Greenyard sees "insufficient room for standalone profitable growth in a mature market that is also under pressure from Brexit and supply chain disruptions" and as a result, has decided to sell its UK Fresh operations.

In a financial report, Greenyard stated that it “has decided to divest its UK Fresh operations in the coming months”. The move follows the divestiture of Greenyard Prepared Netherlands and Bardsley Fruit Enterprises Ltd in the 2021/22 assessment year.

However, the company emphasized that it “fully commits to its Frozen activities in the UK, in the Long Fresh segment, where it has a leading position” and assured that its disappearance from the UK market will have “no material impact on the company’s financial ambitions”.

With regards to its financial results this year, Greenyard increased its profitability. The Group reported a net result from continuing operations of €16,9 million compared to €1,2 million for the same period last year.

In addition, sales increased by 1.4 percent (€62 million) on top of last year’s high single-digit sales growth from approximately €4,300 million to €4,362 million. Net financial debt also saw improvements, materially decreasing by €36 million from € 340 million to € 304 million.

This result was achieved thanks to strong operational cash generation, also helped by lower interest payments and proceeds from disposals. Other contributors included the non-core disposals of Greenyard Prepared Netherlands and Bardsley Fruit Enterprises in July 2021.

Adjusted EBITDA increased from €157 million to €167 million, up nearly €10 million (6.1 percent) in a highly volatile market and during unseen macro-economic circumstances.

Notably, the Fresh segment also managed to improve its Adjusted EBITDA margin from 2,6 percent to 2,8 percent, despite the challenging economic context influenced by COVID-19, supply chain and labor market disruptions, as well as rising inflation levels.

Furthermore, like-for-like Fresh sales increased by 0.7 percent year-on-year and reported Fresh sales went up by 0.4 percent.

Stable sales and the Group’s growth and profit improvement initiatives, as well as strong performances on joint incentive programs within the integrated customer relationships helped to improve profitability. They proved to be very robust in today’s volatile economic environment.

To conclude, the Group said it was “confident” that it will achieve its ambition to reach €5 billion in sales and €200-210 million in Adjusted EBITDA by March 2025, despite very challenging current and prospective market conditions.