

# Premier foods

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## Mr Kipling maker Premier Foods appoints new chair and CEO

The heavily-indebted maker of Mr Kipling cakes, Premier Foods PLC (LON:PFD), has appointed a new chairman and chief executive with immediate effect.

Colin Day, the former finance boss of Reckitt Benckiser PLC (LON:RB.) who also sits on the board of aerospace engineer Meggitt PLC (LON:MGTT), was widely reported to be Premier's number-one target.

**READ:** Premier Foods expects slower first half after Mr Kipling sales boost 2019 profit

His appointment comes after the surprise resignation of Keith Hamill this summer, who stepped down as chair after less than two years.

Joining Day at the top table is new chief executive Alex Whitehouse, who has been promoted from his previous role as UK managing director.

Whitehouse is replacing Alastair Murray, Premier's ex-finance chief who has been acting as CEO for the past seven months following the departure of Gavin Darby who left in January.

"I am delighted that Colin Day is joining the company as chairman, a role to which he will bring extensive experience at a pivotal time in the company's history," said independent director Richard Hodgson.

"We are also very pleased that Alex Whitehouse, who has led the successful turnaround of our UK business, has accepted the role of group CEO."

### Huge debts

Whitehouse and Day take up their new positions at a difficult time for Ambrosia custard maker Premier.

It has come under pressure from two activist investors, Oasis and Paulson, who have been critical of management's "lack of strategy".

The company, now valued at under £290mln, also has net debts of almost £500mln, which, along with a large pension deficit, have proved a burden.

A strategic review aimed at unlocking shareholder value was launched earlier this year, but little has emerged from that so far.

### Shares well below McCormick offer

Bosses abandoned a sale of the Ambrosia brand back in February citing poor market conditions.

Long-suffering investors have never forgiven the company, and its ex-CEO Darby, after a 60p-a-share takeover offer from US food maker McCormick was rejected three years ago. Since then, the shares have drifted to barely half that.

**Price:** 84.2

**Market Cap:** £715.59 m

### 1 Year Share Price Graph



September 2019 March 2020 September 2020

### Share Information

**Code:** PFD

**Listing:** LSE

**52 week High Low**  
96.214 17.86

**Sector:** Food & drink

**Website:** www.premierfoods.co.uk

### Company Synopsis:

Premier Foods manufactures a range of branded and own-label products across many food categories. Premier's principal markets are the United Kingdom's major food retailers, wholesalers and convenience stores, foodservice customers and food manufacturers.

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Premier shares were up 0.5% to 33.2p on Friday morning.

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