

CRANSWICK PLC IS A LEADING AND INNOVATIVE BRITISH SUPPLIER OF PREMIUM, FRESH AND ADDED VALUE FOOD PRODUCTS WITH ANNUAL REVENUES IN EXCESS OF £1.2 BILLION.

Our core market is the United Kingdom where we provide a range of high quality, predominantly fresh products including Fresh Pork, Convenience, Gourmet Products and Poultry.

**HIGHLIGHTS\***

	FY17	FY16	Change
Revenue (£m)	1,245.1	1,016.3	+22.5%
Adjusted profit before tax (£m)	75.5	64.4	+17.2%
Adjusted earnings per share (p)	120.9	102.8	+17.6%
Dividend per share (p)	44.1	37.5	+17.6%
Free cash flow (£m)	72.4	83.4	-13.2%
Net (debt)/funds (£m)	(11.0)	17.8	-£28.8m

**10 YEAR RECORD\*** Compound annual growth rates to 31 March 2017

9.3%<sub>pa</sub>

REVENUE

8.7%<sub>pa</sub>

ADJUSTED PROFIT BEFORE TAX

9.2%<sub>pa</sub>

ADJUSTED EARNINGS PER SHARE

9.3%<sub>pa</sub>

DIVIDEND PER SHARE

**VERTICAL INTEGRATION: FARM TO FORK**

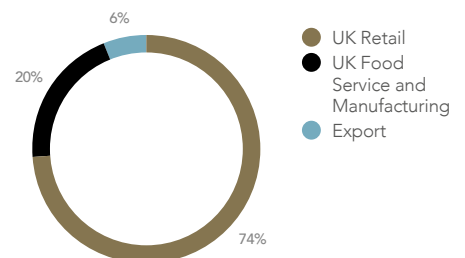


**OUR KEY CUSTOMERS**

AROUND THREE QUARTERS OF OUR REVENUES COME FROM OUR RETAIL CUSTOMERS, PRIMARILY THROUGH THEIR OWN-LABEL PRODUCTS PARTICULARLY WITHIN PREMIUM AND SUPER-PREMIUM CATEGORIES.

We have a broad retail customer base selling our products into each of the top four UK multiple grocers as well as the growing premium grocery and discounter channels. We have a strong presence in the 'food to go' sector and we have a clear, targeted strategy to build long-term relationships in this fast developing market. Food service continues to be a growth sector for us, with many of our products listed by UK hotel, pub and food service outlet chains. We also have a rapidly growing export business with Far Eastern markets being particularly important.

**Customer profile (FY17) % of group revenue\***



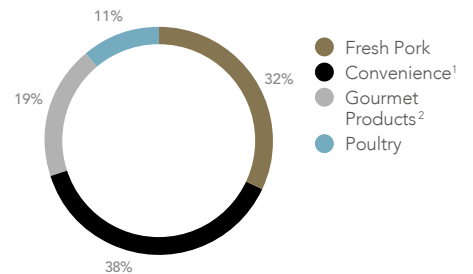
**OUR PRODUCTS & LOCATIONS**

We have grown through targeted acquisitions and organic growth. We now operate from fifteen well invested, highly efficient production facilities across the UK, with a workforce of over 9,000 people.



- 1 Handmade Pastry Malton
- 2 3 Fresh Pork Hull
- 4 Cooked Meats Hull
- 5 Gourmet Sausages & Burgers Hull
- 6 Premium Cooked Poultry Hull
- 7 Traditional Bacon and Gammon Sherburn
- 8 9 Continental Products Manchester
- 10 Cooked Meats Barnsley
- 11 Fresh Pork & Sausages Norfolk
- 12 Cooked Meats Milton Keynes
- 13 Feed Milling Norfolk
- 14 Fresh Chicken Suffolk
- 15 Fresh Pork Ballymena
- Agriculture

**Product profile (FY17) % of group revenue\***



1 Cooked Meats, Continental Products and Ingredients.  
2 Pastry, Sausages and Burgers, Bacon and Gammon.



\* Continuing operations

## OUR STRATEGIC PILLARS

### HIGH QUALITY PRODUCTS



The production of high quality products, which are safely produced in technically and legally compliant facilities, is central to everything we do.

### OPERATING EXCELLENCE



Continued investment ensures that our factories are some of the most efficient food production facilities in the UK.

### SALES GROWTH



Our long-term sales growth strategy is to consolidate existing market positions, develop new products and channels, and grow our international operations and customer base. Organic growth initiatives are complemented by targeted acquisitions.

### SUSTAINABILITY



We invest heavily to secure our supply chains and provide career opportunities to our employees, and these investments provide confidence that we have a sustainable business in the longer term.

## OUR MARKETS

The UK food market has undergone significant changes in recent years. Our diverse product portfolio, wide ranging customer base and excellent product innovation skills ensure we are able to respond to these changes and deliver great tasting, superior quality products of the highest integrity to meet our customers' needs.

### RETAIL, CONVENIENCE AND ONLINE


We continue to focus on the super-premium and premium products within our range, to meet the needs of consumers looking for quick, easy, healthy and tasty meal solutions as well as inspiration from added-value ranges for convenience. Our recent acquisitions of Crown Chicken and Ballymena have further secured our supply chain of both pork and chicken, enabling us to agree a number of long-term contracts with the Big Four supermarkets.

### EATING OUT OF HOME

Recent poultry acquisitions have extended our coverage within the expanding 'food to go' sector. Our dedicated team of development chefs continue to develop innovative product solutions, including slow cook and sous vide. We also have a growing range of healthy eating products within our categories.


### EXPORT

There continues to be a supply/demand imbalance across global markets, with China consuming over half of all pig meat produced worldwide. Currently, the weaker value of Sterling makes UK exports more competitive, with higher welfare commanding a price premium on UK products. Our dedicated China business manager continues to work to grow our Far East exports, to maximise the value of all cuts. US demand for ribs continues to deliver a price premium, and we have invested heavily in our Norfolk facility with a view to obtaining USDA approval for export. Our Ballymena acquisition will also help drive further export growth.

 For more information on our markets download the Annual Report at [www.cranswick.plc.uk/investors/report-accounts](http://www.cranswick.plc.uk/investors/report-accounts)

## BOARD OF DIRECTORS

**Martin Davey** Chairman  
**Adam Couch** Chief Executive  
**Mark Bottomley** Finance Director  
**Jim Brisby** Commercial Director  
**Steven Esom** Non-Executive Director  
**Mark Reckitt** Non-Executive Director  
**Kate Allum** Non-Executive Director

 For more information on the Board of Directors go to [www.cranswick.plc.uk/corporate-governance/board-directors](http://www.cranswick.plc.uk/corporate-governance/board-directors)

## CONTACT US

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## OUR SALES GROWTH STRATEGY

### DRIVING THE CORE

#### *Consolidation of existing market positions*

We have, for many years, invested heavily in our infrastructure to ensure we have some of the most efficient and safe production facilities in the UK food manufacturing sector. This, together with our focus on supply chains and the recent acquisition of Dunbia's fresh pork operation in Ballymena, Northern Ireland enables us to sustain meaningful top-line growth and supports the development of long-term contracts with our key retail customers.

### EXPANDING OUR OFFER

#### *Developing new products and channels*

Our recent move into the fast growing premium fresh and cooked poultry market has enabled us to further diversify our product range and customer base. Following completion of a £9 million investment programme at our Hull facility and the acquisition of Crown, we now have the capacity and capability to offer premium cooked poultry, sourced from our own internal supply chain, to our principal retail customers. We have also invested in 'sous vide' cooking technology across our Convenience business to enable us to develop a range of products ideally suited to the rapidly developing 'ready to cook' and convenience market.

### SEEKING NEW OPPORTUNITIES

#### *Growing our international operations and customer base*

We continue to make positive progress in developing our export business. We now export to a number of countries in the Far East, albeit China, the world's largest pork producer and consumer, remains our most important market. The recent Ballymena acquisition not only adds scale to our UK pork business but also provides more product for our international export trade. Substantial investment at our Norfolk site supports our objective of securing USDA accreditation for the facility.

