Cash interest & other <sup>2</sup>                                 | (54)                                    | (45)                                    |
| <b>Adjusted free cash flow</b>                                     | <b>€237</b>                             | <b>€117</b>                             |
| <b>Adjusted profit for the period</b>                              | <b>€195</b>                             | <b>€172</b>                             |
| <i>Adjusted free cash flow as % adjusted profit for the period</i> | <i>122%</i>                             | <i>68%</i>                              |

<sup>1</sup> Calculated as the sum of purchases of property, plant & equipment and intangible non-current assets.

<sup>2</sup> Calculated as the sum of net interest paid, proceeds/payments on settlement of derivatives and lease liability payments.

# 2020 Guidance

## Updated Guidance

**ORGANIC**  
Revenue Growth **HSD%**

**ADJUSTED**  
EBITDA **Greater than  
€460m**

**ADJUSTED**  
EPS<sup>1</sup> **Greater than  
€1.31**

## Prior Guidance

**ORGANIC**  
Revenue Growth **HSD%**

**ADJUSTED**  
EBITDA **Greater than  
€460m**

**ADJUSTED**  
EPS **Greater than  
€1.27**

<sup>1</sup> Adjusted EPS guidance reflects the outcome of tender offer completed in September 2020.



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QUESTIONS?



# Appendix

# Contents

**The following tables have been included to allow users to reconcile Non-IFRS financial measures as well as Adjusted financial information included within this presentation to reported IFRS financial measures.**

1. Definitions of Non-IFRS financial measures referred to in this presentation.
2. Reconciliation of reported to organic revenue growth (September 2020 compared with September 2019)
3. Reconciliation of Non-IFRS financial measures

## 1. Definitions of Non-IFRS financial measures referred to in this presentation

*Non-IFRS financial measures should not be considered as substitutes for, or superior to, measures of financial performance prepared in accordance with IFRS. They are limited in value because they exclude charges that have a material effect on the Company's reported results and, therefore, should not be relied upon as the sole financial measures to evaluate the Company's financial results. The non-IFRS financial measures are meant to supplement, and to be viewed in conjunction with, IFRS financial measures. Investors are encouraged to review the reconciliation of these non-IFRS financial measures to their most directly comparable IFRS financial measures as provided in the tables accompanying this document.*

**Adjusted EBITDA** – EBITDA is profit or loss for the period before taxation, net financing costs, depreciation and amortization. Adjusted EBITDA is EBITDA adjusted to exclude, when they occur, the impacts of exited markets, acquisition purchase price adjustments, chart of account (“CoA”) alignments and exceptional items to the extent included in our financial statements such as material restructuring charges, material goodwill and intangible asset impairment charges, other material unusual or non-recurring items, as well as additional items that management deems to be exceptional and appropriate for adjustment. In addition, we exclude other adjustments such as the impact of share based payment expenses and related employer payroll taxes, and non-operating M&A related costs, because we do not believe they are indicative of our normal operating costs, can vary significantly in amount and frequency, and are unrelated to our underlying operating performance. The Company believes Adjusted EBITDA provides important comparability of underlying operating results, allowing investors and management to assess operating performance on a consistent basis.

**Adjusted EPS** - Adjusted EPS is defined as basic earnings per share excluding, when they occur, the impacts of exited markets, acquisition purchase price adjustments, chart of account (“CoA”) alignments and exceptional items to the extent included in our financial statements such as material restructuring charges, material goodwill and intangible asset impairment charges, unissued preferred share dividends, other material unusual or non-recurring items, as well as additional items that management deems to be exceptional and appropriate for adjustment. In addition, we exclude other adjustments such as the impact of share based payment expenses and related employer payroll taxes, and non-operating M&A related costs, because we do not believe they are indicative of our normal operating costs, can vary significantly in amount and frequency, and are unrelated to our underlying operating performance. The Company believes Adjusted EPS provides important comparability of underlying operating results, allowing investors and management to assess operating performance on a consistent basis.

**Adjusted Financial Information** – Adjusted financial information presented in this presentation reflects the historical reported financial statements of Nomad Foods, adjusted for share based payment charges including employer payroll taxes, exceptional items (as described above) and non-cash foreign currency translation charges/gain.

**Organic Revenue Growth** – Organic revenue growth is an adjusted measurement of our operating results. This comparison of current and prior period performance takes into consideration only those activities that were in effect during both time periods. Organic revenue reflects reported revenue adjusted for currency translation and non-comparable trading items such as expansion, acquisitions, disposals, closures, chart of account (“CoA”) alignments, trading day impacts or any other event that artificially impact the comparability of our results.

**Adjusted Free Cash Flow** – Adjusted free cash flow is the amount of cash generated from operating activities before cash flows related to exceptional items (as described above) , non-operating M&A related costs and working capital movements on employer taxes associated with share based payment awards, but after capital expenditure (on property, plant and equipment and intangible assets), net interest paid, proceeds/(payments) on settlement of derivatives where hedge accounting is not applied and payments of lease liabilities. Adjusted free cash flow reflects cash flows that could be used for payment of dividends, repayment of debt or to fund acquisitions or other strategic objectives.

## 2. Reconciliation of reported to organic revenue growth

Year on Year Growth – September 30, 2020 compared with September 30, 2019



|                                | Three months ended<br>September 30, 2020 | Nine months ended<br>September 30, 2020 |
|--------------------------------|--|---|
| <b>Reported Revenue Growth</b> | <b>YoY Growth<br/>6.7%</b>               | <b>YoY Growth<br/>9.6%</b>              |
| <i>Of which:</i>               |  |   |
| - Organic Revenue Growth       | 5.4%                                     | 8.4%                                    |
| - Calendar Effect (a)          | 1.7%                                     | 1.7%                                    |
| - Translational FX (b)         | (0.4)%                                   | (0.5)%                                  |
| <b>Total</b>                   | <b>6.7%</b>                              | <b>9.6%</b>                             |

- a. Driven by an increased number of trading days versus the prior year period, including an extra day in February due to a leap year.
- b. Translational FX is calculated by translating data of the current and comparative periods using a budget foreign exchange rate that is set once a year as part of the Company's internal annual forecast process.

### 3. Reconciliation of Non-IFRS Financial Measures

Adjusted Statement of Profit or Loss (unaudited)

Three months ended September 30, 2020

Nomad Foods  
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| € in millions, except per share data                      | As reported for the three months ended September 30, 2020 | Adjustments      | As adjusted for the three months ended September 30, 2020 |
|---|---|------------------|---|
| Revenue   | 576.3   | —                | 576.3   |
| Cost of sales   | (401.1)   | —                | (401.1)   |
| <b>Gross profit</b>                                       | <b>175.2</b>  | —                | <b>175.2</b>  |
| Other operating expenses                                  | (85.7)  | 2.3 (a)          | (83.4)  |
| Exceptional items   | (2.5)   | 2.5 (b)          | —   |
| <b>Operating profit</b>                                   | <b>87.0</b>   | <b>4.8</b>       | <b>91.8</b>   |
| Finance income  | 1.1   | (1.0)            | 0.1   |
| Finance costs   | (16.8)  | 0.1              | (16.7)  |
| <b>Net financing costs</b>                                | <b>(15.7)</b>   | <b>(0.9)</b> (c) | <b>(16.6)</b>   |
| <b>Profit before tax</b>                                  | <b>71.3</b>   | <b>3.9</b>       | <b>75.2</b>   |
| Taxation  | (14.9)  | (1.1) (d)        | (16.0)  |
| <b>Profit for the period</b>                              | <b>56.4</b>   | <b>2.8</b>       | <b>59.2</b>   |
| <b>Profit attributable to:</b>                            |   |                  |   |
| Equity owners of the parent                               | 56.4  | 2.8              | 59.2  |
| Non-controlling interests                                 | —   | —                | —   |
|   | <b>56.4</b>   | <b>2.8</b>       | <b>59.2</b>   |
| Weighted average shares outstanding in millions - basic   | 195.5   |                  | 195.5   |
| <b>Basic earnings per share</b>                           | <b>0.29</b>   |                  | <b>0.30</b>   |
| Weighted average shares outstanding in millions - diluted | 195.5   |                  | 195.5   |
| <b>Diluted earnings per share</b>                         | <b>0.29</b>   |                  | <b>0.30</b>   |

- Share based payment charge including employer payroll taxes of €1.7 million and non-operating M&A transaction costs of €0.6 million.
- Exceptional items which management believes are non-recurring and do not have a continuing impact. See Note 6, Exceptional items, within 'Exhibit 99.2 - Condensed Consolidated Interim Financial Statements' for a detailed list of exceptional items.
- Elimination of €1.0 million of foreign exchange translation gains and €0.1 million of foreign exchange losses on derivatives.
- Tax impact of the above at the applicable tax rate for each adjustment, determined by the nature of the item and the jurisdiction in which it arises

### 3. Reconciliation of Non-IFRS Financial Measures (continued)

Adjusted Statement of Profit or Loss (unaudited)

Three months ended September 30, 2019

Nomad Foods  
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| € in millions, except per share data                      | As reported for the three months ended September 30, 2019 | Adjustments    | As adjusted for the three months ended September 30, 2019 |
|---|---|----------------|---|
| Revenue   | 540.3   | —              | 540.3   |
| Cost of sales   | (381.1)   | —              | (381.1)   |
| <b>Gross profit</b>                                       | <b>159.2</b>  | <b>—</b>       | <b>159.2</b>  |
| Other operating expenses                                  | (89.4)  | 9.3 (a)        | (80.1)  |
| Exceptional items   | (1.7)   | 1.7 (b)        | —   |
| <b>Operating profit</b>                                   | <b>68.1</b>   | <b>11.0</b>    | <b>79.1</b>   |
| Finance income  | 0.8   | (0.7)          | 0.1   |
| Finance costs   | (18.7)  | 2.0            | (16.7)  |
| <b>Net financing costs</b>                                | <b>(17.9)</b>   | <b>1.3</b> (c) | <b>(16.6)</b>   |
| <b>Profit before tax</b>                                  | <b>50.2</b>   | <b>12.3</b>    | <b>62.5</b>   |
| Taxation  | (11.0)  | (2.3) (d)      | (13.3)  |
| <b>Profit for the period</b>                              | <b>39.2</b>   | <b>10.0</b>    | <b>49.2</b>   |
| <b>Profit attributable to:</b>                            |   |                |   |
| Equity owners of the parent                               | 39.2  | 10.0           | 49.2  |
| Non-controlling interests                                 | —   | —              | —   |
|   | <b>39.2</b>   | <b>10.0</b>    | <b>49.2</b>   |
| Weighted average shares outstanding in millions - basic   | 196.4   |                | 196.4   |
| <b>Basic earnings per share</b>                           | <b>0.20</b>   |                | <b>0.25</b>   |
| Weighted average shares outstanding in millions - diluted | 196.4   |                | 196.4   |
| <b>Diluted earnings per share</b>                         | <b>0.20</b>   |                | <b>0.25</b>   |

a. Share based payment charge including employer payroll taxes of €6.5 million and non-operating M&A transaction costs of €2.8 million.

b. Exceptional items which management believes are non-recurring and do not have a continuing impact. See Note 6, Exceptional items, within 'Exhibit 99.2 - Condensed Consolidated Interim Financial Statements' for a detailed list of exceptional items.

c. Elimination of €0.7 million of foreign exchange translation gains and €2.0 million of foreign exchange losses on derivatives.

d. Tax impact of the above at the applicable tax rate for each exceptional item, determined by the nature of the item and the jurisdiction in which it arises.

### 3. Reconciliation of Non-IFRS Financial Measures

Adjusted Statement of Profit or Loss (unaudited)

Nine months ended September 30, 2020

Nomad Foods  
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| € in millions, except per share data                      | As reported for the nine months ended September 30, 2020 | Adjustments  |     | As adjusted for the nine months ended September 30, 2020 |
|---|--|--------------|-----|--|
| Revenue   | 1,858.2  | —            |     | 1,858.2  |
| Cost of sales   | (1,302.8)  | —            |     | (1,302.8)  |
| <b>Gross profit</b>                                       | <b>555.4</b>   | <b>—</b>     |     | <b>555.4</b>   |
| Other operating expenses                                  | (268.8)  | 9.2          | (a) | (259.6)  |
| Exceptional items   | (27.3)   | 27.3         | (b) | —  |
| <b>Operating profit</b>                                   | <b>259.3</b>   | <b>36.5</b>  |     | <b>295.8</b>   |
| Finance income  | 6.3  | (5.7)        |     | 0.6  |
| Finance costs   | (50.5)   | 0.4          |     | (50.1)   |
| <b>Net financing costs</b>                                | <b>(44.2)</b>  | <b>(5.3)</b> | (c) | <b>(49.5)</b>  |
| <b>Profit before tax</b>                                  | <b>215.1</b>   | <b>31.2</b>  |     | <b>246.3</b>   |
| Taxation  | (48.7)   | (3.1)        | (d) | (51.8)   |
| <b>Profit for the period</b>                              | <b>166.4</b>   | <b>28.1</b>  |     | <b>194.5</b>   |
| <b>Profit attributable to:</b>                            |  |              |     |  |
| Equity owners of the parent                               | 166.5  | 28.1         |     | 194.6  |
| Non-controlling interests                                 | (0.1)  | —            |     | (0.1)  |
|   | <b>166.4</b>   | <b>28.1</b>  |     | <b>194.5</b>   |
| Weighted average shares outstanding in millions - basic   | 199.0  |              |     | 199.0  |
| <b>Basic earnings per share</b>                           | <b>0.84</b>  |              |     | <b>0.98</b>  |
| Weighted average shares outstanding in millions - diluted | 199.0  |              |     | 199.0  |
| <b>Diluted earnings per share</b>                         | <b>0.84</b>  |              |     | <b>0.98</b>  |

a. Share based payment charge including employer payroll taxes of €7.6 million and non-operating M&A transaction costs of €1.6 million.

b. Exceptional items which management believes are non-recurring and do not have a continuing impact. See Note 6, Exceptional items, within ‘Exhibit 99.2 - Condensed Consolidated Interim Financial Statements’ for a detailed list of exceptional items.

c. Elimination of €5.7 million of foreign exchange translation gains and €0.4 million of foreign exchange losses on derivatives.

d. Tax impact of the above at the applicable tax rate for each adjustment, determined by the nature of the item and the jurisdiction in which it arises



### 3. Reconciliation of Non-IFRS Financial Measures (continued)

Adjusted Statement of Profit or Loss (unaudited)

Nine months ended September 30, 2019

Nomad Foods  
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| € in millions, except per share data                      | As reported for the nine months ended September 30, 2019 | Adjustments      | As adjusted for the nine months ended September 30, 2019 |
|---|--|------------------|--|
| Revenue   | 1,695.9  | —                | 1,695.9  |
| Cost of sales   | (1,185.7)  | —                | (1,185.7)  |
| <b>Gross profit</b>                                       | <b>510.2</b>   | <b>—</b>         | <b>510.2</b>   |
| Other operating expenses                                  | (263.4)  | 19.3 (a)         | (244.1)  |
| Exceptional items   | (49.9)   | 49.9 (b)         | —  |
| <b>Operating profit</b>                                   | <b>196.9</b>   | <b>69.2</b>      | <b>266.1</b>   |
| Finance income  | 3.5  | (1.6)            | 1.9  |
| Finance costs   | (51.5)   | 1.5              | (50.0)   |
| <b>Net financing costs</b>                                | <b>(48.0)</b>  | <b>(0.1)</b> (c) | <b>(48.1)</b>  |
| <b>Profit before tax</b>                                  | <b>148.9</b>   | <b>69.1</b>      | <b>218.0</b>   |
| Taxation  | (41.2)   | (4.6) (d)        | (45.8)   |
| <b>Profit for the period</b>                              | <b>107.7</b>   | <b>64.5</b>      | <b>172.2</b>   |
| <b>Profit attributable to:</b>                            |  |                  |  |
| Equity owners of the parent                               | 108.0  | 64.5             | 172.5  |
| Non-controlling interests                                 | (0.3)  | —                | (0.3)  |
|   | <b>107.7</b>   | <b>64.5</b>      | <b>172.2</b>   |
| Weighted average shares outstanding in millions - basic   | 190.5  |                  | 190.5  |
| <b>Basic earnings per share</b>                           | <b>0.57</b>  |                  | <b>0.91</b>  |
| Weighted average shares outstanding in millions - diluted | 190.5  |                  | 190.5  |
| <b>Diluted earnings per share</b>                         | <b>0.57</b>  |                  | <b>0.91</b>  |

a. Share based payment including employer payroll taxes of €16.2 million and non-operating M&A transaction costs of €3.1 million.

b. Exceptional items which management believes are non-recurring and do not have a continuing impact. See Note 6, Exceptional items, within 'Exhibit 99.2 - Condensed Consolidated Interim Financial Statements' for a detailed list of exceptional items.

c. Elimination of €1.6 million of foreign exchange translation gains and €1.5 million of foreign exchange losses on derivatives.

d. Tax impact of the above at the applicable tax rate for each exceptional item, determined by the nature of the item and the jurisdiction in which it arises.

### 3. Reconciliation of Non-IFRS Financial Measures (continued)

#### Reconciliation of Profit for the period to EBITDA and Adjusted EBITDA (unaudited)



| € in millions                         | Three months ended |                    | Nine months ended  |                    |
|---------------------------------------|--------------------|--------------------|--------------------|--------------------|
|                                       | September 30, 2020 | September 30, 2019 | September 30, 2020 | September 30, 2019 |
| <b>Profit for the period</b>          | 56.4               | 39.2               | 166.4              | 107.7              |
| Taxation                              | 14.9               | 11.0               | 48.7               | 41.2               |
| Net financing costs                   | 15.7               | 17.9               | 44.2               | 48.0               |
| Depreciation & amortization           | 16.9               | 16.7               | 51.6               | 50.0               |
| <b>EBITDA</b>                         | <b>103.9</b>       | <b>84.8</b>        | <b>310.9</b>       | <b>246.9</b>       |
| Exceptional items <sup>(a)</sup>      | 2.5                | 1.7                | 27.3               | 49.9               |
| Other add-backs <sup>(b)</sup>        | 2.3                | 9.3                | 9.2                | 19.3               |
| <b>Adjusted EBITDA</b>                | <b>108.7</b>       | <b>95.8</b>        | <b>347.4</b>       | <b>316.1</b>       |
| Revenue                               | 576.3              | 540.3              | 1,858.2            | 1,695.9            |
| Adjusted EBITDA margin <sup>(c)</sup> | <b>18.9%</b>       | <b>17.7%</b>       | <b>18.7%</b>       | <b>18.6%</b>       |

- a. Adjustment to add back exceptional items. See Note 6, Exceptional items, within 'Exhibit 99.2 - Condensed Consolidated Interim Financial Statements' for a detailed list of exceptional items.
- b. Represents the elimination of share-based payment charges including employer payroll taxes for the three month period to September 30, 2020 of €1.7 million (2019: €6.5 million) and for the nine months ended September 30, 2020 of €7.6 million (2019: €16.2 million) as well as the elimination of non-operating M&A related costs, professional fees, transaction costs and purchase accounting related valuations for the three month period to September 30, 2020 of €0.6 million (2019: €2.8 million) and for the nine months ended September 30, 2020 of €1.6 million (2019: €3.1 million). We exclude these costs because we do not believe they are indicative of our normal operating costs, can vary significantly in amount and frequency, and are unrelated to our underlying operating performance.
- c. Adjusted EBITDA margin is calculated by dividing Adjusted EBITDA by Revenue.

### 3. Reconciliation of Non-IFRS Financial Measures (continued)

Reconciliation of reported net cash flows from operating activities to Adjusted free cash flow for the nine months ended 30 September 2020, and the nine months ended 30 September 2019



| (in €m)   | Nine months ended  |                    |
|---|--------------------|--------------------|
|   | September 30, 2020 | September 30, 2019 |
| <b>Net Cash Flows From Operating Activities</b>               | <b>321.3</b>       | <b>175.5</b>       |
| Add back:   |                    |                    |
| Cash flows relating to exceptional items <sup>(a)</sup>       | 3.3                | 7.6                |
| Employer taxes related to share based payments <sup>(b)</sup> | 2.3                | 5.1                |
| Non-operating M&A costs <sup>(c)</sup>                        | 1.6                | 3.1                |
| Deduct:   |                    |                    |
| Capital expenditure <sup>(d)</sup>                            | (37.3)             | (29.4)             |
| Net interest paid   | (33.8)             | (31.2)             |
| (Payments)/proceeds on settlement of derivatives              | (4.5)              | 2.2                |
| Payment of lease liabilities <sup>(e)</sup>                   | (16.0)             | (16.0)             |
| <b>Adjusted free cash flow</b>                                | <b>236.9</b>       | <b>116.9</b>       |

- Adjustment to add back cash flows related to exceptional items which are not considered to be indicative of our ongoing operating cash flows.
- Adjustment to add back working capital movements related to employer taxes related to share based payments which are not considered to be indicative of our ongoing operating cash flows.
- Adjustment to add back cash flows related to non-operating M&A costs which are not considered to be indicative of our ongoing operating cash flows.
- Defined as the sum of property, plant and equipment and intangible assets purchased in the year, which are considered part of the underlying business cash flows.
- These lease liabilities are included in Net Cash Flows from Financing Activities. We believe these payments are part of the underlying business cash flows and should be reflected in Adjusted free cash flow.