The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

Celtic PLC

Announcement of Results for the year ended 30 June 2023

SUMMARY OF THE RESULTS

Key Operational Items

- Winners of the Domestic Treble in season 2022/23 for a world record 8th time.
- Qualification for the group stages of the UEFA Champions League for season 2023/24.
- Participation in the group stages of the UEFA Champions League in season 2022/23.
- 26 home matches played at Celtic Park (2022: 31 games).

Key Financial Items

- Group revenue increased by 35.8% to £119.9m (2022: £88.2m).
- Operating expenses including labour increased by 4.0% to £95.4m (2022: £91.7m).
- Gain on sale of player registrations of £14.4m (2022: £29.0m).
- Acquisition of player registrations of £13.0m (2022: £38.4m).
- Profit before taxation of £40.7m (2022: £6.1m).
- Year-end cash net of bank borrowings of £72.3m (2022: £30.2m).

For further information contact:

Celtic plc
Peter Lawwell, Celtic plc Tel: 0141 551 4235
Iain Jamieson, Celtic plc

Canaccord Genuity Limited, Nominated Adviser
Simon Bridges Tel: 0207 523 8000

CHAIRMAN'S STATEMENT

I open by welcoming back Brendan Rodgers to the Club following his successful spell as First Team Manager between May 2016 and February 2019. Following the departure of Ange Postecoglou, we assessed the market and concluded that Brendan was both the natural choice and the overwhelmingly best candidate to succeed Ange and take Celtic forward. We thank Ange for all he achieved at the Club and wish him all the best for the future and look forward to working with Brendan once again to deliver success for Celtic. My own appointment took effect from January 1st following the retirement of Ian Bankier. I take this opportunity to reiterate the Club's appreciation to Ian for his distinguished service in the role.

The results for the year ended 30 June 2023 show an increase in revenue to £119.9m (2022: £88.2m) with a corresponding profit before tax of £40.7m (2022: £6.1m profit before tax). This represents a record set of financial results for the Club due to a combination of factors as detailed below, including some material items of a one off nature.

The £31.7m increase in revenue reflects the participation in the UEFA Champions League in season 2022/23, when compared to the UEFA Europa League in the previous season, resulting in greater ticket and media rights income. In addition to this, our tour of Australia and a record year for our retail business were also significant contributors to the increase. The £34.6m increase in profit before tax resulted from the significant revenue increase outlined above along with a £14.4m gain on sale of player registrations, predominantly from the sales of Jota, Juranovic and Giakoumakis. In addition, we recorded £13.5m of other income that came from a combination of compensation received following the departure of Ange Postecoglou and a business interruption insurance recovery in relation to Covid-19, with the two items mentioned being one off in nature and typically non-recurring.

In terms of funding and liquidity, our year end cash, net of bank borrowings, was £72.3m (2022: £30.2m). The increase this year was principally due to the translation into cash of the strong trading environment and the typically non-recurring items mentioned previously. These reserves were used to fund the summer 2023 transfer window and will be used for settling outstanding sums due from transfers over the last two seasons, which are typically paid in instalments. This sum also contains the cash required to fund the significant investment that the Club is planning to make in developing our Barrowfield training facility. It is important to highlight that, given the increasing gap between the sums able to be earned between the Champions League and the Europa League, it is vital that we retain a cash buffer in reserve. History tells us that we will not always qualify for the Champions League and the benefit of holding cash reserves affords us the optionality of managing through seasons where we participate in the Europa League with the ability to retain our squad as opposed to selling key players to bridge the income shortfall between both competitions. The Financial sustainability rules are also a key feature of UEFA licencing and we need to be cognisant of running our club accordingly.

Building on the investment in player registrations of £38.4m in the previous financial year ended 30 June 2022, the Club made further significant investment in the year by committing an additional £13.0m, taking our total spend to £51.4m over the two financial years to 30 June 2023. Since the year end and up to 1st September 2023 we have invested a further £15.0m into player registrations taking our total spend over this period to £66.4m. The assembly of a strong squad was a key factor in retaining the SPFL title for the second consecutive year and ultimately securing a domestic Treble. The investment will serve us well for the season ahead. Last year's trophies brought our total Trebles to eight in our history and this landmark represented a new world record and one that all connected with our Club should be rightly proud of.

Securing the SPFL title once again in 2022/23 led to automatic Champions League qualification. Following the draw, we have been matched against Feyenoord, Lazio and Atletico Madrid in what is sure to be an exciting Champions League Group Stage. Automatic qualification allowed us to make further football investment with a focus on building greater strength into the playing squad. In the summer 2023 transfer window, we have acquired Hyeok-kyu Kwon, Marco Tilio, Hyun-jun Yang, Odin Holm, Maik Nawrocki, Gustaf Lagerbielke, Luis Palma and brought in Paulo Bernardo and Nathaniel Phillips on loan. The present squad also gives real potential for development with the average age being 24. We parted company with Aaron Mooy, Carl Starfelt, Albian Ajeti, Ismaila Soro, Osaze Urhoghide, Vasilios Barkas, Conor Hazard and Jota. We wish all our former players the best for the future.

Our successfully proven strategy has delivered stability and footballing success over many years and remains the same. We must balance the signing of players that can be developed and sold when conditions are optimal alongside the need to sign players who are able to make an immediate impact and deliver footballing success. The execution of this strategy is increasingly challenging owing to wage and transfer inflation, but this formula has underpinned both our footballing success and financial stability over a number of years now and it is vital that we adhere to it.

Following on from the League and Scottish Cup double in the prior season, our Women's team had another strong performance in season 2022/23. Following the disappointment of losing the SWPL title by just two points to a last-minute winner on the season's final day resulting in a second place finish, we went on to retain the Scottish Cup with a victory against Rangers Women at Hampden. Whilst finishing second in the league was a disappointment this facilitated access to the Women's Champions League qualifiers. After defeating Brondby in the first qualifying match, our Women's team then faced a match against Valerenga for progression to the final play-off round prior to the group stages. The match ended 2-2 after extra time and was ultimately lost in penalties. Whilst this was hugely disappointing, we take pride in the fact that this is the furthest our Women's team have progressed in the tournament and they will take much from the experience.

As we look forward, European club competition continues to develop and further integrate. Relationships between the European Club Association ('ECA') along with UEFA and FIFA have never been stronger and ECA membership continues to expand. This is a positive development for European football clubs and will strengthen governance and ultimately add value to the European Football landscape. Celtic are committed to the ECA and fully endorse its objectives as we move towards the new European Club Competition format from 2024 onwards. In my role as Vice Chairman of the ECA, member of the executive committee and Board Member, I will continue to promote the interests of Celtic, Scottish football and European football as a whole.

Finally, I wish to extend my thanks to all our Celtic colleagues for their contribution to delivering another Treble and of course to all our supporters who continue to support the Club year after year in enormous numbers.

Peter T Lawwell, Chairman
18 September 2023

CHIEF EXECUTIVE'S REVIEW

The year to 30 June 2023 will go down as a landmark year in the history of Celtic, when the Club achieved a world record breaking 8th Treble. I thank and congratulate all of our colleagues, our players, our former manager Ange Postecoglou, and of course our supporters for this remarkable achievement.

The objective for the season was to build upon the previous year's success, when we had secured the SPFL Premiership title and the League Cup. Having invested in the first team squad, we entered the Champions League Group Stages for the first time in five years. The challenging draw set us against RB Leipzig, Shakhtar Donetsk and 14 times Champions League winners Real Madrid. Despite achieving only two points, the performance levels and valuable experience gained by our young squad were promising and will provide a base on which to build again into this season and the forthcoming Champions League Group Stages campaign.

Our domestic campaign got off to a strong start and by the halfway mark on 31 December 2022, we had lost just one game; winning 18 games of the 19 played. The 2022 World Cup gave us an opportunity to take part in a hugely successful international tour of Australia, where we played Everton F.C. and Sydney F.C. This gave the opportunity to bring Celtic to our supporters in Australia and the southern hemisphere, and demonstrated the scale of the Club on the international stage. In February 2023, we retained the Scottish League Cup with a victory over Rangers setting the tone for the title run in. We went on to secure the SPFL Premiership title in early May 2023, before defeating Inverness Caledonian Thistle F.C. to win the Scottish Cup and our eighth domestic Treble. Following the Scottish Cup Final, Ange Postecoglou left the Club to become the manager of Tottenham Hotspur F.C. Ange leaves with the Club's best wishes, and with our appreciation for his contribution to our Club.

During the 2023/24 close season, the immediate focus was the recruitment of a First Team Manager to replace Ange. Following a thorough assessment, we were delighted to bring Brendan Rodgers back to Celtic. Brendan was the standout candidate for the job. Bringing back a manager of Brendan's quality is crucial to our strategic objectives to dominate domestic football and to compete regularly in the Champions League. During the summer transfer window, we worked with Brendan to continue to strengthen our squad, and we look to the season ahead with optimism and a determination to continue to build our Club for the short, medium and long term. Our immediate priority is to retain the SPFL Premiership title and the Scottish Cup, and to build on our performances in the Champions League.

Celtic F.C. Women enjoyed another successful season, winning the Women's Scottish Cup against Rangers. Manager, Fran Alonso, our players, led by Captain Kelly Clark, and all of our colleagues are to be congratulated for the continued development and improvement of our Women's team, with a terrific league campaign ending by narrowly finishing second in the last game of the season in dramatic circumstances. We also saw a record attendance for a Celtic F.C. Women's game at Celtic Park, where the support given to the team was outstanding. We will continue to invest in the development of Celtic F.C. Women and our Girls Academy.

Celtic F.C. B Team completed their second full season in the Lowland League, finishing third for the second consecutive season. We look forward to our third season in the Lowland League, with further opportunities for player development this season in the UEFA Youth League and the Premier League International Cup. Player development remains at the core of the Club's strategy and it is vitally important that we continue to invest in developing our own Academy players. We will work with the Scottish football authorities to maximise the opportunities for the development of young players in Scotland.

Continuous improvement remains a key objective. During the year we invested in our facilities at Celtic Park and Lennoxtown, to take our Club forward. At Celtic Park, we opened a new sports bar and a new viewing platform for disabled supporters. At Lennoxtown, we completed work on a new performance gym for the First Team and B Team, together with a new First Team canteen and lounge facility. In the year ahead, we will complete a significant investment in new First Team and B Team changing facilities, along with enhanced medical and sports science facilities, to seek to ensure that our technical functions are aligned to meet the needs of a modern football club and players.

Last week we were delighted to announce a major investment in the re-development of our Barrowfield training facility. This is a very exciting project. Our objective is to create a first class training and development environment for the Academy and Women's football team at an iconic venue that has played such an important part in the history of our Club.

This year saw the redevelopment of some facilities at Celtic Park for the use of Celtic F.C. Foundation. Charity continues to be a fundamental part of our Club, with Celtic F.C. Foundation at the very heart of everything we do, as highlighted by the current banners on the main stand at Celtic Park, ensuring that the Club's commitment to our charitable ethos is front and centre for all to see. Everyone at the Club is extremely proud of the important work delivered by Celtic F.C. Foundation, including, for example, Paradise Pit Stop, where twice a week we open our doors at Celtic Park and Celtic F.C. Foundation provides hot food for those in need in our community, in a safe and welcoming environment. Thank you to all who support Celtic F.C. Foundation including our colleagues who volunteer every week to help at the Paradise Pit Stop.

As we continue to develop our Club for the future, we are aware of the ongoing turbulence and uncertainty in the economy and the challenges presented for our business, our partners and our supporters. Our model seeks to balance our commitment to football success with the crucial importance of financial sustainability. We thank our partners and sponsors, including adidas, Dafabet and Magners for your continued support. We are also very fortunate to have fantastic colleagues at Celtic, who work tirelessly to support all of the Club's operations and to support the teams on the pitch throughout the season. I would also like to thank Ian Bankier, who retired during the financial year, for his contribution to the Club and his support and advice to the Board as Chairman.

Finally, our thanks go to our supporters for your commitment and invaluable contribution to the Club. Your continued support is vital in delivering the success that we all strive for each year.

Michael Nicholson, Chief Executive
18 September 2023

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 June 2023

	Notes	2023 £000	2022 £000
Revenue	2	**119,851**	88,235
Operating expenses (before intangible asset transactions and exceptional items)		**(95,432)**	(91,728)
Profit/(loss) from trading before intangible asset transactions and exceptional items		**24,419**	(3,493)
Exceptional operating expenses	3	**(131)**	(6,262)
Amortisation of intangible assets		**(12,088)**	(13,045)
Profit on disposal of intangible assets		**14,441**	29,029
Other income		**13,500**	-
Operating profit		**40,141**	6,229
Finance income		**2,041**	876
Finance expense		**(1,485)**	(969)
Profit before tax		**40,697**	6,136
Tax expense	5	**(7,365)**	(287)
Profit and total comprehensive profit for the year		**33,332**	5,849
Basic profit per Ordinary Share for the year	6	**35.26p**	6.19p
Diluted profit per Share for the year	6	**24.79p**	4.69p

CONSOLIDATED BALANCE SHEET
As at 30 June 2023

	2023 £000	2022 £000
Assets		
Non-current assets		
Property, plant and equipment	**55,725**	56,265
Intangible assets	**28,039**	35,489
Trade receivables	**15,113**	13,000
	98,877	104,754
Current assets		
Inventories	**3,426**	2,987
Trade and other receivables	**45,700**	38,367
Cash and cash equivalents	**72,285**	31,869
	121,411	73,223
Total assets	**220,288**	177,977
Equity		
Issued share capital	**27,168**	27,166
Share premium	**14,990**	14,951
Other reserve	**21,222**	21,222
Accumulated profits	**44,810**	11,478
Total equity	**108,190**	74,817
Non-current liabilities		
Borrowings	**-**	314
Debt element of Convertible Cumulative Preference Shares	**4,174**	4,174
Trade and other payables	**12,320**	16,806
Lease liabilities	**432**	318
Provisions	**96**	114
Deferred tax liabilities	**3,215**	2,982
	20,237	24,708
Current liabilities		
Trade and other payables	**50,764**	36,758
Lease liabilities	**330**	539
Borrowings	**96**	1,336
Provisions	**6,898**	8,350
Deferred income	**33,773**	31,469
	91,861	78,452
Total liabilities	**112,098**	103,160
Total equity and liabilities	**220,288**	177,977

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2023

Group	Share capital £000	Share premium £000	Other reserve £000	Accumulated profit £000	Total £000
Equity shareholders' funds as at 1 July 2021	**27,166**	**14,914**	**21,222**	**5,629**	**68,931**
Share capital issued	-	37	-	-	37
Profit and total comprehensive profit for the year	-	-	-	5,849	5,849
Equity shareholders' funds as at 30 June 2022	**27,166**	**14,951**	**21,222**	**11,478**	**74,817**
Share capital issued	2	39	-	-	41
Profit and total comprehensive profit for the year	-	-	-	33,332	33,332
Equity shareholders' funds as at 30 June 2023	**27,168**	**14,990**	**21,222**	**44,810**	**108,190**

CONSOLIDATED CASH FLOW STATEMENT
For the year ended 30 June 2023

	Notes	2023 £000	2022 £000
Cash flows from operating activities			
Profit for the year		**33,332**	5,849
Taxation charge		**7,365**	287
Depreciation		**2,883**	2,736
Amortisation of intangible assets		**12,088**	13,045
Impairment of intangible assets and other prepaid costs		**-**	7,235
Reversal of prior period impairment charge		**-**	(1,094)
Profit on disposal of intangible assets		**(14,441)**	(29,029)
Finance income		**(2,041)**	(876)
Finance costs		**1,485**	969
		40,671	(878)
(Increase) / decrease in inventories		**(439)**	873
Increase in receivables		**(2,649)**	(1,856)
Increase in payables and deferred income		**9,092**	12,302
Cash from operations		**46,675**	10,441
Tax paid	**5**	**(4,297)**	-
Interest received		**1,175**	64
Interest paid		**(48)**	(77)
Net cash flow from operating activities		**43,505**	10,428
Cash flows from investing activities			
Purchase of property, plant and equipment		**(1,775)**	(1,034)
Purchase of intangible assets		**(24,349)**	(20,566)
Proceeds from sale of intangible assets		**25,781**	26,044
Net cash (used in) / from investing activities		**(343)**	4,444
Cash flows used in financing activities			
Repayment of debt		**(1,604)**	(1,280)
Payments on leasing activities		**(669)**	(693)
Dividend on Convertible Cumulative Preference Shares		**(473)**	(489)
Net cash used in financing activities		**(2,746)**	(2,462)
Net increase in cash equivalents		**40,416**	12,410
Cash and cash equivalents at 1 July 2022		**31,869**	19,459
Cash and cash equivalents at 30 June 2023		**72,285**	31,869

NOTES TO THE FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The principal accounting policies applied in the preparation of these Financial Statements are set out below. These policies have been consistently applied to financial years 2023 and 2022, presented, for both the Group and the Company.

Going Concern

The Group has adequate financial resources available to it, including currently undrawn bank facilities, together with established contracts with a number of customers and suppliers.

Additionally, the Group continues to perform a detailed budgeting process each year which is reviewed and approved by the Board. The Group also performs regular re-forecasts and these projections, which include profit/loss and cash flow forecasts, are distributed to the Board. As a consequence, the Directors believe that the Group is well placed to manage its business risks successfully over the medium term.

In consideration of the above, the Directors have a reasonable expectation that the Group and Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual Financial Statements and have not identified a material uncertainty in this regard.

2. REVENUE

	2023	2022
	£000	£000
The Group's revenue comprised:		
Football and Stadium Operations	**51,483**	42,782
Merchandising	**29,072**	24,925
Multimedia and Other Commercial Activities	**39,296**	20,528
	119,851	88,235

3. EXCEPTIONAL OPERATING EXPENSES

The exceptional operating expenses of £0.1m (2022: £6.3m) can be analysed as follows:

	2023	2022
	£000	£000
Impairment of intangible assets and other prepaid costs	**-**	7,235
Reversal of prior period impairment charges	**-**	(1,094)
Settlement agreements on unforeseen contract termination	**131**	121
	131	6,262

The impairment of intangible assets in the prior year relates to adjustments required as a result of management's assessment of the carrying value of certain player registrations relative to their current market value. The carrying value of intangible assets are reviewed against criteria indicative of impairment and, where the carrying value exceeds their current market value, impairment is recognised. Where events subsequent to this initial assessment give rise to a reversal of any impairments, such as a transfer or a significant turnaround in performance, an impairment reversal is recognised.

Settlement agreements on unforeseen contract termination are costs in relation to exiting certain employment contracts.

These events are deemed to be unusual in relation to what management consider to be normal operating conditions as the occurrence of these events is sufficiently irregular enough to warrant it as exceptional.

4. DIVIDEND ON CONVERTIBLE CUMULATIVE PREFERENCE SHARES

A 6% non-equity dividend of £0.53m (2022: £0.53m) was paid on 31 August 2023 to those holders of Convertible Cumulative Preference Shares on the share register at 28 July 2023. A number of shareholders elected to participate in the Company's scrip dividend reinvestment scheme for the financial year to 30 June 2023. Those shareholders have received new Ordinary Shares in lieu of cash. No dividends were payable or proposed to be payable on the Company's Ordinary Shares.

During the year, the Company reclaimed £nil (2022: £nil) in respect of statute barred preference dividends in accordance with the Company's Articles of Association.

5. TAX ON ORDINARY ACTIVITIES

The corporation tax payable as at 30 June 2023 was £2.3m (2022: receivable of £0.5m). The current year tax charge was £7.4m (2022: £0.3m) and total tax payments in the year were £4.3m (2022: £nil). The available capital allowances pool is approximately £4.3m (2022: £5.1m). These estimates are subject to the agreement of the current year's corporation tax computations with H M Revenue and Customs.

The standard rate of corporation tax for the year in the United Kingdom is currently 25% (2022: 19%). The tax rate of 25% came into effect on 1st April 2023 and therefore the annualised rate for the financial year end 30 June 2023 is 20.496%.

	2023	2022
	£000	£000
Current tax expense		
UK corporation tax	**7,132**	99
Adjustments in respect of prior periods	**-**	-
Total current tax expense	**7,132**	99
Deferred tax expense		
Origination of temporary timing differences	**191**	143
Adjustments in respect of prior periods	**-**	-
Effects of changes in tax rates	**42**	45
Total deferred tax	**233**	188
Total tax expense	**7,365**	287

6. EARNINGS PER SHARE

Reconciliation of basic earnings to diluted earnings:	**2023**	2022
	£000	£000
Basic earnings	**33,332**	5,849
Non-equity share dividend	**569**	569
Diluted earnings	**33,901**	6,418

	No.'000	No.'000
Reconciliation of basic weighted average number of ordinary shares to diluted weighted average number of ordinary shares:		
Basic weighted average number of ordinary shares	**94,531**	94,457
Dilutive effect of convertible shares	**42,226**	42,252
Diluted weighted average number of ordinary shares	**136,757**	136,709

Earnings per share of 35.26p (2022: 6.19p) has been calculated by dividing the total comprehensive profit for the period of £33.3m (2022: £5.8m) by the weighted average number of Ordinary Shares of 94.5m (2022: 94.5m) in issue during the year.

Diluted earnings per share of 24.79p (2022: 4.69p) has been calculated by dividing the diluted earnings for the period of £33.9m (2022: £6.4m) by the weighted average number of Ordinary Shares, Convertible Cumulative Preference Shares and Convertible Preferred Ordinary Shares in issue, assuming conversion at the Balance Sheet date, if dilutive. When considering a loss per share scenario, no adjustment is made for the preference share dividend and therefore the diluted loss per share is equal to the basic loss per share.

7. ANNUAL REPORT & FINANCIAL STATEMENTS

Copies of the Annual Report & Financial Statements together with the Notice and Notes of the 2023 AGM will be issued to all shareholders in due course.

The financial information set out above does not constitute the Company's statutory financial statements for the years ended 30 June 2023 or 30 June 2022. The Independent Auditor's Reports on the statutory financial statements for 2023 and 2022 were unqualified, did not draw attention to any matters by way of emphasis, and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006. The statutory financial statements for 2022 have been filed with the Registrar of Companies and those for 2023 will be delivered to the Registrar of Companies in due course.