c&c group plc

INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 AUGUST 2024

Earnings in line and on track to meet full year expectations
Reconfirm commitment to returning €150m to shareholders over the next three years

29 October 2024 | C&C Group plc ('C&C' or the 'Group'), a leading, vertically integrated premium drinks company which manufactures, markets and distributes branded beer, cider, wine, spirits and soft drinks across the UK and Ireland announces results for the six months ended 31 August 2024 ('HY2025'). The Group's portfolio includes market-leading brands such as Tennent's, the #1 beer brand in Scotland, Bulmers the #1 cider brand in Ireland, as well as a growing collection of curated premium craft beers and ciders, together with Matthew Clark and Bibendum ('MCB'), the leading distributor to the UK hospitality sector.

FINANCIAL HIGHLIGHTS

C&C is pleased to report results in line with expectations despite poor summer weather and subdued market conditions in HY2025.

- Overall marginal net revenue decline of -3%[i] reflecting the disposal of our non-core soft drinks business in Ireland, lower contract brewing volumes and softer cider volumes in GB.
- Encouraging net revenue growth of +2%[ii] in Matthew Clark & Bibendum demonstrating customer recovery and growth momentum in our distribution channel.
- Underlying Group operating profit before exceptional items increased +29% (+€9.1m) to €40.3m in HY2025[iii].
- Operating margins improve to 4.7% with initiatives to drive group wide efficiencies underway and progressing well.
- Continued balance sheet strength with leverage ratio of 1.1x[iv] and improvement in free cashflow generation.

OPERATING HIGHLIGHTS

- Core brands Tennent's and Bulmers gain on-trade market share[vi] further cementing market-leading positions.
- Premium brands delivered double-digit revenue growth with Menabrea +17% and Orchard Pig +20%.
- MCB August customer numbers +10%[v] year on year with high customer retention levels.
- Distribution service levels consistently high, >97% deliveries made On Time and >95% delivered In Full[vii]; transition to a new state-of the-art depot facility at Orbital West, London facilitating subsequent service level improvements.

OUTLOOK & CAPITAL RETURNS

- On track to achieve €80m operating profit for FY2025 with cost efficiencies in H1 to further enhance margins in H2.
- We retain a target of €100m operating profit in FY2027.
- Interim dividend of 2.00c (HY2024: 1.89c) up 6% vs prior year, demonstrating commitment to a progressive dividend policy.
- Share buybacks and dividends announced to date represent €38m of our commitment to return a minimum of €150m to shareholders over the next three years.
- Appointed Feargal O'Rourke (15 August 2024) and Sanjay Nakra (19 September 2024) as Non-Executive Directors.
- The recruitment process for a new CEO is underway.

FINANCIAL KPIs

€m	HY2025	HY2024 Previously Published	vs HY2024 Previously Published	*HY2024 Restated**	*vs HY2024 Restated*
Net Revenue	**861.4**	886.9	(25.5)	*879.1*	*(17.7)*
Adjusted EBITDA	**57.0**	46.6	10.4	*54.1*	*2.9*
Operating Profit before Exceptional Items	**40.3**	31.2	9.1	*38.7*	*1.6*
Operating Margin	***4.7%***	*3.5%*	*+1.2 ppts*	*4.4%*	*+0.3 ppts*
Profit Before Tax	**28.6**	21.4	7.2	*28.9*	*(0.3)*
Basic Earnings per Share	**3.3c**	3.2c	0.1c	*4.7c*	*(1.4c)*
Adj. Earnings per Share	**5.9c**	4.0c	1.9c	*5.7c*	*+0.2c*
Free cash flow (excluding exceptionals)	**19.4**	0.7	18.7	*0.7*	*18.7*
Net Debt (including leases)	**203**	190	13	*193*	*10*
Net Debt (excluding leases)	**81**	108	(27)	*107*	*(26)*
Net Debt / Adj. EBITDA (excluding leases)	**1.1x**	1.6x	(0.5x)	*1.5x*	*(0.4x)*

Constant currency basis

** As previously reported in June 2024, the Group identified a number of accounting errors which have resulted in the restatement of results for the 31 August 2023 (HY2024) reporting period. The net result of these restatements has been the reallocation of €7.6m of operating profit from H2 to H1 in FY2024. Further details of this are provided in Note 15.*

Ralph Findlay, Chair and Chief Executive Officer, commented:

"I am pleased to report earnings in-line with expectations in HY2025 as we rebuild performance and momentum within the business. Despite unfavourable summer weather, our brands demonstrated inherent appeal and resilience with both Tennent's and Bulmers growing market share and Menabrea and Orchard Pig achieving double digit revenue growth.

I am also encouraged that we achieved significant growth in distribution in Matthew Clark and Bibendum with customer numbers in August +10% vs the prior year. We continue to make improvements with regards to customer service, which underpins our customer acquisition strategy.

As we enter the busy Christmas and New Year trading period, we are committed to delivering outstanding service, winning customers, continuing to simplify the business and to further improve operating efficiency."

ENDS

Notes to Highlights

[i] *-3% vs previously published net revenue on constant currency basis, -2% vs restated net revenue on constant currency basis.*
[ii] *+2% vs previously stated net revenues on constancy currency basis*
[iii] *+29% vs previously published operating profit on constant currency basis, +4% vs restated operating profit on constant currency basis*
[iv] *Net Debt / Adjusted EBITDA post-IFRS 16*
[v] *England & Wales on trade delivered outlets Aug-24 vs Aug-23*
[vii] *CGA Scotland On Trade Beer 28 w/e 07.09.24, CGA Ireland Total Cider On Trade 26 w/3 31.08.24*
[viii] *On-Time and On-Time In-Full Metrics from 1.03.24 – 31.08.24*

OPERATING REVIEW

BRANDED

Branded business revenue declined 9.1% in the period to €172.3m. This reflects a stable performance from our core brands and growth in our premium brand portfolio, offset by decline in the GB cider portfolio and lower contract manufacturing volume. Operating profit was €26.1m up +1.1% year on year against previously published results and down 30% against the restated comparator which reallocated profit from H2 to H1 (see note 15).

€m **Constant currency**	**HY2025**	**HY2024 Previously Published**	**vs HY2024 Previously Published**	***HY2024 Restated***	***vs HY2024 Restated***
Net revenue	**172.3**	**189.5**	**-9.1%**	*181.7*	*-5.2%*
- Price / mix impact	16.2				
- Volume impact	(33.4)				
Operating profit	**26.1**	**25.8**	**1.1%**	*37.3*	*-30%*
Operating Margin	*15.1%*	*13.6%*	*+1.5 ppts*	*20.6%*	*(5.4 ppts)*

GB

Tennent's markedly outperformed total beer performance in the on-trade channel, increasing market share by a further 5ppts in the latest 12-week summer period[i] to 10 August 2024. Tennent's net revenues were broadly flat in the period with pricing offsetting a volume decline of 7%. Brand investment in the period centred on the Euro 2024 football tournament, leveraging Tennent's sponsorship of the Scottish FA team. Despite positive share gains for the brand, overall beer consumption in Scotland declined over the latest 12-week period, with volumes in the on trade -9.3%. Whilst the inclement weather undoubtedly impacted beer consumption, the 200,000 Scottish fans who travelled to Germany[ii] will also have had a temporary impact on the market.

From 1 January 2025, we will reassume control and distribution of Magners and our wider cider portfolio in Great Britain as part of a wider reorganisation of our trading relationship with BBG. This will provide us with the opportunity to strengthen cider brand performance as we plan to stabilise and enhance performance. Magners volumes have remained under pressure in the period, down 10%, with the lack of sunshine in the summer months influencing cider consumption in GB, particularly in the off-trade channel where total cider volumes are -8.5%[iii] in the most recent 12-week period.

Our premium brands delivered significant revenue growth in the period, with Menabrea +17% and Orchard Pig +20%. Development of these brands, particularly in England and Wales, remains a strategic focus for the business, with the white-space opportunity representing meaningful value growth. Accordingly, we are currently increasing investment in these brands as we seek to capitalise on growth in the premium segment of the market.

Ireland

Bulmers net revenues in the period were -3.5%. As in GB, the summer weather in Ireland was poor and affected total cider market volumes, with both on and off trade volumes in decline at -13.5% and -8.1% respectively in the latest 12-weeks[iv]. Positively, Bulmers has offset some of the category declines with share gains in HY2025 in the on-trade[v].

Operational

As part of our objective to streamline and simplify business operations, we disposed of our soft drinks business in the period by way of a management buy-out. This portfolio was becoming increasingly peripheral to our strategic ambitions and presented an opportunity to remove complexity from our network.

DISTRIBUTION

Performance in Distribution has been encouraging in HY2025 with recovery in GB following last year's ERP disruption. Ongoing commitment to improving customer service and experience underpins our customer acquisition strategy. Volume performance was influenced by category mix changes as consumers gravitated towards beer at the expense of higher margin categories including wines and spirits. Despite this, operating profit margins improved in the first half as we rebuild towards a 3.5% target.

€m **Constant currency**	**HY2025**	**HY2024 Previously Published**	**vs HY2024 Previously Published**	***HY2024 Restated***	***vs HY2024 Restated***
Net revenue	**689.1**	**697.4**	**(1.2%)**	***697.4***	***(1.2%)***
- Price / mix impact	(41.7)				
- Volume impact	33.5				
Operating profit	**14.3**	**5.4**	**164%**	***1.4***	***952%***
Operating Margin	*2.1%*	*0.8%*	*+1.3 ppts*	*0.2%*	*+1.9 ppts*

GB

Net revenue of the GB distribution business was broadly flat year on year, reflecting sales mix changes offset by significant volume growth, as described above. We expect momentum to continue into the second half-year, underpinning our expectations for a more significant H2 weighting in terms of profit, supported by the cost efficiency actions, initiated in H1.

Matthew Clark and Bibendum customer numbers were +10% as at 31 August 2024, with high customer retention, customer gains and expansion of key customers such as Admiral Taverns contributing to this positive performance. While customer service is a major factor, product range is also important and in the first half-year we introduced the award-winning Sir Davis Whiskey by Beyoncé on an exclusive basis to the off trade in Scotland, demonstrating our outstanding distribution capability.

In the wider market GB on trade volumes were down 2.8% on an MAT basis, with declines in wine (-7.9%) and spirits (-10.7%) reflecting pressure on discretionary spend. Encouragingly, C&C outperformed the market with share of GB on trade volume up 0.7ppts on an MAT basis, and by 0.9% in the past 12-weeks (+0.9ppts)[vi.]

Ireland

Net revenue of the Ireland ("IOI") distribution business was down 6.5% with volumes down 10.1% driven primarily by the performance of Budweiser Brewing Group ("BBG") brands. As previously announced, we have reviewed our trading relationship with BBG such that we will transfer control and distribution of BBG's brands in the IOI off trade to BBG and reclaim control and distribution of our cider brands (including Magners) in England and Wales from January 2025. We will continue to supply BBG products exclusively in the on trade and to select customers in the off trade. We plan to reinvest in Magners in the second half, ready for the summer season and invigorate this brand back into growth.

Performance in our wines and spirits wholesale business have been good, with net revenues up 6% on modest volume growth of 2%. This is supported by the continued roll-out of our Bibendum range in the Republic of Ireland, including several 5-star hotels (Shelbourne Hotel - Dublin, Intercontinental Hotel - Dublin, and Dromoland Castle - Clare).

Operational

Optimisation and investment in our distribution infrastructure remains a critical component of our capital allocation framework and we were pleased to transition to our new, state-of-the-art Orbital West depot facility in London in February 2024. The move has supported a sustained improvement in services levels in HY2025. The 114k square feet site provides us with capacity to grow our customer base in the London area and beyond. In time, this depot will develop into our South network 'hub', allowing us to realise further working capital efficiencies through improved stock management.

CURRENT TRADING & OUTLOOK

Trading conditions remain tough, and sentiment regarding the UK autumn Budget (30 October 2024) has generated some consumer caution however, positively, we have well executed plans in place for the Christmas and New Year period, as well as encouraging trading momentum.

Furthermore, we look forward to regaining control of our cider portfolio in GB from January and are focused on investment plans and strategic initiatives to reinvigorate the Magners brand. More generally, we are focused on achieving our targets for the current financial year and generating value for our shareholders over the longer term.

About C&C Group plc

C&C Group plc is a leading, vertically integrated premium drinks company which manufactures, markets and distributes branded beer, cider, wine, spirits, and soft drinks across the UK and Ireland.

- C&C Group's portfolio of owned/exclusive brands include: Bulmers, the leading Irish cider brand; Tennent's, the leading Scottish beer brand; Magners the premium international cider brand; as well as a range of fast-growing, premium and craft ciders and beers, including Menabrea and Orchard Pig. C&C exports its Magners and Tennent's brands to over 40 countries worldwide.
- C&C Group has owned brand and contract manufacturing/packing operations in Co. Tipperary, Ireland and Glasgow, Scotland.
- C&C is the No.1 drinks distributor to the UK and Ireland hospitality sectors. Operating through the Matthew Clark, Bibendum, Tennent's and Bulmers Ireland brands, the Group has a market-leading range, scale and reach including an intimate understanding of the markets it serves. Together this provides a key route-to-market for major international beverage companies.

C&C Group is a FTSE 250 company headquartered in Dublin and is listed on the London Stock Exchange.

Notes to Operating Review

[i] Scotland On Trade CGA OPM, 12 w/e 10.08.24
[ii] www.bbc.com; www.thescottishsun.co.uk
[iii] CGA OPM (BWS) 12 w/e 10.08.24
[iv] ROI On Trade CGA OPM 12 w/e 31.08.24, ROI Off Trade CGA OPM 12 w/e 31.08.24
[v] CGA Ireland Total Cider On Trade 26 w/3 31.08.24
[vi] CGA OPM (BWS) 52 w/e 10.08.24; C&C GB distribution (BWS) 52 w/e 10.08.24

Note regarding forward-looking statements

This announcement includes forward-looking statements, including statements concerning current expectations about future financial performance and economic and market conditions which the Group believes are reasonable. However, these statements are neither promises nor guarantees, but are subject to risks and uncertainties, that could cause actual results to differ materially from those anticipated.

Certain figures contained in this announcement, including financial information, may have been subject to rounding adjustments and foreign currency conversions. Accordingly, in certain instances, the sum or percentage change of the numbers contained in this announcement may not conform exactly to the total figure given.

Webcast Details | Analysts & Institutional Investors
C&C Group plc will host a webcast for analysts and institutional investors, today, 29 October 2024, at 0830 hours. Please contact candccapmkts@instinctif.com for webcast joining details.

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Financial Review

A summary of results for the six months ended 31 August 2024 is set out in the table below:

	Period ended 31 August 2024(i)	Period ended 31 August 2023(i (Restated)	CC Period ended 31 August 2023(i)(ii) (Restated)
	€m	€m	€m
Net revenue	861.4	864.8	879.1
Operating profit	40.3	38.1	38.7
Net finance costs	(11.7)	(9.8)	
Profit before tax	28.6	28.3	
Income tax expense	(5.9)	(6.1)	
Profit for the financial period	22.7	22.2	
Basic EPS	3.3 cent	4.7 cent	
Adjusted basic EPS(vii)	5.9 cent	5.7 cent	
Diluted EPS	3.3 cent	4.6 cent	
Adjusted diluted EPS(iii)	5.9 cent	5.7 cent	

Net revenue decreased 0.4% on a reported basis or 2.0% on a constant currency basis to €861.4m. Revenue growth reflects gains in market share for Tennent's and Bulmers and strong growth in premium brands, together with customer expansion and improved service levels across the Group's Distribution business. The operating profit of the Group, before exceptional items, for the six-month period to 31 August 2024 was €40.3m compared to €38.1m in the prior period aided by the Group's Transformation programme driving efficiencies and improving productivity.

The Group maintains a robust liquidity(vi) position with available liquidity(vi) of €367.9m at 31 August 2024 (31 August 2023: €341.6m). The reported net debt: Adjusted EBITDA ratio was 2.1x. The Group's financial covenants are calculated on a pre-IFRS 16 basis, and the outcomes for these as at 31 August 2024 were net debt (excluding leases): Adjusted EBITDA ratio of 1.1x and an interest cover ratio of 4.6x.

Basic EPS has decreased by 29.8% compared to the same prior financial period, with adjusted diluted EPS increasing by 5.4%.

Prior year results have been restated as previously described in the Group's FY2024 Annual report published on 27 June 2024. These adjustments in aggregate represented an underlying operating profit adjustment credit of €7.6m before exceptional items and further detail is provided in Note 15 of these interim financial statements.

Finance costs, income tax and shareholder returns

Net finance charges before exceptional items of €11.7m (31 August 2023: €9.8m) were incurred in the six months ended 31 August 2024. Of the €11.7m net finance cost, €2.8m relates to the Group's debtor securitisation facility (31 August 2023: €2.3m), €1.9m relates to USPP notes (31 August 2023: €1.8m), €3.5m relates to the Group's main bank lending facilities (31 August 2023: €2.3m), €3.6m relates to lease interest (31 August 2023: €1.6m), €0.4m relates to amortisation of prepaid debt issue costs (31 August 2023: €0.9m) and (€0.5m) relates to other interest income (31 August 2023: €0.9m).

The Group also recorded a net €0.1m (31 August 2023: €0.9m) of exceptional finance costs which comprised €0.2m of costs associated with the interest discount impact on onerous contract provisions from prior periods, offset by €0.1m of income earned on the promissory notes which were a component of the consideration on disposal of the Group's US subsidiary, Vermont Hard Cider Company. In the period to 31 August 2023, exceptional finance charges of €1.0m were incurred directly associated with increased utilisation of the Group's debtor securitisation facility as a consequence of increased cash requirements from the impact associated with the ERP system implementation disruption in the Group's GB distribution business.

Income tax expense for the period, excluding the impact of exceptional items, was €5.9m (31 August 2023: €6.1m). The income tax credit with respect to exceptional items was €2.4m (31 August 2023: €1.0m). In line with IAS 34 Interim Financial Reporting the effective tax rate for the period ended 31 August 2024 was 21.3% (31 August 2023: 21.8%). The effective tax rate is influenced by several factors including the mix of profits and losses generated across the main geographic locations.

The Board declared a full and final dividend of 3.97 cent per ordinary share (2023: 3.79 cent per ordinary share) which was paid to shareholders on 23 August 2024 equating to a distribution of €13.4m (2023: €14.9m), all of which was paid in cash.

The Board has announced an interim dividend of 2.00 cent per share for the period ended 31 August 2024. Payment will be on 13 December 2024 to ordinary shareholders registered at the close of business on 15 November 2024. Using the number of shares in issue at 31 August 2024 and excluding those shares for which it is assumed that the right to dividend will be waived, this would equate to a distribution of €7.7m. There is no scrip dividend alternative proposed

Exceptional items
The Group has incurred an exceptional charge on a before tax basis of €12.2m in the current financial period including €7.6m in respect of strategic restructuring programmes for logistics (€4.2m) and group transformation (€3.4m). The logistics charge follows the closure of two distribution centres in the UK, Crayford and Newbridge, during the period and group transformation costs include the closure of the Group's Borrisoleigh depot in Ireland following its exit from the soft drinks business during FY24 and further on-going redundancy costs for right-sizing of the business moving forward. An additional €4.2m of cost was incurred for risk management and control reviews arising from restatement issues associated with prior reporting periods, further detail of which is set out in note 4 of these interim financial statements.

Cashflow
Summary cash flow for the six months ended 31 August 2024 is set out in the table below. Free cashflow has improved by €15.8m compared to the prior period, which was significantly impacted by disruption resulting from issues with the ERP system implementation in the Group's GB distribution business. The Group generated a free cash inflow of €19.4m pre-exceptional and a related free cash flow conversion of 34%.

The Group maintains a £150.0m receivables securitisation facility (£120.0m committed, £30.0m uncommitted) renewable annually in May. As at 31 August 2024, €115.6m of this facility was drawn (29 February 2024, €105.9m; 31 August 2023 €121.7m).

	Six months ended 31 August 2024	Six months ended 31 August 2023 (Restated)
	€m	€m
Operating profit	**28.5**	34.1
Exceptional items	**11.8**	4.0
Operating profit before exceptional items	**40.3**	38.1
Amortisation and depreciation charge	**16.7**	15.4
Adjusted EBITDA(iv)	**57.0**	53.5
Cash flow summary		
Adjusted EBITDA(iv)	**57.0**	53.5
Tangible / intangible net expenditure	**(9.3)**	(12.4)
Advances to customers	**1.1**	(0.9)
Working capital movement	**(15.3)**	(27.8)
Income taxes paid	**(3.2)**	(2.9)
Exceptional items paid	**(7.1)**	(3.2)
Net finance costs paid	**(11.4)**	(9.0)
Exceptional finance costs paid	**-**	(1.0)
Pension contributions paid	**(0.2)**	(0.2)
Other*	**0.7**	0.4
Free Cash Flow(v)	**12.3**	(3.5)
Free Cash Flow(v) exceptional cash outflow	**7.1**	4.2
Free Cash Flow(v) excluding exceptional cash outflow	**19.4**	0.7
Reconciliation to Condensed Consolidated Cash Flow Statement		
Free Cash Flow(v)	**12.3**	(3.5)
Proceeds from sale of asset held for sale	**1.2**	-
Dividends paid	**(13.4)**	(14.9)
Payment of lease liabilities	**(8.9)**	(10.9)
Drawdown of debt	**5.0**	10.0
Payment of debt issue costs	**-**	(2.3)
Share sale/buy back	**(14.8)**	-
Net (decrease)/increase in cash	**(18.6)**	(21.6)

* Other primarily relates to the add back of share options, pensions debited to operating profit, and net profit on disposal of property, plant and equipment.

Pensions

In compliance with IFRS, the net assets and actuarial liabilities of the various defined benefit pension schemes operated by Group companies, computed in accordance with IAS 19 *Employee Benefits,* are included on the Condensed Consolidated Balance Sheet as retirement benefits.

At 31 August 2024 the Group had a retirement benefit surplus of €33.9m (31 August 2023 net surplus: €37.8m, 29 February 2024 net surplus: €34.3m). All schemes are closed to new entrants. There are 2 active members in the Northern Ireland ('NI') scheme and 44 active members (less than 10% of total membership) in the Republic of Ireland ('ROI') schemes. The Group has an approved funding plan in place, the details of which are disclosed in Note 11 of the Condensed Consolidated Interim Financial Statements. The most recent actuarial valuations of the ROI defined benefit pension schemes were carried out with an effective date of 1 January 2024 while the date of the most recent actuarial valuation of the NI defined benefit pension scheme was 31 December 2023.

Arising from the formal actuarial valuations of the Group's staff defined benefit pension scheme, the Group committed to contributions of €287,000 per annum commencing in 2024 and increasing at a rate of 2.3% each year thereafter. This will be reviewed at the next actuarial valuation, which is due to be completed in the normal course of events on 31 October 2027. There is no funding requirement with respect to the Group's ROI executive defined benefit pension scheme or the Group's NI defined benefit pension scheme, both of which are in surplus.

The key factors influencing the change in valuation of the Group's defined benefit pension scheme obligations are as outlined below:

	€m
Net surplus at 29 February 2024	**34.3**
Employer contributions paid	**0.2**
Current service cost	**(0.2)**
Net interest cost on scheme liabilities/assets	**0.7**
Experience gains and losses on scheme liabilities	**(0.1)**
Effect of changes in financial assumptions	**-**
Actual return less Interest income on scheme assets	**(1.1)**
Translation adjustment	**0.1**
Pension surplus at 31 August 2024	**33.9**

The decrease in the net surplus of the Group's defined benefit pension schemes from the 29 February 2024 to 31 August 2024, as computed in accordance with IAS 19 *Employee Benefits* relates to an increase in liabilities due to a marginal decrease in bond yields over the six-month period.

Foreign currency and comparative reporting

		Six month period ended 31 August 2024	Six month period ended 31 August 2023
Translation exposure	EUR:GBP	0.841	0.868
	EUR:USD	1.109	1.089

Comparisons for revenue, net revenue and operating profit before exceptional items for each of the Group's reporting segments are shown at constant exchange rates for transactions by subsidiary undertakings in currencies other than their functional currency and for translation in relation to the Group's sterling (GBP) and US dollar (USD) denominated subsidiaries by restating the prior period at current period effective rates.

The impact of restating currency exchange rates on the results for the period ended 31 August 2023 is as follows:

	Period ended 31 August 2023 (Restated) €m	Period ended 31 August 2023 (Restated) Constant currency €m
Revenue		
Branded	269.5	273.1
Distribution	786.4	799.7
Total	**1,055.9**	**1,072.8**
Net revenue		
Branded	179.3	181.7
Distribution	685.5	697.4
Total	**864.8**	**879.1**
Operating profit[(i)]		
Branded	36.8	37.3
Distribution	1.3	1.4
Total	**38.1**	**38.7**

Relative foreign exchange rate movements in the 6-month period would give rise to a negligible transactional foreign exchange impact.

Notes to the Financial Review are set out below

(i) Before exceptional items.
(ii) H1 FY2023 comparative adjusted for constant currency (H1 FY2023 translated at H1 FY2024 FX rates) as outlined on page 10.
(iii) Adjusted diluted earnings per share ('EPS') exclude exceptional items, as outlined in Note 5 of the Group's Condensed Consolidated Interim Financial Statements.
(iv) Adjusted EBITDA is earnings before exceptional items, finance income, finance expense, tax, depreciation, amortisation charges and equity accounted investments' profit/(loss) after tax. A reconciliation of the Group's operating profit to adjusted EBITDA is set out on page 8.
(v) Free Cash Flow ('FCF') that comprises cash flow from operating activities net of tangible and intangible cash outflows/inflows which form part of investing activities. FCF highlights the underlying cash generating performance of the ongoing business. FCF benefits from the Group's purchase receivables programme which contributed €115.6m (29 February 2024: €105.9m; 31 August 2023: €121.7m) to cash in the period. A reconciliation of FCF to net movement in cash per the Group's Cash Flow Statement is set out on page 8.
(vi) Liquidity is defined as cash plus undrawn amounts under the Group's revolving credit facility.
(vii) Adjusted basic earnings per share ('EPS') exclude exceptional items, as outlined in Note 5 of the Group's Condensed Consolidated Interim Financial Statements.

Principal risks and uncertainties

We have an established risk management process to identify, assess and monitor the principal risks that we face as a business. We have performed a robust assessment of the principal risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity.

The Directors consider that the principal risks and uncertainties which could have a material impact on the Group's performance in the remaining 26 weeks of the financial year remain substantially the same as those stated on pages 34 to 40 of the Group's Annual Financial Statements for the year ended 29 February 2024, which are available on the Group's website, http://www.candcgroupplc.com.

Directors' responsibility statement in respect of the half-yearly financial report for the six months ended 31 August 2024

We confirm our responsibility for the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules ('DTR') of the Financial Conduct Authority ('FCA') and with IAS 34 *Interim Financial Reporting* as adopted by the EU, and that to the best of our knowledge:

- the condensed set of financial statements comprising the Condensed Consolidated Income Statement, the Condensed Consolidated Statement of Comprehensive Income, the Condensed Consolidated Balance Sheet, the Condensed Consolidated Cash Flow Statement, the Condensed Consolidated Statement of Changes in Equity and the related notes have been prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by the EU;

- the interim management report includes a fair review of the information required by:

  (a) DTR 4.2.7R,
    - being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and,
    - a description of the principal risks and uncertainties for the remaining six months of the year; and

  (b) DTR 4.2.8R,
    - being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the Group during that period; and,
    - any changes in the related party transactions described in the last Group Annual Financial Statements that could have a material effect on the financial position or performance of the Group in the first six months of the current financial year.

The Directors of C&C Group plc, and their functions, are listed in the Group's Annual Financial Statements for the year ended 29 February 2024, with the exception of the following changes:

- Andrew Andrea was appointed as Chief Financial Officer and as an Executive Director on 1 March 2024. In addition, on 11 July 2024, Andrew was appointed to the newly established role of Chief Financial and Transformation Officer;
- Patrick McMahon stepped down as Chief Executive Officer on 6 June 2024;
- Ralph Findlay was appointed as Chief Executive Officer and stepped down as Chair of the Nomination Committee on 7 June 2024;
- Chris Browne was appointed as Chair of the Nomination Committee on 7 June 2024;
- Feargal O' Rourke was appointed as an independent, Non-Executive Director and a member of the Audit and Nomination Committee's on 15 August 2024 and 23 October 2024 respectively;
- Sanjay Nakra was appointed as an independent, Non-Executive Director on 19 September 2024 and a member of the ESG and Audit Committee's on 23 October 2024.

The Group's auditor has not audited or reviewed the Condensed Consolidated Interim Financial Statements or the remainder of the half-yearly financial report.

On behalf of the Board

Ralph Findlay
Chair & Chief Executive Officer
29 October 2024

Andrew Andrea
Chief Financial & Transformation Officer

Condensed Consolidated Income Statement (unaudited)
for the six months ended 31 August 2024

		Six months ended 31 August 2024			Six months ended 31 August 2023 (Restated)		
	Notes	**Before exceptional items €m**	**Exceptional items (Note 4) €m**	**Total €m**	Before exceptional items €m	Exceptional items (Note 4) €m	Total €m
Revenue	2	**1,040.9**	**-**	**1,040.9**	1,055.9	-	1,055.9
Excise duties		**(179.5)**	**-**	**(179.5)**	(191.1)	-	(191.1)
Net revenue	2	**861.4**	**-**	**861.4**	864.8	-	864.8
Operating costs		**(821.1)**	**(11.8)**	**(832.9)**	(826.7)	(4.0)	(830.7)
Group operating Profit	2	**40.3**	**(11.8)**	**28.5**	38.1	(4.0)	34.1
Disposal Group impairment	4	**-**	**(0.3)**	**(0.3)**	-	-	-
Finance income		**1.1**	**0.1**	**1.2**	-	0.1	0.1
Finance expense		**(12.8)**	**(0.2)**	**(13.0)**	(9.8)	(1.0)	(10.8)
Profit before tax		**28.6**	**(12.2)**	**16.4**	28.3	(4.9)	23.4
Income tax (expense)/credit	3	**(5.9)**	**2.4**	**(3.5)**	(6.1)	1.0	(5.1)
Group profit for the financial period attributable to equity shareholders		**22.7**	**(9.8)**	**12.9**	22.2	(3.9)	18.3
Basic earnings per share (cent)	5			**3.3c**			4.7c
Diluted earnings per share (cent)	5			**3.3c**			4.7c

All of the results are related to continuing operations.

Condensed Consolidated Statement of Comprehensive Income
for the six months ended 31 August 2024 (unaudited)

	Notes	**Six months ended 31 August 2024** €m	Six months ended 31 August 2023 (Restated) €m
Other comprehensive income:			
Items that may be reclassified to Income Statement in subsequent years:			
Foreign currency translation differences arising on the net investment in foreign operations		**6.9**	10.1
(Loss)/gain relating to cash flow hedges		**-**	(0.6)
Items that will not be reclassified to Income Statement in subsequent years:			
Actuarial loss on retirement benefits	11	**(0.8)**	(5.4)
Deferred tax credit/(charge) on actuarial (loss)/gain on retirement benefits		**0.2**	0.7
Net gain/(loss) recognised directly within Other Comprehensive Income		**6.3**	4.8
Group profit for the financial period		**12.9**	18.3
Total comprehensive income for the financial period		**19.2**	23.1

Condensed Consolidated Balance Sheet (unaudited)
as at 31 August 2023

	Notes	As at 31 August 2024 €m	As at 31 August 2023 (Restated) €m	As at 29 February 2024 €m
ASSETS				
Non-current assets				
Property, plant & equipment	6	**264.7**	229.2	247.7
Goodwill & intangible assets	7	**525.7**	649.5	521.9
Equity accounted investments/financial assets		**1.4**	1.4	1.4
Retirement benefits	11	**33.9**	37.8	34.3
Deferred tax assets		**30.3**	25.6	29.4
Financial assets		**4.8**	5.3	4.9
Trade & other receivables		**35.9**	42.6	37.0
		896.7	991.4	876.6
Current assets				
Inventories		**171.8**	190.5	170.7
Trade & other receivables		**195.0**	264.9	149.1
Current income tax assets		**1.7**	1.8	2.0
Financial assets		**0.7**	0.7	0.7
Cash		**142.9**	96.6	160.1
		512.1	554.5	482.6
Assets held for sale		**7.6**	-	8.4
		519.7	554.5	491.0
TOTAL ASSETS		**1,416.4**	1,545.9	1,367.6
EQUITY				
Equity share capital		**4.0**	4.0	4.0
Share premium		**347.2**	347.2	347.2
Other reserves		**97.4**	91.5	89.2
Treasury shares		**(36.3)**	(36.2)	(36.3)
Retained income		**167.0**	324.9	182.9
Total Equity		**579.3**	731.4	587.0
LIABILITIES				
Non-current liabilities				
Lease liabilities		**103.3**	67.5	90.8
Interest bearing loans & borrowings	8	**225.0**	204.0	218.7
Other financial liabilities		**6.0**	-	5.8
Provisions		**8.4**	15.5	7.9
Derivative financial liabilities		**-**	0.4	-
Deferred tax liabilities		**36.7**	37.0	35.7
		379.4	324.4	358.9
Current liabilities				
Lease liabilities		**18.3**	18.9	19.3
Derivative financial liabilities		**0.2**	-	0.2
Other financial liabilities		**0.8**	-	1.0
Trade & other payables		**434.5**	464.5	397.6
Provisions		**2.2**	7.2	2.2
Current income tax liabilities		**-**	(0.5)	-
		456.0	490.1	420.3
Liabilities associated with assets held for sale		**1.7**	-	1.4
Total liabilities		**837.1**	814.5	780.6
TOTAL EQUITY & LIABILITIES		**1,416.4**	1,545.9	1,367.6

Condensed Consolidated Cash Flow Statement (unaudited)
for the six months ended 31 August 2024

	Notes	Six months ended 31 August 2024 €m	Six months ended 31 August 2023 (Restated) €m
CASH FLOWS FROM OPERATING ACTIVITIES			
Group profit for the financial period		**12.9**	18.3
Finance income		**(1.2)**	(0.1)
Finance expense		**13.0**	10.8
Income tax expense	**3**	**3.5**	5.1
Depreciation of property, plant & equipment	**6**	**15.5**	14.2
Amortisation of intangible assets	**7**	**1.2**	1.2
Disposal group impairment	**4**	**0.3**	-
Net profit on disposal of property, plant & equipment	**6**	**(0.3)**	(0.1)
Charge for equity settled share-based payments		**1.3**	1.1
Pension charged to Income Statement less contributions paid	**11**	**(0.5)**	(0.9)
		45.7	49.6
Increase in inventories		**(1.1)**	(24.7)
Increase in trade & other receivables		**(44.7)**	(101.8)
Increase in trade & other payables		**35.8**	98.0
Increase / (decrease) in provisions		**0.5**	0.7
		36.2	21.8
Interest and similar costs paid		**(11.4)**	(10.0)
Income taxes paid		**(3.2)**	(2.9)
Net cash inflow from operating activities		**21.6**	8.9
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant & equipment	**6**	**(9.3)**	(12.2)
Purchase of intangible assets	**7**	**-**	(0.3)
Net proceeds on disposal of asset held for sale	**6**	**1.2**	-
Net proceeds on disposal of property, plant & equipment	**6**	**-**	0.1
Net cash (outflow)/inflow from investing activities		**(8.1)**	(12.4)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid	**12**	**(13.4)**	(14.9)
Drawdown of debt		**5.0**	10.0
Share sale/buy back		**(14.8)**	-
Payment of debt issue costs		**-**	(2.3)
Payment of lease liabilities		**(8.9)**	(10.9)
Net cash outflow from financing activities		**(32.1)**	(18.1)
Net (decrease)/increase in cash		**(18.6)**	(21.6)
Reconciliation of opening to closing cash			
Cash at beginning of year		**160.1**	115.3
Translation adjustments		**1.4**	2.9
Net (decrease)/increase in cash		**(18.6)**	(21.6)
Cash at end of period		**142.9**	96.6

A reconciliation of Net Debt is presented in Note 9.

Condensed Consolidated Statement of Changes in Equity
for the six months ended 31 August 2024

	Equity share capital	Share premium	Other capital reserves	Cash flow hedge reserve	Share-based payments reserve	Currency translation reserve	Revaluation reserve	Treasury shares	Retained income	Total
	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m
At 1 March 2024	**4.0**	**347.2**	**25.8**	**0.3**	**5.6**	**43.1**	**14.4**	**(36.3)**	**182.9**	**587.0**
Profit for the financial period	-	-	-	-	-	-	-	-	12.9	12.9
Other comprehensive income/(expense)	-	-	-	-	-	6.9	-	-	(0.6)	6.3
Total comprehensive income	-	-	-	-	-	6.9	-	-	12.3	19.2
Dividend on ordinary shares									(13.4)	(13.4)
Purchase of own shares	-	-	-	-	-	-	-	-	(14.8)	(14.8)
Sale of treasury shares/purchases of shares to satisfy employee share entitlements	-	-	-	-	-	-	-	-	-	-
Equity settled share-based payments	-	-	-	-	1.3	-	-	-	-	1.3
Total transactions with owners	-	-	-	-	1.3	-	-	-	(28.2)	(26.9)
At 31 August 2024	**4.0**	**347.2**	**25.8**	**0.3**	**6.9**	**50.0**	**14.4**	**(36.3)**	**167.0**	**579.3**

Condensed Consolidated Statement of Changes in Equity - continued
for the financial year ended 29 February 2024

	Equity share capital €m	Share premium €m	Other capital reserves €m	Cash flow hedge reserve €m	Share-based payments reserve €m	Currency translation reserve €m	Revaluation reserve €m	Treasury shares €m	Retained income €m	Total €m
At 28 February 2023 (previously stated)	4.0	347.2	25.8	1.1	5.3	33.9	14.2	(34.1)	341.8	739.2
Prior period restatements					0.8			(2.3)	(15.6)	(17.1)
Profit for the financial period (restated)	-	-	-	-	-	-	-	-	18.3	18.3
Other comprehensive income / (expense)	-	-	-	(0.6)	-	10.1	-	-	(4.7)	4.8
Total comprehensive income	-	-	-	(0.6)	-	10.1	-	-	13.6	23.1
Dividend on ordinary shares	-	-	-	-	-	-	-	-	(14.9)	(14.9)
Reclassification of share-based payments reserve	-	-	-	-	(0.2)	-	-	-	0.2	-
Sale of treasury shares/purchases of shares to satisfy employee share entitlements	-	-	-	-	-	-	-	0.2	(0.2)	-
Equity settled share-based payments	-	-	-	-	1.1	-	-	-	-	1.1
Total transactions with owners	-	-	-	-	0.9	-	-	0.2	(14.9)	(13.8)
At 31 August 2023 (restated)	4.0	347.2	25.8	0.5	7.0	44.0	14.2	(36.2)	324.9	731.4
Profit for the financial period	-	-	-	-	-	-	-	-	(131.8)	(131.8)
Other comprehensive income/(expense)	-	-	-	(0.2)	-	(0.9)	0.2	-	(4.0)	(4.9)
Total comprehensive income / (expense)	-	-	-	(0.2)	-	(0.9)	0.2	-	(135.8)	(136.7)
Dividend on ordinary shares	-	-	-	-	-	-	-	-	(7.5)	(7.5)
Reclassification of share-based payments reserve	-	-	-	-	(1.5)	-	-	-	1.5	-
Sale of treasury shares/purchases of shares to satisfy employee share entitlements	-	-	-	-	-	-	-	(0.3)	(0.2)	(0.5)
Transfer of Treasury Shares	-	-	-	-	(0.2)	-	-	0.2	-	-
Equity settled share-based payments	-	-	-	-	0.3	-	-	-	-	0.3
Total transactions with owners	-	-	-	-	(1.4)	-	-	(0.1)	(6.2)	(7.7)
At 29 February 2024	4.0	347.2	25.8	0.3	5.6	43.1	14.4	(36.3)	182.9	587.0

Notes to the Condensed Consolidated Interim Financial Statements for the six months ended 31 August 2024

1. Basis of preparation and accounting policies

The interim financial information presented in this report has been prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by the EU. The accounting policies and methods of computation adopted in preparation of the Condensed Consolidated Interim Financial Statements are consistent with the recognition and measurement requirements of IFRS as endorsed by the EU Commission and those set out in the Consolidated Financial Statements for the year ended 29 February 2024 and as described in those Financial Statements on pages 189 to 204, except for the adoption of new standards, interpretations and standard amendments effective as of 1 March 2024.

Adoption of IFRS and International Financial Reporting Interpretations Committee (IFRIC) Interpretations

The following new standards, interpretations and standard amendments became effective for the Group as of 1 March 2024:

- IFRS 7 Financial Instruments and IAS 7 – Statement of Cashflows - Supplier Finance Arrangements
- IFRS 16 Leases – Lease liability in a sale and leaseback
- IAS 1 Presentation of financial statements – classification of liabilities as current or non-current and non-current liabilities with covenants

The new standards and standard amendments did not result in a material impact on the Group's results.

Basis of preparation

The preparation of the interim financial information requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of certain assets, liabilities, revenues and expenses together with disclosure of contingent assets and liabilities. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

These Condensed Consolidated Interim Financial Statements should be read in conjunction with the Group's Annual Report for the year ended 29 February 2024 as they do not include all the information and disclosures required by International Financial Reporting Standards (IFRS). The accounting policies and methods of computation and presentation adopted in the preparation of the Condensed Consolidated Interim Financial Statements are consistent with those described and applied in the Annual Report for the financial year ended 29 February 2024.

The interim financial information for both the six months ended 31 August 2024 and the comparative six months ended 31 August 2023 are unaudited and have not been reviewed by the auditors. The financial information for the year ended 29 February 2024 represents an abbreviated version of the Group's financial statements for that year. Those financial statements contained an unqualified audit report and have been filed with the Registrar of Companies.

The financial information is presented in Euro millions, rounded to one decimal place. The exchange rates used in translating Balance Sheet and Income Statement amounts were as follows:

	Six months to 31 August 2024	Six months to 31 August 2023	Year ended 29 February 2024
Balance Sheet (Euro:Sterling closing rate)	**0.841**	0.857	0.857
Income Statement (Euro:Sterling average rate)	**0.851**	0.868	0.865
Balance Sheet (Euro:USD closing rate)	**1.109**	1.087	1.083
Income Statement (Euro:USD average rate)	**1.084**	1.089	1.083

Going concern

The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for at least 12 months from the date of this report. Liquidity of the Group, defined as cash and undrawn credit facilities, as at 31 August 2024 was €367.9m.

Accordingly, the Directors continue to adopt the going concern basis in preparing the Condensed Consolidated Interim Financial Statements.

2. Segmental reporting

The Group's business activity is the manufacturing, marketing and distribution of branded beer, cider, wine, soft drinks and bottled water. Two operating segments have been identified in the current financial year; Branded and Distribution.

The Group continually reviews and updates the manner in which it monitors and controls its financial operations, resulting in changes in the manner in which information is classified and reported to the Chief Operating Decision Maker ("CODM"). The CODM, identified as the Executive Directors, assesses and monitors the operating results of segments separately via internal management reports in order to manage the business and allocate resources effectively.

Following a change in executive leadership and realignment of business strategy, the Group has changed its operating segments from a geographical basis to an operational methodology in the current period. The previous segments of Ireland and Great Britain have been replaced by two new segments, Branded and Distribution. The revised basis of segmentation reflects the operating model of the business and in all instances the changes were deemed necessary to better enable the CODM to evaluate the results of the business in the context of the economic environment in which the business operates, to make appropriate strategic decisions and to more accurately reflect the business model under which the Group now operates in both areas. All comparative amounts have been restated to reflect the new basis of segmentation. The reclassification had no impact on revenue, net revenue or operating profit reported by the Group. The identified business segments are as follows:

(i) Branded
This segment is defined as brands either fully owned by C&C or sold by C&C as part of a long-term distribution deal, whereby C&C are responsible for the marketing as well as sale of the brand in the associated geography. It includes the financial results from sale of own branded products being principally Bulmers, Tennent's, Magners and the growing portfolio of premium beers and ciders including Drygate Brewing, Five Lamps, Heverlee, Menebrea and Orchard Pig.

(ii) Distribution
This segment is defined as third-party brands sold through the Group's distribution businesses and brands where C&C act as an exclusive agent for a brand in a specific geography. It includes the results from the Matthew Clark and Bibendum ("MCB") business which includes third party brand distribution, wine wholesaling and distribution, together with distribution of private label products.

The analysis by segment includes both items directly attributable to a segment and those, including central overheads, which are allocated on a reasonable basis in presenting information to the CODM.

Inter-segmental revenue is not material and thus not subject to separate disclosure.

(a) Analysis by reporting segment

	Six months to 31 August 2024			Six months to 31 August 2023		
	Revenue	**Net revenue**	**Operating profit/(loss)**	Revenue	Net revenue	Operating profit/(loss) (Restated)
	€m	**€m**	**€m**	€m	€m	€m
Branded	**254.5**	**172.3**	**26.1**	269.5	179.3	36.8
Distribution	**786.4**	**689.1**	**14.3**	786.4	685.5	1.3
Total before exceptional items*	**1,040.9**	**861.4**	**40.3**	1,055.9	864.8	38.1
Exceptional items (Note 4)	**-**	**-**	**(11.8)**	-	-	(4.0)
Group operating profit	**-**	**-**	**28.5**	-	-	34.1
Disposal Group Impairment	**-**	**-**	**(0.3)**	-	-	-
Finance income	**-**	**-**	**1.1**	-	-	0.1
Finance expense	**-**	**-**	**(12.8)**	-	-	(9.8)
Exceptional finance items	**-**	**-**	**(0.1)**	-	-	(1.0)
	1,040.9	**861.4**	**16.4**	1,055.9	864.8	23.4

**operating profit rounding difference Branded €26.07m; Distribution €14.26m = €40.34m*

Of the exceptional items in the current financial period, €4.9m charge relates to Distribution (31 August 2023: €nil) and €2.5m charge relates to Branded (31 August 2023: €2.0m charge) and €4.4m was unallocated as it did not relate to any particular segment (31 August 2023: €2.0m).

An impairment loss of €0.3m has been recognised in the period related to the Group's Portuguese business which was classified as a disposal group as at 29 February 2024. An agreement for sale has been reached during the period with the transaction expected to complete in November 2024.

(b) Geographical analysis of non-current assets

	Ireland €m	**Great Britain €m**	**International €m**	**Total €m**
31 August 2024				
Property, plant & equipment	**77.3**	**185.3**	**2.1**	**264.7**
Goodwill & intangible assets	**156.3**	**347.5**	**21.9**	**525.7**
Equity accounted investments/financial assets	**0.5**	**0.7**	**0.2**	**1.4**
Total	**234.1**	**533.5**	**24.2**	**791.8**

	Ireland €m	Great Britain €m	International €m	Total €m
31 August 2023				
Property, plant & equipment	80.4	141.6	7.2	229.2
Goodwill & intangible assets	156.7	467.6	25.2	649.5
Equity accounted investments/financial assets	0.7	0.5	0.2	1.4
Total	237.8	609.7	32.6	880.1

The geographical analysis of non-current assets, with the exception of Goodwill & intangible assets, is based on the geographical location of the assets. The geographical analysis of Goodwill & intangible assets is allocated based on the country of destination of sales at date of acquisition.

Cyclicality of interim results

Under a normal trading environment, Branded within the Group's portfolio, particularly its cider brands, tend to have higher consumption during the summer months, which fall within the first half of the financial year. In addition, external factors such as weather and significant sporting events, which traditionally take place in the summer months, will have a greater impact on first half trading. Accordingly, trading profit is usually higher in the first half than in the second. For Distribution, the most important trading period in terms of sales, profitability and cash flow has been the Christmas season, in which case the second half of the year will have a greater impact on the Group's distribution business.

3. Income tax expense

Income tax expense for the period, excluding the impact of exceptional items, was €5.9m (31 August 2023: €6.1m). The income tax credit with respect to exceptional items was €2.4m (31 August 2023: €1.0m).

In line with IAS 34 Interim Financial Reporting the effective tax rate for the period ended 31 August 2024 was 21.3% (31 August 2023: 21.8%). The effective tax rate is influenced by several factors including the mix of profits and losses generated across the main geographic locations.

4. Exceptional items

	Six months to 31 August 2024 €m	Six months to 31 August 2023 (Restated) €m
Operating costs		
Strategic programmes – logistics restructuring (a)	**(4.2)**	-
Strategic programmes – group transformation (b)	**(3.4)**	(1.5)
Professional fees – risk management and control reviews (c)	**(2.9)**	-

Director settlement arrangements (d)	**(1.3)**	(2.0)
Deposit return scheme (Scotland) (e)	**-**	(0.5)
Operating loss exceptional items	**(11.8)**	(4.0)
Disposal Group Impairment (f)	**(0.3)**	-
Finance income (g)	**0.1**	0.1
Finance charges (h)	**(0.2)**	(1.0)
Loss before tax	**(12.2)**	(4.9)
Income tax credit (i)	**2.4**	1.0
Total loss after tax	**(9.8)**	(3.9)

a) Strategic Programmes – Logistics
As part of the previously announced long-term strategic programme to transition to a single-tier distribution network, the Group announced the closure of two distribution centres in Crayford and Newbridge. A charge of €4.2m has been recognised in the period, which includes €2.6m of redundancy costs with the balance related to dual running, stock transfer and decommissioning costs. A total of €2.9m of this amount was paid during the period.

b) Strategic Programmes – Group Transformation
The strategic review of the Group's structure and operations has continued during the period related to right-sizing of the business and enabling a more efficient governance and reporting structure. Costs of €3.4m were incurred during the period, including redundancy costs of €2.8m and a total of €2.2m was paid during the period. In the prior period costs of €1.5m were incurred including redundancy costs of €0.6m and €0.9m of costs associated with onerous contracts for apple growers were incurred,

c) Professional Fees associated with Risk Management and Control reviews
The Group incurred significant costs associated with the control issues notified to the market on 7 June 2024 which caused the Group to defer publication of its FY2024 annual results. The internal and external review work and associated costs totalled €2.9m, of which €1.6m was paid during the period.

d) Director Settlement arrangements
On 7 June 2024, it was announced that Patrick McMahon would step down as CEO and that Ralph Findlay, in addition to his duties as Chair of the Board would be appointed CEO. Mr McMahon agreed to remain as an employee until the end of September to facilitate a smooth transition. The Group accrued €1.3m of costs related to Mr McMahon stepping down as CEO. The termination arrangements reflected the legal advice received by the Company and were consistent with the Directors' Remuneration Policy approved by shareholders at the Annual General Meeting in July 2021. We will engage with shareholders during the coming months to provide further information in relation to the approach. Similar costs of €2.0m were incurred in the prior period.

e) Deposit Return Scheme – Scotland
In the prior period, the Group wrote off balances paid during the period of €0.5m associated with the Deposit Return Scheme ('DRS') in Scotland following the announcement by the Scottish Government in June 2023 that the scheme would be delayed until at least October 2025.

f) Disposal Group Impairment
Following a reassessment of the Group's supply and logistics operations for raw materials inputs, the Group classified its Portuguese businesses, which produce fruit concentrates, as a disposal group held for sale as at 29 February 2024. The sale agreement was signed on 11 July 2024. The sale was approved by the Portuguese Competition Authority on 7 October 2024 and the transaction is expected to complete in November 2024. An impairment loss of €0.3m has been recognised in respect of the disposal group during the period.

g) Finance income exceptional items
The Group earned finance income of €0.1m in the current financial period (31 August 2023: €0.1m) relating to promissory notes issued as part of the disposal of the Group's subsidiary Vermont Hard Cider Company in FY2022.

h) Finance expense exceptional items
Finance charges of €0.2m have been recorded in the period reflecting the interest impact on discounted cashflows related to the onerous contracts provision for apple growers recorded in prior periods. In the period to 31 August 2023, the Group incurred costs of €1.0m directly associated with increased utilisation of the Group's receivables securitisation facility as a consequence of increased cash requirements from the impact associated with the ERP system implementation disruption in the Group's GB distribution business.

i) Income tax credit
The tax credit in the current financial period with respect to exceptional items was €2.4m (31 August 2023: credit €1.0m).

5. Earnings per ordinary share

Denominator computations

	31 August 2024 Number '000	31 August 2023 Number '000
Number of shares at beginning of period	**402,709**	402,007
Number of shares at end of period	**395,480**	402,007
Weighted average number of ordinary shares, excluding treasury shares (basic)	**386,690**	390,992
Adjustment for the effect of conversion of options	**1,323**	2,010
Weighted average number of ordinary shares, including options (diluted)	**388,013**	393,002

Profit for the period attributable to ordinary shareholders

	Six months to 31 August 2024 €m	Six months to 31 August 2023 (Restated) €m
Profit attributable to equity holders of the parent	**12.9**	18.3
Adjustments for exceptional items, net of tax (Note 4)	**9.8**	3.9
Earnings as adjusted for exceptional items, net of tax	**22.7**	22.2

Basic earnings per share	**Cent**	Cent
Basic earnings per share	**3.3**	4.7
Adjusted basic earnings per share	**5.9**	5.7
Diluted earnings per share		
Diluted earnings per share	**3.3**	4.7
Adjusted diluted earnings per share	**5.9**	5.6

Basic earnings per share is calculated by dividing the profit attributable to the equity holders of the parent by the weighted average number of ordinary shares in issue during the period, excluding ordinary shares purchased/issued by the Company and accounted for as treasury shares (31 August 2024: 11.2m shares; 31 August 2023 restated: 11.0m shares).

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive ordinary shares. The average market value of the Company's shares for purposes of calculating the dilutive effect of share options was based on quoted market prices for the period that the options were outstanding.

Employee share awards (excluding awards which were granted under plans where the rules stipulate that obligations must be satisfied by the purchase of existing shares), which are performance-based, are treated as contingently issuable shares because their issue is contingent upon satisfaction of specified performance conditions in addition to the passage of time. In accordance with IAS 33, these contingently issuable shares are excluded from the computation of diluted earnings per share where the vesting conditions would not have been satisfied at the end of the reporting period. If dilutive other contingently issuable ordinary shares are included in diluted EPS based on the number of shares that would be issuable if the end of the reporting period was the end of the contingency period. Contingently issuable shares excluded from the calculation of diluted earnings per share totalled 2,251,203 at 31 August 2024 (156,699 at 31 August 2023).

6. Property, plant & equipment

Acquisitions and disposals
During the current financial period, the Group acquired assets of €10.0m (31 August 2023 total additions: €6.7m). Total cash outflow in the period in relation to the purchase of property, plant & equipment amounted to €9.3m (31 August 2023 total cash outflow: €12.2m) – the cash flows vary from the additions as a result of the movement in accruals relating to capital expenditure.

In the current financial period, the Group disposed of assets from the Clonmel site with a net book value of €0.9m, for cash proceeds of €1.2m and realised a profit of €0.3m on the disposal. These assets were classified as assets held for sale as at 29 February 2024. In the prior financial period, the Group disposed of assets from the Wellpark site with a net book value of €nil, for net cash proceeds of €0.1m and realised a profit of €0.1m on the disposal.

The Group's depreciation charge for six months to 31 August 2024 amounted to €15.5m (31 August 2023: €14.2m).

Impairment
The carrying value of items of land & buildings and plant & machinery are reviewed and tested for impairment at each financial year end date or more frequently if events or changes in circumstances indicate that their carrying value may not be recoverable. There was no impairment during the current financial period.

7. Goodwill & intangible assets

	Goodwill €m	Brands €m	Other intangible assets €m	Total €m
Cost				
At 1 March 2023 restated	598.6	321.1	46.3	966.0
Additions	-	-	0.3	0.3
Reclassification to Property, plant & equipment	-	-	(0.1)	(0.1)
Translation adjustment	3.6	2.4	0.4	6.4
At 31 August 2023	602.2	323.5	46.9	972.6
Additions	-	-	1.7	1.7
Impairment of assets held for sale	(3.3)	-	-	(3.3)
Translation adjustment	0.1	0.1	-	0.2
At 29 February 2024	599.0	323.6	48.6	971.2
Additions	-	-	-	-
Translation adjustment	2.8	2.0	0.2	5.0
At 31 August 2024	**601.8**	**325.6**	**48.8**	**976.2**
Amortisation and impairment				
At 1 March 2023	(76.2)	(214.6)	(31.1)	(321.9)
Charge for the period ended 31 August 2023	-	-	(1.2)	(1.2)
At 31 August 2023	(76.2)	(214.6)	(32.3)	(323.1)
Impairment charge for the period	(125.0)	-	-	(125.0)
Charge for the period ended 29 February 2024	-	-	(1.2)	(1.2)
At 29 February 2024	(201.2)	(214.6)	(33.5)	(449.3)
Charge for the period ended 31 August 2024	-	-	(1.2)	(1.2)
At 31 August 2024	**(201.2)**	**(214.6)**	**(34.7)**	**(450.5)**
Net Book Value at 31 August 2024	**400.6**	**111.0**	**14.1**	**525.7**
Net Book Value at 29 February 2024	397.8	109.0	15.1	521.9
Net Book Value at 31 August 2023	526.0	108.9	14.6	649.5

The amortisation charge for the financial period ended 31 August 2024 was €1.2m (31 August 2023: €1.2m; year ended 29 February 2024: €2.4m). Other intangible asset additions of €0.3m in the prior period related to the ERP upgrade in the Group's Distribution segment.

Brands and goodwill assets considered to have an indefinite life are reviewed for indicators of impairment regularly and are subject to impairment testing on an annual basis unless events or changes in circumstances indicated that the carrying values may not be recoverable and impairment testing is required earlier.

The value of brands and goodwill considered to have an indefinite life were assessed for impairment at 29 February 2024 and given no material changes in circumstances since that date, they will be formally assessed again at 28 February 2025.

8. Interest bearing loans & borrowings

	31 August 2024	31 August 2023	29 February 2024
	€m	€m	€m
Issue costs presented as assets			
Unsecured loans repayable on maturity	**0.6**	0.6	0.6
Private Placement notes repayable on maturity	**0.1**	0.1	0.1
	0.7	0.7	0.7
Non-current liabilities			
Unsecured loans repayable on maturity	**(125.0)**	(104.7)	(120.0)
Unsecured loans repayable by instalment – issue costs	**2.0**	1.8	2.4
Private Placement notes repayable by instalment – issue costs	**0.6**	0.8	0.7
Private Placement notes repayable on maturity	**(102.6)**	(101.9)	(101.8)
	(225.0)	(204.0)	(218.7)
Total borrowings	**(224.3)**	(203.3)	(218.0)

Covenants
The Group's multi-currency debt facility incorporates the following financial covenants:
• Interest cover: The ratio of Adjusted EBITDA to net interest for a period of 12 months ending on each half-year date will not be less than 3.5:1
• Net debt (excluding leases): Adjusted EBITDA: The ratio of net debt on each half-year date to Adjusted EBITDA for a period of 12 months ending on a half-year date will not exceed 3.5:1

All covenants are calculated on a pre-IFRS 16 *Leases* basis.

The net debt (excluding leases): Adjusted EBITDA (12 month trailing) ratio was 1.1x, with interest cover (12 month trailing) of 4.6x at the current financial period end.

9. Analysis of net debt

	1 March 2024 €m	**Translation adjustment €m**	**Additions/ disposals/ remeasurement €m**	**Cash flow, net €m**	**Non-cash changes €m**	**31 August 2024 €m**
Interest bearing loans & borrowings*	**(218.0)**	**(0.9)**	**-**	**(5.0)**	**(0.4)**	**(224.3)**
Cash	**160.1**	**1.4**	**-**	**(18.6)**	**-**	**142.9**
Net debt excluding leases	**(57.9)**	**0.5**	**-**	**(23.6)**	**(0.4)**	**(81.4)**
Lease liabilities	**(110.1)**	**(2.0)**	**(18.3)**	**12.4**	**(3.6)**	**(121.6)**
Net debt including leases	**(168.0)**	**(1.5)**	**(18.3)**	**(11.2)**	**(4.0)**	**(203.0)**

**Interest bearing loans & borrowings as at 31 August 2024 are net of unamortised issue costs of €3.3m. Unamortised borrowing costs of €0.7m are presented within financial assets.*

	1 September 2023 restated €m	Translation adjustment €m	Additions/ disposals/ remeasurement €m	Cash flow, net €m	Non-cash changes €m	29 February 2024 €m
Interest bearing loans & borrowings*	(203.3)	(0.7)	-	(13.9)	(0.1)	(218.0)*
Cash	96.6	(1.0)	-	64.5	-	160.1
Net debt excluding leases	(106.7)	(1.7)	-	50.6	(0.1)	(57.9)
Lease liabilities	(85.9)	(0.5)	(33.0)	12.5	(3.2)	(110.1)
Net debt including leases	(192.6)	(2.2)	(33.0)	63.1	(3.3)	(168.0)

**Interest bearing loans & borrowings at 29 February 2024 are net of unamortised issue costs of €3.8m.*
Unamortised borrowing costs of €0.7m are presented within financial assets.

	1 March 2023 restated €m	Translation adjustment €m	Additions/ disposals/ remeasurement €m	Cash flow, net €m	Non-cash changes €m	31 August 2023 restated €m
Interest bearing loans & borrowings	(194.2)	(0.5)	-	(7.7)	(0.9)	(203.3)
Cash	115.3	2.9	-	(21.6)	-	96.6
Net debt excluding leases	(78.9)	2.4	-	(29.3)	(0.9)	(106.7)
Lease liabilities	(76.6)	(1.4)	(18.8)	12.5	(1.6)	(85.9)
Net debt including leases	(155.5)	1.0	(18.8)	(16.8)	(2.5)	(192.6)

** Interest bearing loans & borrowings as at 31 August 2023 are net of unamortised issue costs of €3.3m.*
Unamortised borrowing costs of €0.7m are presented within financial assets.

During the period to 31 August 2024, the lease in respect of the Cambuslang depot came to an end and was renewed on similar terms. During the period to 31 August 2024, leases in respect of kegs came to an end and were renewed on the same terms. There were no other significant changes and the movement in leases was otherwise in line with expectations based on the current lease portfolio.

The non-cash changes for interest bearing loans & borrowings in the current and prior financial periods relate to the amortisation of issue costs. The non-cash changes for lease liabilities in the current and prior financial periods relate to discount unwinding.

10. Financial assets and liabilities

The carrying and fair values of financial assets and liabilities at 31 August 2024 and 31 August 2023 were as follows:

31 August 2024	**Carrying Value €m**	**Fair value €m**
Financial assets:		
Cash*	**142.9**	**142.9**
Trade receivables*	**152.8**	**152.8**
Advances to customers*	**38.0**	**38.0**
Promissory Note*	**4.3**	**4.3**
Derivative contracts**	**0.5**	**0.5**
Financial liabilities:		
Interest bearing loans & borrowings*	**(224.3)**	**(227.6)**
Trade & other payables*	**(434.5)**	**(434.5)**
Provisions	**(10.6)**	**(10.6)**

Derivative contracts**	**(0.2)**	**(0.2)**
	(331.1)	**(334.4)**

**At amortised cost*
*** Derivatives designated as hedging instruments*

31 August 2023 (Restated)	**Carrying Value €m**	**Fair value €m**
Financial assets:		
Cash*	96.6	96.6
Trade receivables*	203.7	203.7
Advances to customers*	41.6	41.6
Financial assets*	4.4	4.4
Derivative contracts**	0.9	0.9
Financial liabilities:		
Interest bearing loans & borrowings*	(203.3)	(206.6)
Trade & other payables*	(464.5)	(464.5)
Derivative contracts	(0.4)	(0.4)
	(321.0)	(324.3)

**At amortised cost*
*** Derivatives designated as hedging instruments*

Determination of Fair Value
Set out below are the main methods and assumptions used in estimating the fair values of the Group's financial assets and liabilities. There is no material difference between the fair value of financial assets and liabilities falling due within one year and their carrying amount as, due to the short-term maturity of these financial assets and liabilities, their carrying amount is deemed to approximate fair value.

Short term bank deposits and cash
The nominal amount of all short-term bank deposits and cash is deemed to reflect fair value at the balance sheet date.

Advances to customers
Advances to customers, adjusted for advances of discount prepaid, is considered to reflect fair value.

Trade & other receivables/ payables
The nominal amount of all trade receivables/trade & other payables after provision for impairment is deemed to be approximate to fair value at the balance sheet date.

Interest bearing loans & borrowings
The fair value of all interest-bearing loans & borrowings has been calculated by discounting all future cash flows to their present value using a market rate at the balance sheet date (Level 2).

Derivative contracts
Derivative contracts are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The fair value of derivative contracts that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. Such valuation techniques maximise the use of observable market data, where available, and rely as little as possible on the Group's estimates. The fair value of the forward foreign exchange contracts is determined using forward exchange rates at the date of the statement of financial position, with the resulting value discounted as relevant (Level 2).

11. Retirement benefits

As disclosed in the Annual Report for the year ended 29 February 2024, the Group operates a number of defined benefit pension schemes for certain employees, past and present, in the Republic of Ireland (ROI) and in Northern Ireland (NI), all of which provide pension benefits based on final salary and the assets of which are held in separate trustee administered funds.

The Group closed its defined benefit pension schemes to new members in March 2006 and provides only defined contribution pension schemes for employees joining the Group since that date.

There are no active members remaining in the Group's executive defined benefit pension scheme (31 August 2023: no active members) while there are 44 active members (31 August 2023: 45 active members), representing less than 10% of total membership, in the ROI Staff defined benefit pension scheme and 2 active members in the NI defined benefit pension scheme (31 August 2023: 2 active members).

The Balance Sheet valuation of the Group's defined benefit pension schemes' assets and liabilities have been remeasured as at 31 August 2024 to reflect movements in the fair value of assets and changes in the assumptions used by the schemes' actuaries to value the liabilities.

The key factors influencing the change in valuation of the Group's defined benefit pension scheme obligations are as outlined below:

	Period ended 31 August 2024 €m	Period ended 31 August 2023 €m	Year ended 29 February 2024 €m
Retirement benefit surplus at beginning of period (ROI schemes)	**31.2**	38.6	38.6
Retirement benefit surplus at beginning of period (NI scheme)	**3.1**	3.6	3.6
Current service cost	**(0.2)**	(0.2)	(0.3)
Net interest income on scheme liabilities/assets	**0.7**	0.9	1.7
Experience gains and losses on scheme liabilities	**(0.1)**	(1.9)	(2.6)
Effect of changes in financial assumptions	**-**	(2.7)	(4.0)
Effect of changes in demographic assumptions	**-**	-	-
Actual return less Interest income on scheme assets	**(1.1)**	(0.8)	(3.3)
Employer contributions	**0.2**	0.2	0.4
Translation adjustment	**0.1**	0.1	0.2
Net pension surplus before deferred tax	**33.9**	37.8	34.3
Retirement benefit surplus at end of period (ROI schemes)	**30.8**	34.4	31.2
Retirement benefit surplus at end of period (NI scheme)	**3.1**	3.4	3.1
Related deferred income tax liability	**(4.6)**	(5.5)	(4.6)
Net pension surplus	**29.3**	32.3	29.7

The decrease in the net surplus of the Group's defined benefit pension schemes from the 29 February 2024 to the 31 August 2024, as computed in accordance with IAS 19 *Employee Benefits* relates to an increase in liabilities due to a marginal decrease in bond yields over the six-month period.

The discount rate assumptions used by the Group's actuaries in the computation of the defined benefit liabilities arising on pension schemes are as follows:

	Period ended 31 August 2024		Period ended 31 August 2023		Year ended 29 February 2024	
	ROI	NI	ROI	NI	ROI	NI
Discount rate	**3.6% - 3.7%**	**5.0%**	4.1% - 4.2%	5.3%	3.8%	5.2%

12. Dividends

In order to achieve better alignment of the interest of share-based remuneration award recipients with the interests of shareholders, shareholder approval was given at the 2012 AGM to a proposal that awards made and that vest under the LTIP incentive programme should reflect the equivalent value to that which accrues to shareholders by way of dividends during the vesting period. The Deferred Bonus Plan and the Buy-Out Awards also accrue dividends during the vesting period.

A final dividend of 3.97 cent per ordinary share (2023: 3.79 cent per ordinary share) was paid to shareholders on 23 August 2024 equating to a distribution of €13.4m (2023: €14.9m), all of which was paid in cash.

The Board has announced an interim dividend of 2.00 cent per share for the period ended 31 August 2024. Payment will be on 13 December 2024 to ordinary shareholders registered at the close of business on 15 November 2024. Using the number of shares in issue at 31 August 2024 and excluding those shares for which it is assumed that the right to dividend will be waived, this would equate to a distribution of €7.7m. There is no scrip dividend alternative proposed.

Final dividends on ordinary shares are recognised as a liability in the financial statements only after they have been approved at an Annual General Meeting of the Company. Interim dividends on ordinary shares are recognised when they are paid.

13. Related parties

The principal related party relationships requiring disclosure under IAS 24 *Related Party Disclosures* pertain to the existence of subsidiary undertakings and equity accounted investments, transactions entered into by the Group with these subsidiary undertakings and equity accounted investments and the identification and compensation of, and transactions with, key management personnel.

Transactions
Transactions between the Group and its related parties are made on terms equivalent to those that prevail in arm's length transactions.

Subsidiary undertakings
The Condensed Consolidated Interim Financial Statements include the financial statements of the Company and its subsidiaries. Sales to and purchases from subsidiary undertakings, together with outstanding payables and receivables, are eliminated in the preparation of the Condensed Consolidated Interim Financial Statements in accordance with IFRS 10 *Consolidated Financial Statements*.

Key management personnel
For the purposes of the disclosure requirements of IAS 24 *Related Party Disclosures*, the Group has defined the term 'key management personnel', as its Executive and Non-Executive Directors. Executive Directors participate in the Group's equity share award schemes and are covered for death in service by an insurance policy. Executive Directors may also benefit from medical insurance under a Group policy (or the Group offers a cash alternative). No other non-cash benefits are provided. Non-Executive Directors do not receive share-based payments nor post-employment benefits.

Compensation with respect to key management personnel included in the Income Statement was €2.2m for the six months ended 31 August 2024 including accrued severance and termination costs, all of which relates to non-share-based payment compensation. (31 August 2023: €3.1m of which €2.8m related to non-share-based payment compensation and €0.3m with respect to share-based compensation).

Equity accounted investments, Associates and Financial assets
The Group's Equity accounted investments, Associates and Financial assets remain the same as those described on pages 262 to 265 of the Group's Annual Financial Statements for the year ended 29 February 2024, which are available on the Group's website, http://www.candcgroupplc.com.

Other
Loans extended by the Group to equity accounted investments are considered trading in nature and are included within advances to customers in Trade & other receivables.

All outstanding trading balances with equity accounted investments, which arose from arm's length transactions, are to be settled in cash within 60 days of the reporting date.

Details of transactions with equity accounted investments during the period and related outstanding balances at the period end are as follows:

	Joint ventures		**Associates**	
	31 August 2024	31 August 2023	**31 August 2024**	31 August 2023
	€m	€m	**€m**	€m
Net revenue	**0.5**	0.6	**0.2**	0.3
Trade & other receivables	**0.7**	1.0	**-**	0.1
Purchases	**0.6**	0.8	**0.3**	0.4
Trade & other payables	**-**	0.1	**-**	0.1
Loans	**0.6**	1.3	**0.3**	0.6

There have been no other related party transactions that could have a material impact on the financial position or performance of the Group for the first six months of the financial year.

14. Events after the balance sheet date

On 9 September 2024, the Group announced that it will commence a Share Buyback Programme to repurchase ordinary shares of the Group up to a maximum aggregate consideration of €15 million (the "Programme").The Programme forms part of the Group's plan to return up to €150 million to shareholders over the next three fiscal years ending in February 2025, 2026 and 2027 through a combination of dividends and share buybacks. The Programme is underpinned by the Board's continued confidence in the medium-term outlook for the business and its strong cash generation capabilities. The Board also believes that the Programme represents the most effective use of capital in the current environment.

There were no other material events subsequent to the balance sheet date of 31 August 2024 which would require disclosure in this report.

15. Prior year restatements

Impact on the Consolidated Income Statement for the period ended 31 August 2023

	31 August 2023 Previously published			Adjustments			31 August 2023 Restated		
	Before exceptional items €m	Exceptional items €m	Total €m	Before exceptional items €m	Exceptional items €m	Total €m	Before exceptional items €m	Exceptional items €m	Total €m
Revenue	1,058.1	-	1,058.1	(2.2)	-	(2.2)	1,055.9	-	1,055.9
Excise duties	(185.6)	-	(185.6)	(5.5)	-	(5.5)	(191.1)	-	(191.1)
Net revenue	872.5	-	872.5	(7.7)	-	(7.7)	864.8	-	864.8
Operating costs	(842.0)	(3.1)	(845.1)	15.3	(0.9)	14.4	(826.7)	(4.0)	(830.7)
Group operating profit	30.5	(3.1)	27.4	7.6	(0.9)	6.7	38.1	(4.0)	34.1
Finance income	-	0.1	0.1	-	-	-	-	0.1	0.1
Finance expense	(9.7)	(1.0)	(10.7)	(0.1)	-	(0.1)	(9.8)	(1.0)	(10.8)
Profit before tax	20.8	(4.0)	16.8	7.5	(0.9)	6.6	28.3	(4.9)	23.4
Income tax expense	(4.9)	0.8	(4.1)	(1.2)	0.2	(1.0)	(6.1)	1.0	(5.1)
Group profit for the financial period	15.9	(3.2)	12.7	6.3	(0.7)	5.6	22.2	(3.9)	18.3
Impact on basic earnings per share (cent)			3.2			1.5			4.7
Impact on diluted earnings per share (cent)			3.2			1.5			4.7

Impact on the Consolidated Statement of Comprehensive Income for the period ended 31 August 2023

31 August

	31 August 2023 as published €m	Adjustments €m	31 August 2023 (Restated) €m
Group profit for the financial period	12.7	5.6	18.3
Total comprehensive income for the financial period*	17.5	5.6	23.1

+ The table above includes only those financial statements line items which have been restated. The total comprehensive income for the financial period does not therefore represent the sum of the line items presented above.

15. Prior year restatements (continued)

Impact on the Consolidated Balance Sheet as at 31 August 2023

	31 August 2023 (previously published) €m	Adjustments €m	31 August 2023 (restated) €m
Non-current assets			
Property, plant & equipment	226.0	3.2	229.2
Deferred tax	24.3	1.3	25.6
Total non-current assets*	986.9	4.5	991.4
Current assets			
Inventories	192.3	(1.8)	190.5
Trade & other receivables	265.1	(0.2)	264.9
Financial assets	-	0.7	0.7
Current income tax assets	1.5	0.3	1.8
Total current assets*	555.5	(1.0)	554.5
TOTAL ASSETS	1,542.4	3.5	1,545.9
EQUITY			
Capital and reserves			
Treasury shares	(33.9)	(2.3)	(36.2)
Other reserves	90.7	0.8	91.5
Retained income	334.9	(10.0)	324.9
Total equity*	742.9	(11.5)	731.4
LIABILITIES			
Non-current liabilities			
Provisions	5.0	10.5	15.5
Lease liabilities	63.8	3.7	67.5
Deferred tax liabilities	35.5	1.5	37.0
Total non-current liabilities*	308.7	15.7	324.4
Current liabilities			
Lease liabilities	19.3	(0.4)	18.9
Trade & other payables	466.9	(2.4)	464.5
Interest bearing loans and borrowings	(0.7)	0.7	-
Provisions	5.3	1.9	7.2
Current income tax liabilities	-	(0.5)	(0.5)
Total current liabilities*	490.8	(0.7)	490.1
Total liabilities*	799.5	15.0	814.5
TOTAL EQUITY & LIABILITIES	1,542.4	3.5	1,545.9

+ The table above includes only those financial statement line items which have been restated. The total non-current assets, current assets, equity, non-current liabilities, current liabilities and total liabilities do not therefore represent the sum of the line items presented above.

15. Prior year restatements (continued)

Adjustments in respect of the Group

As noted earlier in this report, the Group has identified a number of accounting errors which have resulted in the restatement of results for the 31 August 2023 (HY2024) reporting period. These errors arose from mistakes and errors of judgement and an explanation of the individual items is given below:

i) Property, plant and equipment (PPE) was understated by €3.2m at HY2024 in respect of leases for plant, machinery and equipment not capitalised correctly in accordance with IFRS 16.
ii) Inventory at was overstated by €1.8m at HY2024, which arose from the incorrect accounting treatment applied to inventory of branded glassware.
iii) Trade and other receivable balances were overstated by €0.2m at HY2024 due to incorrect accounting treatment applied to supplier incentive bonus payments.
iv) The Group's Partnership and Matching Share Schemes in respect of UK and ROI employees were incorrectly accounted for as cash-settled schemes, whereas they should have been accounted for as equity settled schemes. This resulted in an understatement of Treasury shares of €2.3m at HY2024 and an understatement of other reserves of €0.8m.
v) Lease liabilities were understated by €3.3m at HY2024 (non-current €3.7m, offset by an overstatement in current of €0.4m) following the incorrect accounting treatment adopted in respect of the lease contracts. The Income Statement impact for HY2024 was (€0.1m).
vi) Trade and other payable balances were overstated by €2.4m at HY2024 due to errors of judgement applied in respect of accounting for goods received not invoiced (GRNI), customer discount liabilities, deferred income and other general accruals.
vii) Provisions were understated in HY2024 by €12.4m due to onerous contracts in respect of the Group's suppliers of apples for use in cider production not being recognised in the appropriate accounting period (non-current: €10.5m and current: €1.9m).
viii) Revenue was overstated in HY2024 by €2.2m due to the incorrect timing of release of customer discount liabilities.
ix) Excise duties were understated by €5.5m in HY2024. This comprises a reclassification of duty charges incorrectly included within operating costs of €3.7m and an accrual release of €1.8m previously recognised in the incorrect accounting period.
x) The tax impact of these adjustments at HY2024 was a charge of €1.0m. Deferred tax assets were understated by €1.3m at HY2024 and deferred tax liabilities were understated by €1.5m. Current income tax assets were understated by €0.3m and current income tax liabilities were overstated by €0.5m.
xi) The cumulative retained income impact of these adjustments at 31 August 2023 was €10.0m, with the impact on the consolidated Income Statement in HY2024 being €5.6m.

16. Board approval

The Board approved the financial report for the six months ended 31 August 2024 on 28 October 2024.

17. Distribution of interim report

This report, and further information on C&C, is available on the Group's website (http://www.candcgroupplc.com).

Supplementary financial information

Alternative performance measures
The Directors have adopted various alternative performance measures ('APMs') to provide additional useful information on the underlying trends, performance and position of the Group. These measures are used for performance analysis. The alternative performance measures are not defined by IFRS and therefore may not be directly comparable with other companies' alternative performance measures. These measures are not intended to be a substitute for, or superior to, IFRS measurements. The key APMs of the Group are set out below:

- **Operating profit before exceptional items:** Operating profit for the period as adjusted for exceptional items.

- **Adjusted EBITDA:** Adjusted EBITDA is earnings before exceptional items, finance income, finance expense, tax, depreciation and amortisation charges.

- **Constant currency:** Prior period revenue, net revenue and operating profit for each of the Group's reporting segments are shown at constant exchange rates for transactions by subsidiary undertakings in currencies other than their functional currency and for translation in relation to the Group's non-Euro denominated subsidiaries by restating the prior period at current period effective rates. Refer to page 10 for constant currency table.

- **Exceptional items:** The Group has adopted an accounting policy and Income Statement format that seeks to highlight specific significant items of income and expense within the Group results for the year. The Directors believe this provides a more useful analysis. These significant items are determined based on the following qualitative and quantitative framework. The Group considers items which are significant either because of their size or their nature, and which are non-recurring. For items to be considered significant, it must initially meet at least one of the following criteria:

    • Non-recurring items – these are events/transactions that are infrequent and unusual, or one-off in nature. These include items such as restructuring and integration projects, litigation costs and settlements, impairment of assets, COVID-19, acquisition related costs, and gains/losses from the sale of assets or businesses.

    • Inconsistent items – these are items which are inconsistent amounts year-on-year (where applicable) such as revaluation gains/losses.

    • For an item to be deemed exceptional, it must have a significant effect on C&C's profitability and should therefore be separately disclosed. For the purposes of the current financial period, the Group determined a material amount that would influence the economic decisions of a user of the financial statements.

  If an item meets at least one of the criteria, the Directors then exercise judgement evaluated based on the above criteria as to whether the item meets the Group definition of significant.

- **Free Cash flow:** Free Cash Flow (FCF) is a measure that comprises cash flow from operating activities net of capital investment cash inflows and outflows which form part of investing activities. Free Cash Flow highlights the underlying cash generating performance of the ongoing business. A reconciliation of FCF to net movement in cash per the Group's Cash Flow Statement is set out on page 8.

- **Interest cover**: Calculated by dividing the Group's Adjusted EBITDA excluding exceptional items and discontinued activities by the Group's interest expense, excluding IFRS 16 *Leases* finance charges, issue cost write-offs, fair value movements with respect to derivative financial instruments and unwind of discounts on provisions, for the same period.

- **Net debt:** Net debt comprises borrowings (net of issue costs) less cash plus lease liabilities capitalised under IFRS 16 *Leases*. Refer to Note 9 of the Condensed Consolidated Interim Financial Statements.

- **Net debt (excluding leases):** Net debt excluding leases comprises borrowings (net of issue costs) less cash. Refer to Note 9 of the Condensed Consolidated Interim Financial Statements.

- **Net revenue:** Net revenue is defined by the Group as revenue less excise duty. The duty number disclosed represents the cash cost of duty paid on the Group's products. Where goods are bought duty paid and subsequently sold, the duty element is not included in the duty line but within the cost of goods sold. Net revenue therefore excludes duty relating to the brewing and packaging of certain products. Excise duties, which represent a significant proportion of revenue, are set by external regulators over which the Group has no control and are generally passed on to the consumer.

- **Adjusted basic earnings per share**: Is calculated by dividing earnings as adjusted for exceptional items net of tax, by the weighted average number of ordinary shares in issue during the period, excluding ordinary shares purchased/issued by the Company and accounted for as treasury shares.

- **Adjusted diluted earnings per share:** Is calculated by dividing earnings as adjusted for exceptional items net of tax, by the adjusted weighted average number of ordinary shares excluding treasury shares outstanding during the period, assuming the conversion of all dilutive ordinary shares.

- **Operating margin:** Operating margin is based on operating profit before exceptional items and is calculated as a percentage of net revenue. Refer to the operating review for operating margin calculations.