



Fourth Quarter 2020 Earnings Results

February 25, 2021

Nomad Foods

Disclaimer

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. These forward-looking statements are based on the Company's expectations, intentions and projections regarding its future performance, anticipated events or trends and other matters that are not historical facts, including the Company's: (i) expectations regarding the Company's positioning to deliver future growth in 2021, to sustain growth and to continue to meet the needs of its consumers and retail partners; (ii) expectations regarding the expansion of Green Cuisine and the growth opportunity it presents within the fast growing meat-free segment; (iii) expectations that the Company's supply chain productivity program will begin to drive meaningful cost savings and fuel growth; (iv) expectations regarding our M&A strategy and our belief that acquisitions have the potential to translate into significant earnings power particularly the expected accretion of the Findus Switzerland acquisition and ongoing discussions with the Fortenova Group; and (v) expectations regarding the Company's future operating and financial performance, including its guidance with respect to 2021 organic revenue growth, Adjusted EBITDA, Adjusted EPS, cash conversion, share count and dividend yield.

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 These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements, including: (i) the Company's ability to successfully identify suitable acquisition targets and adequately evaluate the potential performance of such acquisition targets; (ii) the Company's ability to successfully implement its strategies (including its M&A strategy) and strategic initiatives and to recognize the anticipated benefits of such strategic initiatives; (iii) the Company's ability to accurately predict the performance of its Green Cuisine brand and its impact on the Company's growth; (iv) the Company's ability to effectively compete in its markets, including the ability of Green Cuisine to effectively compete in Continental Europe; (v) 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; (vi) the effects of reputational damage from unsafe or poor quality food products; (vii) the risk that securities markets will react negatively to actions by the Company; (viii) the adequacy of the Company's cash resources to achieve its anticipated growth agenda; (ix) increases in operating costs, including labor costs, and the Company's ability to manage its cost structure; (x) fluctuations in the availability of food ingredients and packaging materials that the Company uses in its products; (xi) the Company's ability to effectively mitigate factors that negatively impact its supply of raw materials; (xii) the Company's ability to protect its brand names and trademarks; (xiii) uncertainty about the terms of the 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; (xiv) loss of the Company's financial arrangements with respect to receivables factoring; (xv) the loss of any of the Company's major customers or a decrease in demand for its products; (xvi) economic conditions that may affect the Company's future performance including exchange rate fluctuations; (xvii) the Company's ability to successfully interpret and respond to key industry trends and to realize the expected benefits of its responsive actions; (xviii) the Company's failure to comply with, and liabilities related to, environmental, health and safety laws and regulations; (xix) changes in applicable laws or regulations; and (xx) the other risks and uncertainties disclosed in the Company's public filings and any other public disclosures by the Company. Given these risks and uncertainties, prospective investors are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements speak only as of the date of such statements and, except as required by applicable law, the Company does not undertake any obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

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 including the Annual Report on Form 20-F for the year ended December 31, 2020 expected to be filed with the SEC on February 25, 2021. 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.

This Presentation includes certain additional key performance indicators which are considered non-IFRS financial measures including, but not limited to, organic revenue growth, Adjusted EBITDA, Adjusted EPS, Adjusted EPS growth, Adjusted EBITDA growth, Adjusted EPS growth, Adjusted Free Cash Flow and Free Cash Flow Conversion. Nomad Foods believes these non-IFRS financial measures provide an important alternative measure with which to monitor and evaluate the Company's ongoing financial results, as well as to reflect its acquisitions. Nomad Foods' calculation of these financial measures maybe different from the calculations used by other companies and comparability may therefore be limited. You should not consider the Company's non-IFRS financial measures an alternative or substitute for the Company's reported results. For a reconciliation of these non-IFRS financial measures to the most directly comparable IFRS measures, refer to the Appendix to this Presentation.

Fourth Quarter 2020 Highlights

ORGANIC
Revenue Growth

9.5%

+8.6% volume/mix
+0.9% price

GROSS
Margin

160BPS

YoY expansion

Adjusted
EBITDA

€119M

Includes €10mn of
incremental A&P

Adjusted
EPS

€0.38

19% YoY growth

Exceeded guidance provided on December 4, 2020

Full Year 2020 Highlights

**Total
Revenues**

€2.52B

\$3.07B

USD equivalent

8.7%
organic growth

**Adjusted
EBITDA**

€467M

\$570M

USD equivalent

8%
growth

**Adjusted
EPS**

€1.35

\$1.65

USD equivalent

10%
growth

**Adjusted
Free Cash Flow**

€345M

\$421M

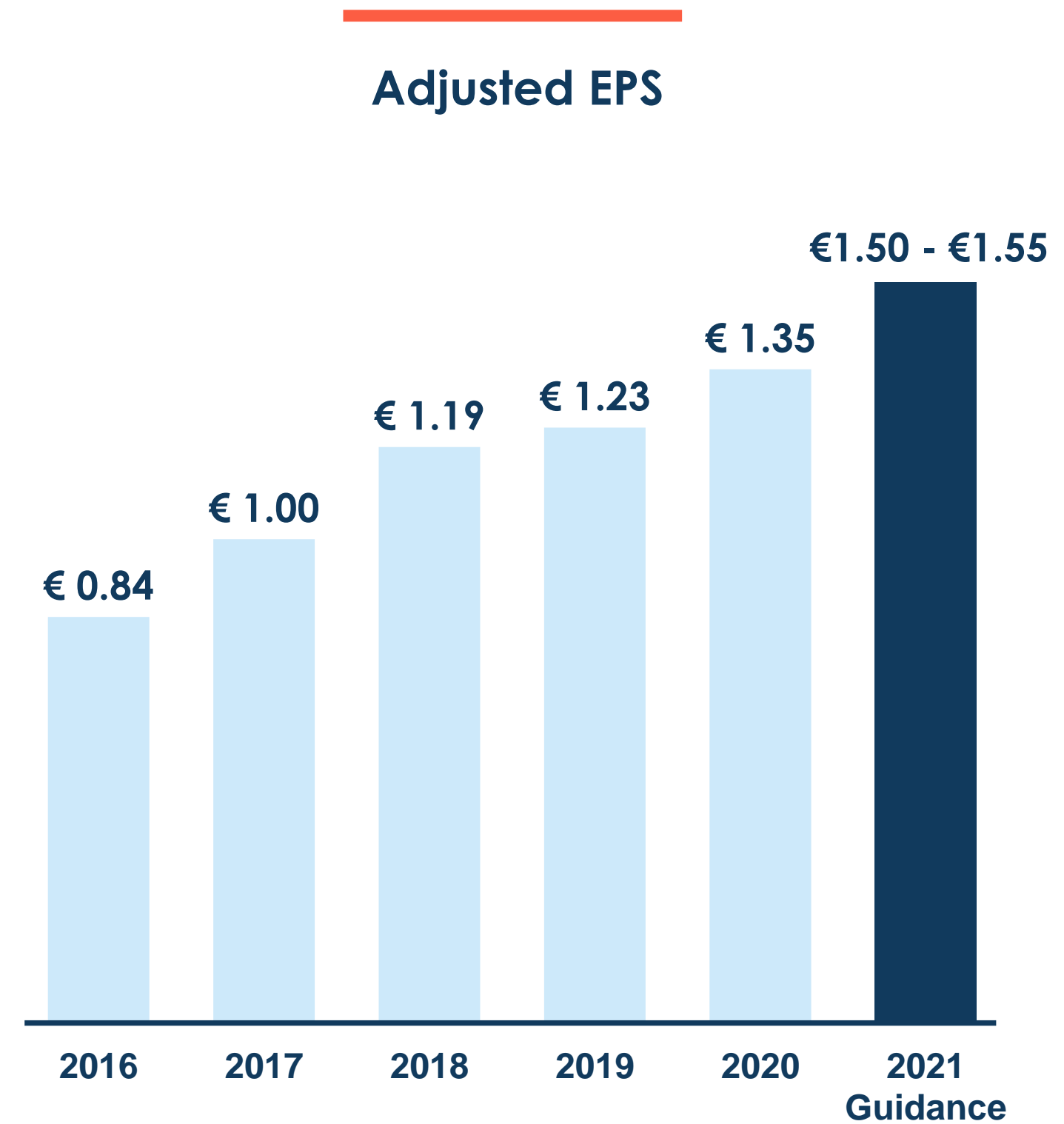
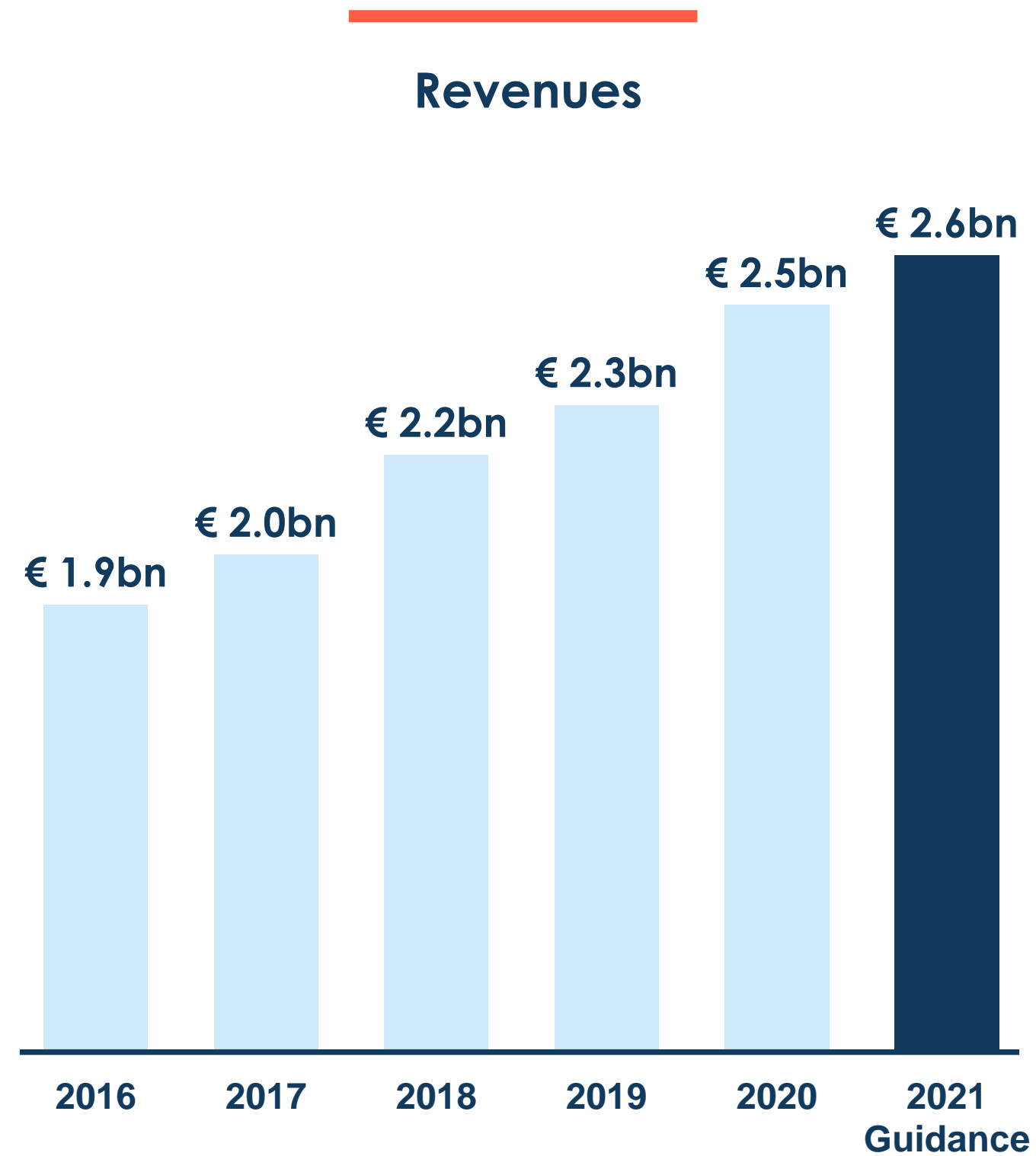
USD equivalent

131%
conversion

Fourth Quarter and Full Year 2020 Highlights

- Q4'20 organic revenue growth of 9.5%, above prior guidance of high-single digit growth
- Q4'20 Adjusted EBITDA exceeded guidance despite a 30% increase in Advertising & Promotion to fuel new consumer retention and brand building initiatives for 2021
- Generated €345 million of Adjusted Free Cash Flow in 2020, representing year-on-year growth of nearly €120 million
- During 2020, deployed over €600 million of cash towards share repurchases and €112 million to acquire the Findus Switzerland business

Committed to Delivering Sustained Financial Performance



A European Frozen Food Pureplay with A Long Runway for Growth and Value Creation

Core Portfolio Growth



BirdsEye
REAL FOOD, SIMPLY MADE

10 Fish Fingers
COD
100% MSC CERTIFIED

Sustainable sourcing is in our DNA, with our portfolio being 100% MSC Certified. That's what makes us the largest frozen brand in the UK when it comes to sustainable seafood. Together we can preserve ocean life and help protect fish stocks for future generations.

MSC UK AWARDS WINNER 2020
www.msc.org

Winner of the MSC UK Frozen Brand of the Year award for the 7th consecutive year

Breakthrough Innovation



Strategic Acquisitions



Fourth Quarter 2020 Income Statement Highlights

(in €m unless otherwise noted)	4Q 2020	4Q 2019	YoY Change
Revenue	€658	€628	4.7%
Organic revenue growth			9.5%
Gross profit	207	188	10%
Gross margin	31.5%	29.9%	160 bp
Adjusted operating expense	(104)	(90)	15%
Depreciation & amortization	16	18	(11)%
Adjusted EBITDA	€119	€116	3%
Adjusted EBITDA margin	18.2%	18.4%	(20) bp
Adjusted profit for the period	€68	€63	9%
Adjusted EPS	€0.38	€0.32	19%

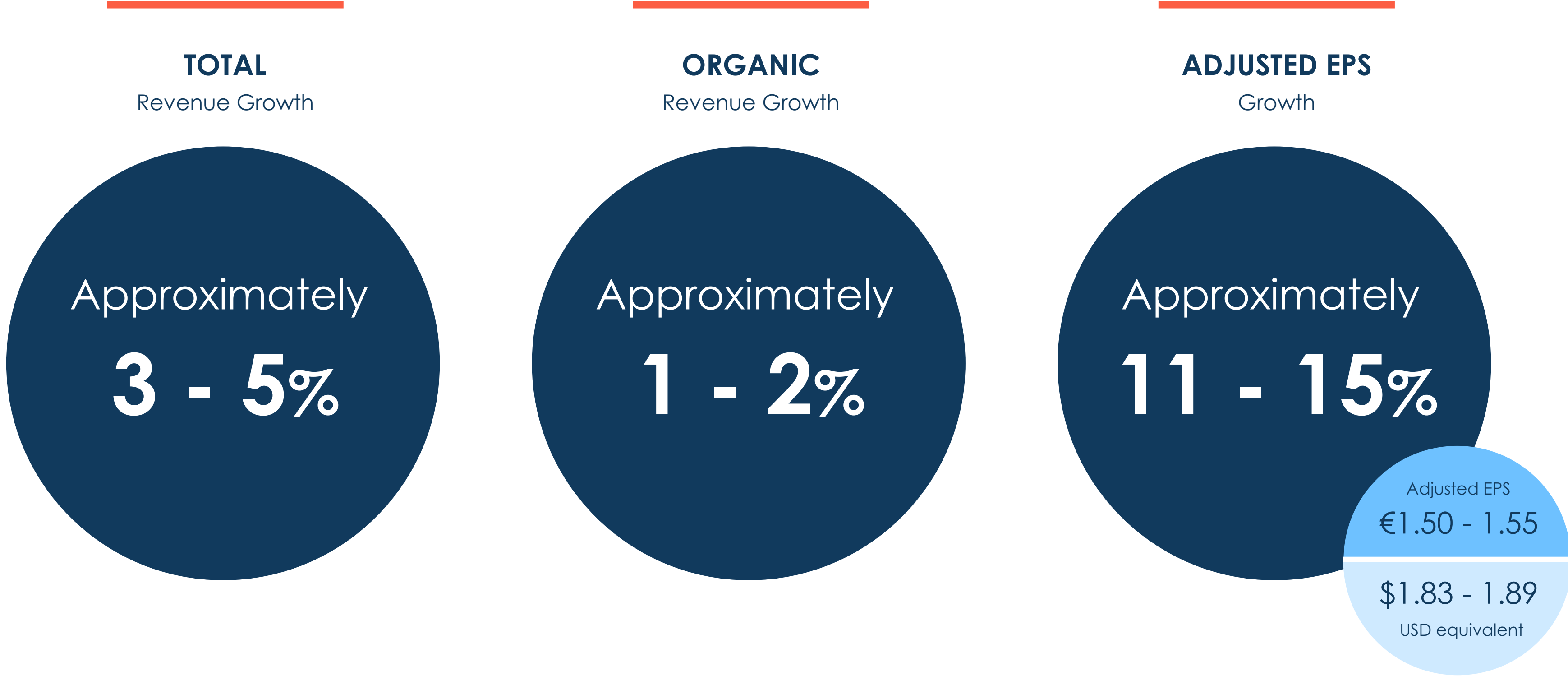
Full Year 2020 Free Cash Flow Highlights

(in €m unless otherwise noted)	12M ended December 31, 2020	12M ended December 31, 2019
Adjusted EBITDA	467	432
Change in working capital	96	(44)
Capital expenditures ¹	(59)	(47)
Cash taxes	(83)	(46)
Cash interest & other ²	(76)	(67)
Adjusted free cash flow	€345	€228
Adjusted profit for the period	€263	€235
Adjusted free cash flow as % adjusted profit for the period	131%	97%

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

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

2021 Guidance Projects Another Year of 10%+ Adjusted EPS Growth



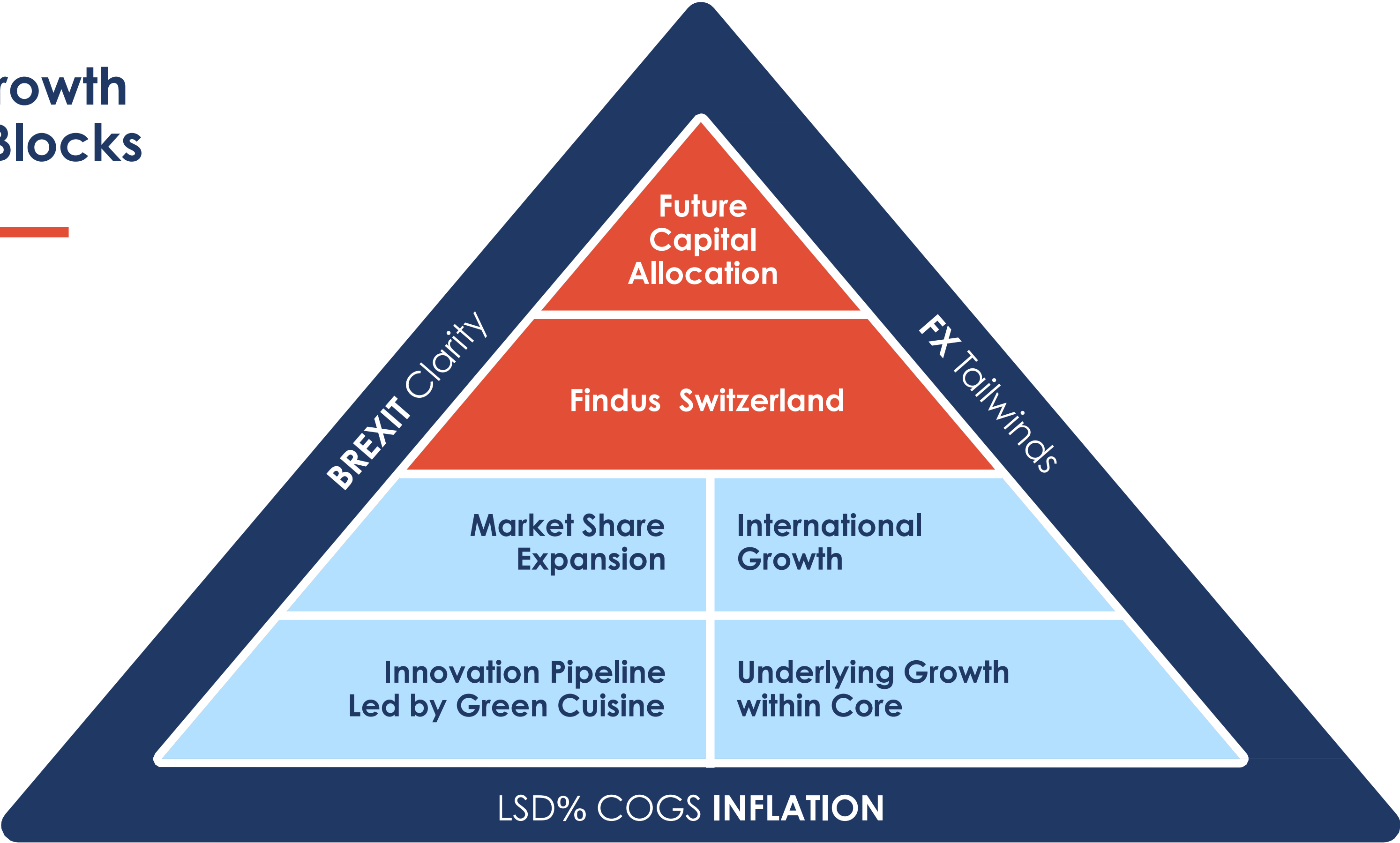
2021 Guidance figures converted to USD, the currency in which Nomad Foods shares trade, for illustrative purposes and based on USD/EUR FX rate of \$1.22 as of February 23, 2021

2021 Guidance

Expect to Achieve a 5th Consecutive Year of Organic Revenue, Adjusted EBITDA and Adjusted EPS Growth

	2017 actual	2018 actual	2019 actual	2020 actual	2021 guidance	2019 – 2021 CAGR
Revenue Growth	2%	11%	7%	8%	3 - 5%	5 - 6%
Organic Revenue Growth	4%	3%	2%	9%	1 - 2%	5%
Adjusted EBITDA Growth	1%	15%	15%	8%	3 - 5%	5 - 6%
Adjusted EPS	€1.00	€1.19	€1.23	€1.35	€1.50 - €1.55	--
Adjusted EPS Growth	19%	19%	3%	10%	11 - 15%	11 - 13%

2021 Growth Building Blocks



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 (2016 through 2020)
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 – December 31, 2020 compared with December 31, 2019

	Three months ended December 31, 2020	Twelve months ended December 31, 2020
	YoY Growth	YoY Growth
Reported Revenue Growth	4.7%	8.2%
Of which:		
- Organic Revenue Growth	9.5%	8.7%
- Calendar Effect (a)	(3.2)%	0.4%
- Translational FX (b)	(1.6)%	(0.9)%
Total	4.7%	8.2%

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.

2. Reconciliation of reported to organic revenue growth

Year on Year Growth – FY2019, FY2018 and FY2017

	FY2019	FY2018	FY2017
	YoY Growth	YoY Growth	YoY Growth
Reported Revenue Growth	7.0%	11.0%	1.5%
Of which:			
- Organic Revenue Growth	2.1%	2.6%	3.9%
- Acquisitions	4.9%	9.4%	0.0%
- Trading Day Impact	0.0%	0.0%	(0.5%)
- Translational FX (a)	0.0%	(1.0%)	(1.9%)
Total	7.0%	11.0%	1.5%

a. 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 December 31, 2020

€ in millions, except per share data	As reported for the three months ended December 31, 2020	Adjustments		As adjusted for the three months ended December 31, 2020
Revenue	657.7	—		657.7
Cost of sales	(450.6)	—		(450.6)
Gross profit	207.1	—		207.1
Other operating expenses	(113.9)	10.2	(a)	(103.7)
Exceptional items	6.7	(6.7)	(b)	—
Operating profit	99.9	3.5		103.4
Finance income	0.1	—		0.1
Finance costs	(19.6)	2.8		(16.8)
Net financing costs	(19.5)	2.8	(c)	(16.7)
Profit before tax	80.4	6.3		86.7
Taxation	(21.7)	3.1	(d)	(18.6)
Profit for the period	58.7	9.4		68.1
Profit attributable to:				
Equity owners of the parent	58.7	9.4		68.1
Non-controlling interests	—	—		—
	58.7	9.4		68.1
Weighted average shares outstanding in millions - basic	179.4	—		179.4
Basic earnings per share	0.33			0.38
Weighted average shares outstanding in millions - diluted	183.2	(3.8)	(e)	179.4
Diluted earnings per share	0.32			0.38

a. Share based payment charge including employer payroll taxes of €4.5 million and non-operating M&A related costs of €5.7 million.

b. Exceptional items which management believes are non-recurring and do not have a continuing impact. See table 'EBITDA and Adjusted EBITDA (unaudited) three months ended December 31, 2020' for a detailed list of exceptional items

c. Elimination of €1.7 million of foreign exchange translation losses and €1.1 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.

e. Adjustment to eliminate the dilutive effect of the Founder Preferred Share Dividend earned as of December 31, 2020 but for which shares were issued on January 4, 2021.

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

EBITDA and Adjusted EBITDA (audited)
Three months ended December 31, 2020

€ in millions	As reported for the three months ended December 31, 2020	
Profit for the period	58.7	
Taxation	21.7	
Net financing costs	19.5	
Depreciation and amortization	16.0	
EBITDA	115.9	
Exceptional items:		
Goodfella's Pizza & Aunt Bessie's integration Costs	0.3	(a)
Factory optimization	2.4	(b)
Brexit	0.7	(c)
Supply chain reconfiguration	(12.5)	(d)
Findus Switzerland integration costs	0.3	(e)
Business Transformation Program	2.3	(f)
Settlement of legacy matters	(0.2)	(g)
Other Adjustments:		
Other add-backs	10.2	(h)
Adjusted EBITDA (i)	119.4	

- a. Expenses associated with the integration of the Goodfella's Pizza and Aunt Bessie's businesses which were acquired in 2018.
- b. Expenses associated with a three-year factory optimization program to develop a new suite of standard manufacturing and supply chain processes, that will provide a single network of optimized factories. The project was initiated in 2018.
- c. Expenses related to preparations for the impacts of the United Kingdom exiting the European Union to our supply chain, such as tariffs and delays at ports of entry and departure.
- d. Income recognized on reaching an agreement to end the leasehold on a cold store in Sweden.
- e. Expenses associated with the integration of the Findus Switzerland business acquired on December 31, 2020.
- f. Expenses associated with the start of a multi-year, enterprise-wide transformation and optimization program.
- g. Income and expenses associated with tax and other liabilities relating to periods prior to acquisition of the Findus and Iglo Groups.
- h. Represents the elimination of share based payment charge including employer payroll taxes of €4.5 million and elimination of non-operating M&A related costs of €5.7 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.
- i. Adjusted EBITDA margin of 18.2% for the three months ended December 31, 2020 is calculated by dividing Adjusted EBITDA by Revenue of €657.7 million.

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

Adjusted Statement of Profit or Loss (unaudited)
Three months ended December 31, 2019

€ in millions, except per share data	As reported for the three months ended December 31, 2019	Adjustments		As adjusted for the three months ended December 31, 2019
Revenue	628.4	—		628.4
Cost of sales	(440.7)	—		(440.7)
Gross profit	187.7	—		187.7
Other operating expenses	(96.5)	6.4	(a)	(90.1)
Exceptional items	(4.6)	4.6	(b)	—
Operating profit	86.6	11.0		97.6
Finance income	—	—		—
Finance costs	(25.2)	8.7		(16.5)
Net financing costs	(25.2)	8.7	(c)	(16.5)
Profit before tax	61.4	19.7		81.1
Taxation	(15.5)	(2.9)	(d)	(18.4)
Profit for the period	45.9	16.8		62.7
Profit attributable to:				
Equity owners of the parent	46.0	16.8		62.8
Non-controlling interests	(0.1)	—		(0.1)
	45.9	16.8		62.7
Weighted average shares outstanding in millions - basic	196.4			196.4
Basic earnings per share	0.23			0.32
Weighted average shares outstanding in millions - diluted	202.8	(6.4)	(e)	196.4
Diluted earnings per share	0.23			0.32

a. Share based payment expense including employer payroll taxes of €6.2 million and non-operating M&A related costs of €0.2 million.

b. Exceptional items which management believes are non-recurring and do not have a continuing impact. See table 'EBITDA and Adjusted EBITDA (unaudited) three months ended December 31, 2019' for a detailed list of exceptional items.

c. Elimination of €5.5 million of foreign currency translation losses and €3.2 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.

e. Adjustment to eliminate the dilutive effect of the Founder Preferred Share Dividend earned as of December 31, 2019 but for which shares were issued on January 2, 2020.

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

EBITDA and Adjusted EBITDA (audited)
Three months ended December 31, 2019

€ in millions	As reported for the three months ended December 31, 2019	
Profit for the period	45.9	
Taxation	15.5	
Net financing costs	25.2	
Depreciation and amortization	18.3	
EBITDA	104.9	
Exceptional items:		
Brexit	1.6	(a)
Findus Group integration costs	0.5	(b)
Goodfella's Pizza & Aunt Bessie's integration costs	3.8	(c)
Factory optimization	3.6	(d)
Settlement of legacy matters	(4.9)	(e)
Other Adjustments:		
Other add-backs	6.4	(f)
Adjusted EBITDA (g)	115.9	

- a. Expenses related to preparations for the potential adverse impacts of the United Kingdom exiting the European Union to our supply chain, such as tariffs and delays at ports of entry and departure.
- b. Expenses related to the roll-out of the Nomad ERP system following the acquisition of the Findus Group in November 2015.
- c. Expenses associated with the integration of the Goodfella's pizza and Aunt Bessie's businesses which were acquired in 2018.
- d. Expenses associated with a three-year factory optimization program to develop a new suite of standard manufacturing and supply chain processes, that will provide a single network of optimized factories. The project was initiated in 2018.
- e. Income and expenses associated with tax and other liabilities relating to periods prior to acquisition of the Findus and Iglo Groups.
- f. Represents the elimination of share based payment charge including employer payroll taxes of €6.2 million and elimination of non-operating M&A related costs of €0.2 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.
- g. Adjusted EBITDA margin of 18.4% for the three months ended December 31, 2019 is calculated by dividing Adjusted EBITDA by Revenue of €628.4 million.

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

Adjusted Statement of Profit or Loss (unaudited)
Twelve months ended December 31, 2020

€ in millions, except per share data	As reported for the twelve months ended December 31, 2020	Adjustments		As adjusted for the twelve months ended December 31, 2020
Revenue	2,515.9	—		2,515.9
Cost of sales	(1,753.4)	—		(1,753.4)
Gross profit	762.5	—		762.5
Other operating expenses	(382.7)	19.4	(a)	(363.3)
Exceptional items	(20.6)	20.6	(b)	—
Operating profit	359.2	40.0		399.2
Finance income	4.7	(4.0)		0.7
Finance costs	(68.4)	1.5		(66.9)
Net financing costs	(63.7)	(2.5)	(c)	(66.2)
Profit before tax	295.5	37.5		333.0
Taxation	(70.4)	—	(d)	(70.4)
Profit for the period	225.1	37.5		262.6
Profit attributable to:				
Equity owners of the parent	225.2	37.5		262.7
Non-controlling interests	(0.1)	—		(0.1)
	225.1	37.5		262.6
Weighted average shares outstanding in millions - basic	194.0	—		194.0
Basic earnings per share	1.16			1.35
Weighted average shares outstanding in millions - diluted	197.9	(3.9)	(e)	194.0
Diluted earnings per share	1.14			1.35

a. Share based payment charge including employer payroll taxes of €12.1 million and non-operating M&A related costs of €7.3 million.

b. Exceptional items which management believes are non-recurring and do not have a continuing impact. See table 'EBITDA and Adjusted EBITDA (unaudited) twelve months ended December 31, 2020' for a detailed list of exceptional items.

c. Elimination of €4.0 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 adjustment, determined by the nature of the item and the jurisdiction in which it arises.

e. Adjustment to eliminate the dilutive effect of the Founder Preferred Share Dividend earned as of December 31, 2020 but for which shares were issued on January 4, 2021.

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

EBITDA and Adjusted EBITDA (audited)
Twelve months ended December 31, 2020

€ in millions	As reported for the twelve months ended December 31, 2020	
Profit for the period	225.1	
Taxation	70.4	
Net financing costs	63.7	
Depreciation and amortization	67.6	
EBITDA	426.8	
Exceptional items:		
Findus Switzerland integration costs	0.3	(a)
Brexit	1.6	(b)
Supply chain reconfiguration	(12.5)	(c)
Business Transformation Program	2.3	(d)
Goodfella's Pizza & Aunt Bessie's integration costs	4.0	(e)
Factory optimization	10.0	(f)
Settlement of legacy matters	(2.9)	(g)
Release of indemnification assets	17.8	(h)
Other Adjustments:		
Other add-backs	19.4	(i)
Adjusted EBITDA (j)	466.8	

- a. Expenses associated with the integration of the Findus Switzerland business acquired on December 31, 2020.
- b. Expenses related to preparations for the potential adverse impacts of the United Kingdom exiting the European Union to our supply chain, such as tariffs and delays at ports of entry and departure.
- c. Income recognized on reaching an agreement to end the leasehold on a cold store in Sweden.
- d. Expenses associated with the start of a multi-year, enterprise-wide transformation and optimization program.
- e. Expenses associated with the integration of the Goodfella's pizza and Aunt Bessie's businesses which were acquired in 2018.
- f. Expenses associated with a three-year factory optimization program to develop a new suite of standard manufacturing and supply chain processes, that will provide a single network of optimized factories. The project was initiated in 2018.
- g. Income and expenses associated with tax and other liabilities relating to periods prior to acquisition of the Findus and Iglo Groups.
- h. Charge for the release of shares held in escrow as part of the consideration on the acquisition of the Findus Group.
- i. Represents the elimination of share based payment charge including employer payroll taxes of €12.1 million and elimination of non-operating M&A related costs of €7.3 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.
- j. Adjusted EBITDA margin of 18.6% for the twelve months ended December 31, 2020 is calculated by dividing Adjusted EBITDA by Revenue of €2,515.9 million.

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

Adjusted Statement of Profit or Loss (unaudited)
Twelve months ended December 31, 2019

€ in millions, except per share data	As reported for the twelve months ended December 31, 2019	Adjustments		As adjusted for the twelve months ended December 31, 2019
Revenue	2,324.3	—		2,324.3
Cost of sales	(1,626.4)	—		(1,626.4)
Gross profit	697.9	—		697.9
Other operating expenses	(359.9)	25.7	(a)	(334.2)
Exceptional items	(54.5)	54.5	(b)	—
Operating profit	283.5	80.2		363.7
Finance income	2.5	—		2.5
Finance costs	(75.7)	8.8		(66.9)
Net financing costs	(73.2)	8.8	(c)	(64.4)
Profit before tax	210.3	89.0		299.3
Taxation	(56.7)	(7.5)	(d)	(64.2)
Profit for the period	153.6	81.5		235.1
Profit attributable to:				
Equity owners of the parent	154.0	81.5		235.5
Non-controlling interests	(0.4)	—		(0.4)
	153.6	81.5		235.1
Weighted average shares outstanding in millions - basic	192.0			192.0
Basic earnings per share	0.80			1.23
Weighted average shares outstanding in millions - diluted	198.4	(6.4)	(e)	192.0
Diluted earnings per share	0.78			1.23

a. Share based payment expense including employer payroll taxes of €22.4 million and non-operating M&A related costs of €3.3 million.

b. Exceptional items which management believes are non-recurring and do not have a continuing impact. See table 'EBITDA and Adjusted EBITDA (unaudited) twelve months ended December 31, 2019' for a detailed list of exceptional items.

c. Elimination of €3.9 million of foreign exchange translation losses and €4.9 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.

e. Adjustment to eliminate the dilutive effect of the Founder Preferred Share Dividend earned as of December 31, 2019 but for which shares were issued on January 2, 2020.

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

EBITDA and Adjusted EBITDA (audited)
Twelve months ended December 31, 2019

€ in millions	As reported for the twelve months ended December 31, 2019	
Profit for the period	153.6	
Taxation	56.7	
Net financing costs	73.2	
Depreciation and amortization	68.3	
EBITDA	351.8	
Exceptional items:		
Brexit	1.6	(a)
Supply chain reconfiguration	(3.6)	(b)
Findus Group integration costs	3.5	(c)
Goodfella's Pizza & Aunt Bessie's integration costs	12.5	(c)
Factory optimization	5.7	(d)
Release of indemnification assets	44.0	(e)
Remeasurement of indemnification assets	—	(e)
Settlement of legacy matters	(9.2)	(f)
Other Adjustments:		
Other add-backs	25.7	(h)
Adjusted EBITDA(i)	432.0	

- a. Expenses related to preparations for the potential adverse impacts of the United Kingdom exiting the European Union to our supply chain, such as tariffs and delays at ports of entry and departure.
- b. Supply chain reconfiguration relates to activities associated with the closure of the Bjuv manufacturing facility in Sweden which ceased production in 2017. The income relates to the sale of the agricultural land which completed in May 2019 and the finalization of consideration received for the sale of the industrial property which completed in 2018.
- c. Expenses related to the roll-out of the Nomad ERP system following the acquisition of the Findus Group in November 2015.
- d. Expenses associated with the integration of the Goodfella's pizza and Aunt Bessie's businesses which were acquired in 2018.
- e. Expenses associated with a three-year factory optimization program to develop a new suite of standard manufacturing and supply chain processes, that will provide a single network of optimized factories. The project was initiated in 2018.
- f. Charge in 2019 for the release of shares held in escrow as part of the consideration on the acquisition of the Findus Group.
- g. Income and expense associated with tax and other liabilities relating to periods prior to acquisition of the Findus and Iglo Groups.
- h. Represents the elimination of share based payment charge including employer payroll taxes of €22.4 million and elimination of non-operating M&A related costs of €3.3 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.
- i. Adjusted EBITDA margin of 18.6% for the twelve months ended December 31, 2019 is calculated by dividing Adjusted EBITDA by Revenue of €2,324.3 million.

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

Adjusted Statement of Profit or Loss (unaudited)
Twelve months ended December 31, 2018

€ in millions, except per share data	As reported for the twelve months ended December 31, 2018	Adjustments		As adjusted for the twelve months ended December 31, 2018
Revenue	2,172.8	--		2,172.8
Cost of sales	(1,519.3)	5.7	(a)	(1,513.6)
Gross profit	653.5	5.7		659.2
Other operating expenses	(352.7)	23.6	(b)	(329.1)
Exceptional items	(17.7)	17.7	(c)	--
Operating profit	283.1	47.0		330.1
Finance income	1.6	(1.4)		0.2
Finance costs	(57.6)	(2.4)		(60.0)
Net financing costs	(56.0)	(3.8)	(d)	(59.8)
Profit before tax	227.1	43.2		270.3
Taxation	(56.6)	(4.7)	(e)	(61.3)
Profit for the period	170.5	38.5		209.0
Profit for the period attributable to equity owners of the parent	171.2	38.5		209.7
Weighted average shares outstanding in millions - basic	175.6	—		175.6
Basic earnings per share	0.97			1.19
Weighted average shares outstanding in millions - diluted	175.8	(0.2)	(f)	175.6
Diluted earnings per share	0.97			1.19

a. Non-cash fair value uplift of inventory recorded as part of the Goodfella's Pizza and Aunt Bessie's purchase price accounting.

b. Share-based payment expense including employer payroll taxes of €14.7 million and non-operating M&A transaction costs of €8.9 million.

c. Exceptional items which management believes are non-recurring and do not have a continuing impact. See table 'EBITDA and Adjusted EBITDA (unaudited) twelve months ended December 31, 2018' for a detailed list of exceptional items.

d. Elimination of €1.1 million of costs incurred as part of the refinancing on the May 3, 2017 and repricing on December 20, 2017, €0.3 million of realized and unrealized foreign exchange translation losses and €5.2 million of gains on foreign currency derivatives.

e. 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.

f. Adjustment to eliminate the dilutive effect of the Founder Preferred Share Dividend earned as of December 31, 2018 but for which shares were issued on January 2, 2019.

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

EBITDA and Adjusted EBITDA (audited)
Twelve months ended December 31, 2018

€ in millions	As reported for the twelve months ended December 31, 2018	
Profit for the period	170.5	
Taxation	56.6	
Net financing costs	56.0	
Depreciation	39.3	
Amortization	7.0	
EBITDA	329.4	
Acquisition purchase price adjustments	5.7	(a)
Exceptional items:		
<i>Supply chain reconfiguration</i>	1.2	(b)
<i>Findus Group integration costs</i>	10.4	(c)
<i>Goodfella's Pizza & Aunt Bessie's integration costs</i>	8.3	(d)
<i>Factory optimization</i>	1.6	(e)
<i>Settlement of legacy matters</i>	(3.8)	(f)
Other Adjustments:		
<i>Other add-backs</i>	23.6	(g)
Adjusted EBITDA (h)	376.4	

- a. Non-cash fair value uplift of inventory recorded as part of the Goodfella's Pizza and Aunt Bessie's purchase price accounting.
- b. Supply chain reconfiguration costs following the closure of the factory in Bjuv, Sweden. Following the closure in 2017, the Company has incurred costs relating to the relocation of production to other factories. The costs are partially offset by income from the disposal of the remaining tangible assets.
- c. Non-recurring costs related to the roll-out of the Nomad ERP system following the acquisition of the Findus Group in November 2015.
- d. Non-recurring costs associated with the integration of the Goodfella's pizza business in April 2018 and the Aunt Bessie's business in July 2018.
- e. Non-recurring costs associated with a three-year factory optimization program to develop a new suite of standard manufacturing and supply chain processes, that will provide a single network of optimized factories.
- f. Non-recurring income and costs associated with liabilities relating to periods prior to acquisition of the Findus and Iglo Groups, settlements of tax audits, settlements of contingent consideration for acquisitions and other liabilities relating to periods prior to acquisition of the Findus and Iglo businesses by the Company. This includes an income of €2.7 million recognized on settlement of contingent consideration for the purchase of the La Cocinera acquisition and net income of €0.7 million associated with settlements of tax audits.
- g. Represents the elimination of share-based payment charges including employer payroll taxes of €14.7 million and elimination of non-operating M&A related costs of €8.9 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.
- h. Adjusted EBITDA margin of 17.3% for the twelve months ended December 31, 2018 is calculated by dividing Adjusted EBITDA by Adjusted revenue of €2,172.8 million.

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

Adjusted Statement of Profit or Loss (unaudited)
Twelve months ended December 31, 2017

€ in millions, except per share data	As reported for the twelve months ended December 31, 2017	Adjustments		As adjusted for the twelve months ended December 31, 2017
Revenue	1,956.6	—		1,956.6
Cost of sales	(1,357.2)	—		(1,357.2)
Gross profit	599.4	—		599.4
Other operating expenses	(319.3)	5.6	(a)	(313.7)
Exceptional items	(37.2)	37.2	(b)	—
Operating profit	242.9	42.8		285.7
Finance income	7.2	(7.0)		0.2
Finance costs	(81.6)	22.0		(59.6)
Net financing costs	(74.4)	15.0	(c)	(59.4)
Profit before tax	168.5	57.8		226.3
Taxation	(32.0)	(19.1)	(d)	(51.1)
Profit for the period	136.5	38.7		175.2
Weighted average shares outstanding in millions - basic	176.1			176.1
Basic earnings per share	0.78			1.00
Weighted average shares outstanding in millions - diluted	184.8	(8.7)	(e)	176.1
Diluted earnings per share	0.74			1.00

a. Share-based payment charge

b. Exceptional items which management believes do not have a continuing impact. See table 'EBITDA and Adjusted EBITDA (unaudited) twelve months ended December 31, 2017' for a detailed list of exceptional items.

c. Elimination of €20.1 million of costs incurred as part of the refinancing on the May 3, 2017 and repricing on December 20, 2017, €3.9 million of foreign exchange translation losses and €9.0 million of foreign currency gains 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.

e. Adjustment to eliminate the dilutive effect of the Founder Preferred Share Dividend earned as of December 31, 2017 but for which shares were issued on January 2, 2018.

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

EBITDA and Adjusted EBITDA (audited)
Twelve months ended December 31, 2017

€ in millions	As reported for the twelve months ended December 31, 2017	
Profit for the period	136.5	
Taxation	32.0	
Net financing costs	74.4	
Depreciation	35.9	
Amortization	6.5	
EBITDA	285.3	
Exceptional items:		
<i>Transactions related costs</i>	3.2	(a)
<i>Investigation and implementation of strategic opportunities</i>	18.8	(b)
<i>Supply chain reconfiguration</i>	14.0	(c)
<i>Findus Group integration costs</i>	15.1	(d)
<i>Settlement of legacy matters</i>	(5.6)	(e)
<i>Remeasurement of indemnification assets</i>	(8.3)	(f)
Other Adjustments:		
<i>Other add-backs</i>	5.6	(g)
Adjusted EBITDA (h)	328.1	

- a. Costs incurred related to enhanced control compliance procedures in territories.
- b. Costs incurred in relation to investigation and implementation of strategic opportunities considered non-recurring for the combined group following acquisitions by the Company. These costs primarily relate to changes to the organizational structure of the combined businesses.
- c. Supply chain reconfiguration costs, namely the closure of the Bjuv factory.
- d. Costs recognized by Nomad Foods relating to the integration of the Findus Group, primarily relating to the rollout of the Nomad ERP system.
- e. Non-recurring income and costs associated with liabilities relating to periods prior to acquisition of the Findus and Iglo Groups, settlements of tax audits, sale of non-operating factories acquired and other liabilities relating to periods prior to acquisition of the Findus and Iglo businesses by the Company. This includes a charge of €3.9 million associated with settlements of tax audits, offset by gains of €4.2 million from the reassessment of sales tax provisions, €1.2 million from the reassessment of interest on sales tax provisions, a €2.8 million gain on a legacy pension plan in Norway and a €1.3 million gain on disposal of a non-operational factory.
- f. Adjustment to reflect the remeasurement of the indemnification assets recognized on the acquisition of the Findus Group, which is capped at the value of shares held in escrow at the share price as at December 31, 2017. Offsetting are the release of indemnification assets associated with final settlement of indemnity claims against an affiliate of Permira Advisors LLP, which are legacy tax matters that predate the Company's acquisition of Iglo Group in 2015.
- g. Represents the elimination of share-based payment charges of €2.6 million and elimination of non-operating M&A related costs of €3.0 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.
- h. Adjusted EBITDA margin 16.8% for the twelve months ended December 31, 2017 is calculated by dividing Adjusted EBITDA by Adjusted revenue of €1,956.6 million.

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

Adjusted Statement of Profit or Loss (unaudited)
Twelve months ended December 31, 2016

€ in millions, except per share data	As reported for the twelve months ended December 31, 2016	Adjustments		As adjusted for the twelve months ended December 31, 2016
Revenue	1,927.7	—		1,927.7
Cost of sales	(1,356.7)	—		(1,356.7)
Gross profit	571.0	—		571.0
Other operating expenses	(298.4)	1.2	(a)	(297.2)
Exceptional items	(134.5)	134.5	(b)	—
Operating profit	138.1	135.7		273.8
Finance income	24.2	(18.3)		5.9
Finance costs	(86.3)	7.1		(79.2)
Net financing costs	(62.1)	(11.2)	(c)	(73.3)
Profit before tax	76.0	124.5		200.5
Taxation	(39.6)	(6.0)	(d)	(45.6)
Profit for the period	36.4	118.5		154.9
Weighted average shares outstanding in millions - basic	183.5			183.5
Basic earnings per share	0.20			0.84
Weighted average shares outstanding in millions - diluted	183.5			183.5
Diluted earnings per share	0.20			0.84

a. Adjustment to add back share based payment charge

b. Adjustment to add back exceptional items which management believes do not have a continuing impact. See table 'EBITDA and Adjusted EBITDA (unaudited) twelve months ended December 31, 2016' for a detailed list of exceptional items.

c. Adjustment to eliminate €18.3 million of non-cash foreign exchange translation gains, €4.3 million foreign exchange loss on derivatives and €2.8 million of other exceptional non-cash interest.

d. Adjustment to reflect the 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)

EBITDA and Adjusted EBITDA (audited)
Twelve months ended December 31, 2016

€ in millions	As reported for the twelve months ended December 31, 2016	
Profit for the period	36.4	
Taxation	39.6	
Net financing costs	62.1	
Depreciation	43.3	
Amortization	7.8	
EBITDA	189.2	
Exceptional items:		
<i>Costs related to transactions</i>	4.8	(a)
<i>Costs related to management incentive plans</i>	1.9	(b)
<i>Investigation and implementation of strategic opportunities</i>	7.0	(c)
<i>Cisterna fire net income</i>	(4.3)	(d)
<i>Supply chain reconfiguration</i>	84.3	(e)
<i>Other restructuring costs</i>	(1.0)	(f)
<i>Findus Group integration costs</i>	29.6	(g)
<i>Settlement of legacy matters</i>	1.8	(h)
<i>Remeasurement of indemnification assets</i>	10.4	(i)
Other Adjustments:		
<i>Other add-backs</i>	1.2	(j)
Adjusted EBITDA(k)	324.9	

- a. Elimination of costs incurred in relation to completed and potential acquisitions and one-off compliance costs incurred as a result of listing on the New York Stock Exchange.
- b. Adjustment to eliminate long term management incentive scheme costs from prior ownership.
- c. Elimination of costs incurred in relation to investigation and implementation of strategic opportunities considered non-recurring for the combined group following acquisitions by the Company. These costs primarily relate to changes to the organizational structure of the combined businesses.
- d. Elimination of net insurance income offset by incremental operational costs incurred as a result of a fire in August 2014 in the Iglo Group's Italian production facility which produces Findus branded stock for sale in Italy.
- e. Elimination of supply chain reconfiguration costs, namely the closure of the Bjuv factory.
- f. Elimination of a credit on release of provisions for restructuring activities associated with operating locations.
- g. Elimination of costs recognized by Nomad Foods relating to the integration of the Findus Group.
- h. Elimination of non-recurring costs associated with settlements of tax audits and other liabilities relating to periods prior to acquisition of the Findus and Iglo businesses by the Company. These were previously classified within Investigation and implementation of strategic opportunities and other items and have been reclassified into this line for the period presented.
- i. Adjustment to reflect the remeasurement of the indemnification assets recognized on the acquisition of the Findus Group, which is capped at the value of shares held in escrow at the share price as at December 31, 2016.
- j. Other add-backs include the elimination of share-based payment charges of €1.2 million.
- k. Adjusted EBITDA margin 16.9% for the twelve months ended December 31, 2016 is calculated by dividing Adjusted EBITDA by Adjusted revenue of €1,927.7 million.

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

Reconciliation of reported net cash flows from operating activities to Adjusted free cash flow for the twelve months ended December, 2020 and the twelve months ended December 31, 2019

(in €m)	Twelve months ended	
	December 31, 2020	December 31, 2019
Net Cash Flows From Operating Activities	457.0	315.4
Add back:		
Cash flows relating to exceptional items ^(a)	12.1	15.9
Employer taxes related to share based payments ^(b)	3.1	7.5
Non-operating M&A costs ^(c)	7.3	3.3
Deduct:		
Capital expenditure ^(d)	(58.7)	(47.3)
Net interest paid	(49.5)	(46.0)
(Payments)/proceeds on settlement of derivatives	(6.1)	0.7
Payment of lease liabilities ^(e)	(20.3)	(21.8)
Adjusted free cash flow	<u>344.9</u>	<u>227.7</u>

a. Adjustment to add back cash flows related to exceptional items which are not considered to be indicative of our ongoing operating cash flows.

b. 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.

c. Adjustment to add back cash flows related to non-operating M&A related costs which are not considered to be indicative of our ongoing operating cash flows.

d. 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.

e. 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.