

21 August 2025

Premier Foods plc (the "Company" or the "Group")

Acquisition of Merchant Gourmet

Premier Foods today announces it has agreed to acquire Merchant Gourmet, a premium, healthy, convenient meals brand, as the Group continues to deliver against its growth strategy of acquiring brands where it can add value and deliver further growth.

Strategic highlights & opportunities

- Premium and healthy branded ready-to-eat pulses and grains, microwaveable rice and meals in minutes
- Market leading positions in pulses and grains, with a strong track record of profitable sales growth
- Broad consumer base, exceptionally strong repeat rates and established track record of new category expansion
- Highly complementary to Premier Foods' portfolio and aligned to the Group's acquisition strategy
- Group expects to unlock significant value through leveraging its proven branded growth model

Alex Whitehouse, Chief Executive Officer

"We're very pleased to have agreed the acquisition of Merchant Gourmet, which meets the growing demand for premium, healthy and convenient meal options. Replicating the success of our previous two acquisitions, The Spice Tailor and FUEL10K, we will be deploying our proven branded growth model; expanding retailer distribution, accelerating new product development, and increasing marketing investment to unlock further profitable growth for the brand. Merchant Gourmet expands our category presence, complementing our already strong brand portfolio, and we look forward to welcoming the team to Premier Foods."

Richard Peake, Managing Director, Merchant Gourmet

"Merchant Gourmet has always been about creating great-tasting, premium, healthy food that anyone can enjoy. Over the last few years, our team have worked incredibly hard, delivering double digit revenue growth and demonstrating huge success in entering new categories and new markets. Finding the best home for both Merchant Gourmet and our valued team is something we have thought carefully about, and we believe Premier Foods is the right partner to match our ambition. They understand where we've come from, they respect what makes our brand special, and we're excited to continue innovating boldly and inspiring people to fall in love with simple, good food."

Transaction details

- Premier Foods will acquire 100% of Merchant Gourmet¹ for an Enterprise Value of £48.0m on a cash and debt free basis
- Revenues of c.£28m² with strong double-digit growth over last two years
- Valuation implies a high single-digit EV/EBITDA multiple³ and is expected to be earnings accretive⁴ in first full year of ownership
- Transaction expected to complete on 1 September 2025

Further information on the transaction can be found in an investor presentation on our website at www.premierfoods.co.uk/results-centre/

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About Premier Foods

As one of Britain's largest food producers, we're passionate about food and believe each and every day we have the opportunity to enrich life for everyone. Premier Foods employs over 4,000 people operating from 13 sites across the

country, supplying a range of retail, wholesale, foodservice and other customers with our iconic brands which feature in millions of homes every day.

Through some of the nation's best-loved brands, including *Ambrosia*, *Batchelors*, *Bisto*, *Loyd Grossman*, *Mr Kipling*, *Oxo* and *Sharwood's*, we're creating great tasting products that contribute to healthy and balanced diets, while committing to nurturing our people and our local communities, and going further in the pursuit of a healthier planet, in line with our Purpose of 'Enriching Life Through Food'.

About Merchant Gourmet

Merchant Gourmet, founded in 1995, was created to bring restaurant-quality ingredients into everyday home cooking. Driven by a passion for extraordinary flavour, quality, and simplicity, our mission is to make everyday meals more gourmet. Boasting a healthy range of lentils, wholegrains, chestnuts and mushrooms, Merchant Gourmet champions whole foods and real ingredients, offering products which are ready to eat in 90 seconds, or straight from the pouch.

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Notes to editors:

1. The Group will acquire 100% of the shares of Merchant Gourmet Holdings Limited on a cash and debt free basis from the founding shareholders.
2. Projected for year to 28 March 2026.
3. FY25 post expected synergies
4. Expected to be Adjusted earnings per share ("eps") accretive in first full year. Adjusted eps is defined as Adjusted profit after tax divided by the weighted average number of shares in the period. Adjusted profit after tax is defined as Adjusted profit before tax less a notional tax charge of 25.0%. Adjusted profit before tax is defined as Trading profit less net regular interest. Trading profit is defined as profit/(loss) before tax, before net finance costs, amortisation of acquired intangibles, fair value movements on foreign exchange and other derivative contracts, net interest on pensions and administration expenses. Net regular interest is defined as net finance cost after excluding write-off of financing costs, early redemption fees, other interest payable and other finance income.
5. All Merchant Gourmet products are supplied through third party manufacturing arrangements
6. Merchant Gourmet has 25 employees, all of whom are expected to transfer to Premier Foods
7. There are no further conditions to be fulfilled post completion of the transaction
8. There is no deferred consideration payable associated with the transaction

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