

The international marketing magazine for fresh produce buyers in Europe



By Carl Collen

Tuesday 16th June 2020, 9:11 GMT

Greenyard 'returns to financial health'



In its full-year results, the group highlights the success of its transformation plan

Greenyard has reported on its results for the fiscal year 2019/20, outlining how its transformation plan has helped it recover its financial health.

In its financial report, the company emphasised how it had 'meticulously implemented' its transformation plan since the start of the fiscal year, based on the three pillars of the revitalisation of its commercial relationships, the improvement of its operational excellence, and the rationalisation of its footprint.

Sales for the year climbed 3.8 per cent year-on-year, up to €4.061bn, while adjusted EBITDA landed in the upper end of Greenyard's initial guidance, rising 48.4 per cent to €95.7m.

In addition, it was noted that the Covid-19 outbreak had contributed €1.5m to €2m in the last weeks of the financial year, an impact limited by the 'significant extra costs' incurred to secure sourcing and operations.

The group's net result from continuing operations was a loss of €68m, an

improvement on the €192m loss recorded in the previous year.

"We live in turbulent times," said co-chief executive Hein Deprez. "Our society and our customer landscape has changed. Also, our company has changed. This change was needed and will gear us up for the future.

"The way we have responded to the challenge of securing the food supply chain during the Covid-19 quarantine period, clearly demonstrates Greenyard's strength and relevance," he continued. "Therefore, I am grateful for the resilience and hard work of all our colleagues in order to regain our position in the market and increasingly earn the confidence of our customers, growers and suppliers."

The company's fresh segment saw sales up 2.3 per cent to €3.263bn, mainly thanks to the revitalisation of commercial relationships and the ramping up of partnerships in the second half of the fiscal year.

Adjusted EBITDA in the fresh segment soared by 73.9 per cent year-on-year, up to €43.4m.

In its overall outlook, Greenyard said that, based on current expectations, it expected an adjusted EBITDA for the next fiscal year to fall between €100m and €105m.

"This fiscal year started just after the announcement of the transformation plan, followed by the strong implementation thereof," noted co-chief executive Marc Zwaaneveld. "It was paramount to install an agile organisation with a continuous improvement culture.

"From the start, the transformation plan showed an untapped efficiency and profitability potential," he added. "Throughout the year, the recovery continued and exceeded expectations. Greenyard is on its way to regain financial health and will be ready for sustainable growth."

<http://www.fruitnet.com/americafruit/article/1474/parts-of-san-diego-quarantined-as-psyllid-count-mounts>

© Copyright Market Intelligence Ltd - Fruitnet.com 2014. The copyright on this article and all content published on Market Intelligence Ltd - Fruitnet.com is held by Market Intelligence Ltd - Fruitnet.com Limited, a joint venture between Market Intelligence Limited and Dr Rolf M Wolf Media GmbH. All rights reserved. Neither this article nor any part of it may be reproduced, stored or transmitted in any form, including print-outs, screen grabs and information retrieval systems, without the prior permission of the copyright owners.

FRUITNET.COM