

Nomad Foods

Nomad Foods Reports Fourth Quarter and Full Year 2020 Financial Results

*Company reports fourth quarter and full year organic revenue growth of 9.5% and 8.7%, respectively
Full year Adjusted EPS of €1.35 represents 10% growth, ahead of guidance
Anticipates a fifth consecutive year of organic revenue, Adjusted EBITDA and Adjusted EPS growth in 2021*

FELTHAM, England - February 25, 2021 - Nomad Foods Limited (NYSE: NOMD), today reported financial results for the three and twelve-month periods ended December 31, 2020.

Key operating highlights and financial performance for the fourth quarter 2020, when compared to the fourth quarter 2019, include:

- **Reported revenue increased 4.7% to €658 million**
- **Organic revenue growth of 9.5%**
- **Reported Profit for the period of €59 million**
- **Adjusted EBITDA increased 3% to €119 million**
- **Adjusted EPS of €0.38**

Key operating highlights and financial performance for the full year 2020, when compared to the full year 2019, include:

- **Reported revenue increased 8.2% to €2,516 million**
- **Organic revenue growth of 8.7%**
- **Reported Profit for the period of €225 million**
- **Adjusted EBITDA increased 8% to €467 million**
- **Adjusted EPS of €1.35**

Management Comments

Stéfan Descheemaeker, Nomad Foods' Chief Executive Officer, stated, "2020 was an unprecedented year for Nomad Foods. I am proud of our collective response to the COVID-19 pandemic, especially our commitment to servicing our customers while prioritizing the health and safety of our employees. The business delivered another year of strong financial performance, establishing a new foundation which we will build on during 2021 by delivering another year of growth across all key metrics. This includes our expectation to grow organically in 2021 which will be complemented by accretion from the Findus Switzerland acquisition and a significant reduction in our share count compared with last year as a result of our active buyback activity since March 2020."

Noam Gottesman, Nomad Foods' Co-Chairman and Founder, commented, "We are pleased to report another strong year of growth with financial results ahead of our expectations. Nomad Foods has established itself as a uniquely positioned food company with a sustainable growth profile following four consecutive years of organic revenue growth and a series of complementary acquisitions. We are delivering on our commitment across all three elements of our growth model: organic growth, strong free cash flow generation and disciplined capital allocation. We are excited to build on our success to-date in the coming year which we expect will further differentiate Nomad Foods as a best-in-class food company."

Fourth Quarter of 2020 results compared to the Fourth Quarter of 2019

- **Revenue** increased 4.7% to €658 million. **Organic revenue** growth of 9.5% was driven by a 8.6% growth in volume/mix and a 0.9% growth in price.
- **Gross profit** increased 10% to €207 million. Gross margin increased 160 basis points to 31.5% due to mix, pricing and promotions.
- **Adjusted operating expenses** increased 15% to €104 million, reflecting a 30% increase in Advertising and promotion expense behind new consumer retention and brand building activities. Indirect expenses grew relatively in-line with revenue.
- **Adjusted EBITDA** increased 3% to €119 million and **Adjusted Profit after tax** increased 9% to €68 million due to the aforementioned factors.
- **Adjusted EPS** increased 19% to €0.38, reflecting growth in Adjusted Profit after tax and the cumulative effect of share repurchases conducted versus the prior year. Reported EPS increased 39% to €0.32.

Year Ended 2020 results compared to the Year Ended of 2019

- **Revenue** increased 8.2% to €2,516 million. **Organic revenue** growth of 8.7% was driven by a 7.2% growth in volume/mix and a 1.5% growth in price.
- **Gross profit** increased 9% to €763 million. Gross margin increased 30 basis points to 30.3% due to mix, pricing and promotional efficiencies which offset cost of goods inflation.
- **Adjusted operating expenses** increased 9% to €363 million reflecting growth in both Advertising and promotion expense of 5% to €125 million and Indirect expense growth of 11% to €238 million.
- **Adjusted EBITDA** increased 8% to €467 million and **Adjusted Profit after tax** increased 12% to €263 million, due to the aforementioned factors.
- **Adjusted EPS** increased 10% to €1.35 and Reported EPS increased 46% to €1.14.

2021 Guidance

For the full year 2021, management expects Revenue and Adjusted EBITDA growth of approximately 3-5%. Adjusted EPS is expected to be approximately €1.50 to €1.55, representing 11-15% growth. Full year guidance assumes organic revenue growth of approximately 1-2%.

Conference Call and Webcast

The Company will host a conference call with members of the executive management team to discuss these results today, Thursday, February 25, 2021 at 1:30 p.m. GMT (8:30 a.m. Eastern Daylight Time). Investors interested in participating in the live call can dial +1-877-451-6152 from North America. International callers can dial +1-201-389-0879.

In addition, the call will be broadcast live over the Internet hosted at the “Investor Relations” section of the Company’s website at <http://www.nomadfoods.com>. The webcast will be archived for 30 days. A replay of the conference call will be available on the Company website for two weeks following the event and can be accessed by listeners in North America by dialing +1-844-512-2921 and by international listeners by dialing +1-412-317-6671; the replay pin number is 13716748.

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About Nomad Foods

Nomad Foods (NYSE: NOMD) is Europe's leading frozen foods company. The company's portfolio of iconic brands, which includes *Birds Eye*, *Findus*, *Iglo*, *Aunt Bessie's* and *Goodfella's*, have been a part of consumers' meals for generations, standing for great tasting food that is convenient, high quality and nutritious. Nomad Foods is headquartered in the United Kingdom. Additional information may be found at www.nomadfoods.com.

Non-IFRS Financial Information

Nomad Foods is presenting Adjusted and Organic financial information, which is considered non-IFRS financial information, for the three and twelve months ended December 31, 2020 and for comparative purposes, the three and twelve months ended December 31, 2019.

Adjusted financial information for the three and twelve months ended December 31, 2020 and 2019 presented in this press release reflects the historical reported financial statements of Nomad Foods, adjusted primarily for share based payment expenses and related employer payroll taxes, non-operating M&A related costs, acquisition purchase price adjustments, exceptional items and foreign currency exchange charges/gains.

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 such as restructuring charges, goodwill and intangible asset impairment charges and other unusual or non-recurring items. 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 EBITDA should not be considered as an alternative to profit/(loss) for the period, determined in accordance with IFRS, as an indicator of the Company’s operating performance.

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 such as restructuring charges, goodwill and intangible asset impairment charges, unissued preferred share dividends, as well as certain other items considered unusual or non-recurring in nature. 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.

Organic revenue for the three and twelve months ended December 31, 2020 and 2019 presented in this press release 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.

Adjustments for currency translation are 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.

Adjusted and Organic non-IFRS financial information should be read in conjunction with the unaudited financial statements of Nomad Foods included in this press release as well as the historical financial statements of the Company previously filed with the SEC.

Leverage is defined as total loans and borrowings outstanding less the sum of cash and cash equivalents and short term investments, divided by adjusted EBITDA for the trailing twelve month period.

Nomad Foods believe its non-IFRS financial measures provide an important additional 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 may be different from the calculations used by other companies and comparability may therefore be limited. The Adjusted and Organic financial information presented herein is based upon certain assumptions that Nomad Foods believes to be reasonable and is presented for informational purposes only and is not necessarily indicative of any anticipated financial position or future results of operations that the Company will experience. You should not consider the Company’s non-IFRS financial measures an alternative or substitute for the Company’s reported results and are cautioned not to place undue reliance on these results and information as they may not be representative of our actual or future results as a Company.

Please see on pages 8 to 16, the non-IFRS reconciliation tables attached hereto and the schedules accompanying this release for an explanation and reconciliation of the Adjusted and Organic financial information to the most directly comparable IFRS measure.

Nomad Foods Limited As Reported
Statements of Profit or Loss (unaudited)
Three months ended December 31, 2020 and December 31, 2019

	Three months ended December 31, 2020	Three months ended December 31, 2019
	€m	€m
Revenue	657.7	628.4
Cost of sales	(450.6)	(440.7)
Gross profit	207.1	187.7
Other operating expenses	(113.9)	(96.5)
Exceptional items	6.7	(4.6)
Operating profit	99.9	86.6
Finance income	0.1	—
Finance costs	(19.6)	(25.2)
Net financing costs	(19.5)	(25.2)
Profit before tax	80.4	61.4
Taxation	(21.7)	(15.5)
Profit for the period	58.7	45.9
Attributable to:		
Equity owners of the parent	58.7	46.0
Non-controlling interests	—	(0.1)
	58.7	45.9
Basic earnings per share		
Weighted average shares outstanding in millions	179.4	196.4
Basic earnings per share in €	0.33	0.23
Diluted earnings per share		
Weighted average shares outstanding in millions	183.2	202.8
Diluted earnings per share in €	0.32	0.23

Statements of Profit or Loss (audited)

Twelve months ended December 31, 2020 and December 31, 2019

	Twelve months ended December 31, 2020 €m	Twelve months ended December 31, 2019 €m
Revenue	2,515.9	2,324.3
Cost of sales	(1,753.4)	(1,626.4)
Gross profit	762.5	697.9
Other operating expenses	(382.7)	(359.9)
Exceptional items	(20.6)	(54.5)
Operating profit	359.2	283.5
Finance income	4.7	2.5
Finance costs	(68.4)	(75.7)
Net financing costs	(63.7)	(73.2)
Profit before tax	295.5	210.3
Taxation	(70.4)	(56.7)
Profit for the period	225.1	153.6
Attributable to:		
Equity owners of the parent	225.2	154.0
Non-controlling interests	(0.1)	(0.4)
	225.1	153.6
Basic earnings per share in €	1.16	0.80
Diluted earnings per share in €	1.14	0.78

Nomad Foods Limited As Reported
Statements of Financial Position
As at December 31, 2020 (audited) and December 31, 2019 (audited)

	As at December 31, 2020	As at December 31, 2019
	€m	€m
Non-current assets		
Goodwill	1,938.0	1,862.9
Intangibles	2,114.1	2,083.1
Property, plant and equipment	422.2	422.4
Other non-current assets	1.1	1.9
Derivative financial instruments	17.2	17.5
Deferred tax assets	113.5	96.4
Total non-current assets	4,606.1	4,484.2
Current assets		
Cash and cash equivalents	393.2	826.1
Inventories	343.2	323.2
Trade and other receivables	185.0	206.7
Indemnification assets	15.4	35.4
Short-term investments	25.0	25.0
Derivative financial instruments	5.5	3.9
Total current assets	967.3	1,420.3
Total assets	5,573.4	5,904.5
Current liabilities		
Trade and other payables	646.4	525.2
Current tax payable	166.2	217.2
Provisions	45.7	40.9
Loans and borrowings	22.5	27.7
Derivative financial instruments	35.5	12.1
Total current liabilities	916.3	823.1
Non-current liabilities		
Loans and borrowings	1,736.3	1,847.6
Employee benefits	276.2	237.5
Other non-current liabilities	2.2	2.7
Provisions	6.1	5.9
Derivative financial instruments	89.5	32.8
Deferred tax liabilities	420.7	398.2
Total non-current liabilities	2,531.0	2,524.7
Total liabilities	3,447.3	3,347.8
Net assets	2,126.1	2,556.7
Equity attributable to equity holders		
Share capital and capital reserve	1,620.5	2,095.4
Share based compensation reserve	8.3	22.6
Founder Preferred Share Dividend reserve	245.5	370.1
Translation reserve	84.7	94.8
Cash flow hedging reserve	(24.5)	(13.2)
Retained earnings/(accumulated deficit reserve)	191.6	(11.8)
Equity attributable to owners of the parent	2,126.1	2,557.9
Non-controlling interests	—	(1.2)
Total equity	2,126.1	2,556.7

Nomad Foods Limited As Reported
Statements of Cash Flows (audited)

For the year ended December 31, 2020 and the year ended December 31, 2019

	For the Year ended December 31, 2020	For the Year ended December 31, 2019
	€m	€m
Cash flows from operating activities		
Profit for the period	225.1	153.6
Adjustments for:		
Exceptional items	20.6	54.5
Non-cash fair value purchase price adjustment of inventory	—	—
Share based payment expense	9.0	14.9
Depreciation and amortization	67.6	68.3
Loss on disposal and impairment of property, plant and equipment	0.9	0.6
Net finance costs	63.7	73.2
Taxation	70.4	56.7
Operating cash flow before changes in working capital, provisions and exceptional items	457.3	421.8
(Increase)/decrease in inventories	(12.7)	23.5
Increase in trade and other receivables	(1.8)	(34.4)
Increase/(decrease) in trade and other payables	107.2	(40.6)
Increase in employee benefits and other provisions	2.0	6.6
Cash generated from operations before tax and exceptional items	552.0	376.9
Cash flows relating to exceptional items	(12.1)	(15.9)
Tax paid	(82.9)	(45.6)
Net cash generated from operating activities	457.0	315.4
Cash flows from investing activities		
Business combinations, net of cash acquired	(112.9)	(1.5)
Purchase of property, plant and equipment and intangibles	(58.7)	(47.3)
Purchase of investments	(25.0)	(25.0)
Redemption of investments	25.2	—
Cash used in investing activities	(171.4)	(73.8)
Cash flows from financing activities		
Proceeds from issuance of Ordinary Shares	0.6	354.1
Share issuance costs	—	(11.1)
Repurchase of ordinary shares	(608.6)	—
Payments related to shares withheld for tax	(19.2)	—
Proceeds from new loans and notes	—	2.0
Repayment of loan principal	(11.7)	(22.2)
Payment of lease liabilities	(20.3)	(21.8)
Interest paid	(50.2)	(48.4)
Interest received	0.7	2.4
Other financing cash flows	(6.1)	(3.6)
Net cash (used in)/provided by financing activities	(714.8)	251.4
Net (decrease)/increase in cash and cash equivalents	(429.2)	493.0
Cash and cash equivalents at beginning of period	824.8	327.6
Effect of exchange rate fluctuations	(13.1)	4.2
Cash and cash equivalents at end of period*	382.5	824.8

*Cash and cash equivalents includes bank overdrafts of €10.7 million for the year ended December 31, 2020 (2019: €1.3 million).

Nomad Foods Limited
Reconciliation of Non-IFRS Financial Measures
(In € millions, except per share data)

The following table reconciles adjusted financial information for the three months ended December 31, 2020 to the reported results of Nomad Foods for such period.

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.

Nomad Foods Limited
Reconciliation of Non-IFRS Financial Measures (continued)

The following table reconciles EBITDA and Adjusted EBITDA for the three months ended December 31, 2020 to the reported results of Nomad Foods for such period.

EBITDA and Adjusted EBITDA (unaudited)
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:	
<i>Goodfella's Pizza & Aunt Bessie's integration Costs</i>	0.3 (a)
<i>Factory optimization</i>	2.4 (b)
<i>Brexit</i>	0.7 (c)
<i>Supply chain reconfiguration</i>	(12.5) (d)
<i>Findus Switzerland integration costs</i>	0.3 (e)
<i>Business Transformation Program</i>	2.3 (f)
<i>Settlement of legacy matters</i>	(0.2) (g)
Other Adjustments:	
<i>Other add-backs</i>	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.

Nomad Foods Limited
Reconciliation of Non-IFRS Financial Measures (continued)

The following table reconciles Adjusted financial information for the three months ended December 31, 2019 to the reported results of Nomad Foods for such period.

Adjusted Statements 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 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 charge 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 exchange 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.

Nomad Foods Limited
Reconciliation of Non-IFRS Financial Measures (continued)

The following table reconciles EBITDA and Adjusted EBITDA for the three months ended December 31, 2019 to the reported results of Nomad Foods for such period.

EBITDA and Adjusted EBITDA (unaudited)
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:	
<i>Brexit</i>	1.6 (a)
<i>Findus Group integration costs</i>	0.5 (b)
<i>Goodfella's Pizza & Aunt Bessie's integration costs</i>	3.8 (c)
<i>Factory optimization</i>	3.6 (d)
<i>Settlement of legacy matters</i>	(4.9) (e)
Other Adjustments:	
<i>Other add-backs</i>	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.

Nomad Foods Limited
Reconciliation of Non-IFRS Financial Measures (continued)

The following table reconciles adjusted financial information for the twelve months ended December 31, 2020 to the reported results of Nomad Foods for such period.

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.

Nomad Foods Limited
Reconciliation of Non-IFRS Financial Measures (continued)

The following table reconciles EBITDA and Adjusted EBITDA for the twelve months ended December 31, 2020 to the reported results of Nomad Foods for such period:

EBITDA and Adjusted EBITDA (unaudited)
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:	
<i>Findus Switzerland integration costs</i>	0.3 (a)
<i>Brexit</i>	1.6 (b)
<i>Supply chain reconfiguration</i>	(12.5) (c)
<i>Business Transformation Program</i>	2.3 (d)
<i>Goodfella's Pizza & Aunt Bessie's integration costs</i>	4.0 (e)
<i>Factory optimization</i>	10.0 (f)
<i>Settlement of legacy matters</i>	(2.9) (g)
<i>Release of indemnification assets</i>	17.8 (h)
Other Adjustments:	
<i>Other add-backs</i>	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.

Nomad Foods Limited
Reconciliation of Non-IFRS Financial Measures (continued)

The following table reconciles Adjusted financial information for the twelve months ended December 31, 2019 to the reported results of Nomad Foods for such period.

Adjusted Statements 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 charge 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.

Nomad Foods Limited
Reconciliation of Non-IFRS Financial Measures (continued)

The following table reconciles EBITDA and Adjusted EBITDA for the twelve months ended December 31, 2019 to the reported results of Nomad Foods for such period:

EBITDA and Adjusted EBITDA (unaudited)
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:	
<i>Brexit</i>	1.6 (a)
<i>Supply chain reconfiguration</i>	(3.6) (b)
<i>Findus Group integration costs</i>	3.5 (c)
<i>Goodfella's Pizza & Aunt Bessie's integration costs</i>	12.5 (d)
<i>Factory optimization</i>	5.7 (e)
<i>Release of indemnification assets</i>	44.0 (f)
<i>Settlement of legacy matters</i>	(9.2) (g)
<i>Other Adjustments:</i>	
<i>Other add-backs</i>	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.

Nomad Foods Limited
Adjusted Financial Information (continued)

Appendix 1: Reconciliation from reported to organic revenue growth

Year on Year Growth - December 31, 2020 compared with December 31, 2019:

	Three Months Ended December 31, 2020 YoY Growth	Twelve Months Ended December 31, 2020 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.

Forward-Looking Statements

Forward-Looking Statements and Disclaimers

Certain statements in this announcement are forward-looking statements which 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 (v) expectations regarding the Company's future operating and financial performance, including its guidance with respect to 2021 organic revenue growth, Adjusted EBITDA and Adjusted EPS. 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.

No Offer or Solicitation

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