

Belgium-based produce company Greenyard has estimated the total cost of a recent recall of frozen vegetable products linked to a deadly listeria outbreak to be €30 million (US\$35 million).

Two weeks ago the company recalled products produced at its Hungarian plant between August 2016 and 20 June 2018, following a decision taken by the Hungarian Food Safety Agency on June 29.



Greenyard vegetables listeria outbreak

The European Food Safety Authority (EFSA) recently said that as of 15 June 2018, 47 cases including nine deaths had been reported.

Greenyard has emphasized that "further investigation on the causal medical link between the above cases and the contamination in the production facility is required."

On Tuesday, the company said it wasn't possible to give an accurate assessment of the total financial impact of the outbreak and ongoing recall, but it gave some initial estimates.

After insurance, Greenyard estimates total costs to be €30 million, including estimated costs for the product, transport, handling, storage, destruction, subcontracting, lower cost absorption of the factory and loss of margin.

It estimated one-third of that amount would have a balance sheet impact, while the remaining two thirds would have a cash impact.

The company's share price fell by as much as 30 percent when the stock market opened on Monday, [The Brussels Times](#) reported.

Trade in the Greenyard share resumed on Monday morning, opening at 8 euro, it said. In the afternoon the stock even dropped to 7.5 euro: a loss of 35 percent. The publication reported the share is at its lowest level since the summer of 2012.

However, the share price recovered slightly on Tuesday.

The company has now closed the Hungary plant and has been conducting an investigation into the root cause of the contamination.

"We believe to be making good progress in finding the root cause and are awaiting further test outcomes," it said.

It added: "Greenyard understands that questions have been raised and we underline that we take the matter very serious [sic]."

"We have taken all necessary measures to preserve food safety and we are committed to inform [sic] the market as the matter evolves and more information becomes available."