RETURN TO PROFITABILITY: RESULTS FOR THE 12 MONTHS ENDED 28 FEBRUARY 2022

17 May 2022 | 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 twelve months ended 28 February 2022 ('FY2022').

FY2022 Financial Highlights

	FY2022	FY2021	Change
€'m except per share items	**€'m**	**€'m**	**%**
Net revenue(i)	1,438.1	765.8	87.8%
Adjusted EBITDA(i)(ii)	79.7	(31.7)	NM
Operating profit/(loss)(i)(iii)	47.9	(63.6)	NM
Operating margin(iii)	3.3%	NM	NM
Basic EPS(iv)	9.9c	(31.1c)	NM
Adjusted diluted EPS(iv)	7.5c	(21.1c)	NM
Exceptional (credit)/charge (pre-tax)	(11.3)	36.1	NM
Dividend per share	-	-	NM
Free cash in/(out) flow(iii)(v)	28.4	(91.2)	NM
Free cash in/(out) flow(iii)(v) (% conversion)	35.6%	NM	NM
Liquidity(vi)	438.7	314.6	39.4%
Net Debt(vii)	271.3	441.9	(38.6%)
Net Debt(vii) (excluding lease liabilities)	191.3	362.3	(47.2%)

FINANCIAL SUMMARY

- The Group delivered a net revenue increase of 87.8%(i) to €1,438.1m.
- Performance driven by 207.8% growth in on-trade net revenue as a consequence of fewer trading restrictions in the year. There were 267 days of trading where the on-trade was open across Ireland and the UK, compared with 117 days in FY2021.
- Strong off-trade performance despite the re-opening of the on-trade, with net revenues of €376.3m, down 3.4% vs. FY2021.
- Operating profit(iii) of €47.9m contributed to free cash inflow(v) of €28.4m pre-exceptionals, reflecting a free cash flow conversion of 35.6% and significant progress against medium-term free cash flow conversion target of 65-75%.
- Operating margins(iii) were 3.3% in FY2022, with H2 FY2022 being 4.1%.
- During FY2022 we managed the challenging inflationary environment through the combination of our €18m cost reduction plan, input cost hedging and the implementation of a price increase in November 2021.
- Net debt(vii) of €271.3m at year end equated to net debt to adjusted EBITDA of 3.4x, within normal covenant levels. Our medium-term leverage ratio target is reiterated at less than 2.0x.
- Strong liquidity(vi) at year end of €438.7m positions the Group well to execute its strategy.
- Exceptional credit (pre-tax) of €11.3m, primarily driven by write back of previously created COVID-19 provisions.

BRAND STRENGTH

- Brand health score for Tennent's and Bulmers improved year on year maintaining clear market-leading positions(vii)(ix).
- Bulmers and Tennent's twelve month off-trade brand volume share grew by 330bps and 110bps respectively compared with pre-pandemic levels(x)(xi).
- We optimised our Irish branded portfolio through ABV and pack format changes ahead of the introduction of Minimum Unit Pricing ('MUP'), with early indications showing that Bulmers has performed strongly compared to the market(x).
- Our premium beer portfolio has continued to strengthen with penetration in Scotland growing to 40% of IFT (Independent Free Trade) outlets from 35% in FY2020.
- FY2022 branded operating margins have grown to 14.2%, driven by the easing of on-trade restrictions and the implementation of MUP in Ireland in January 2022.

SYSTEM STRENGTH

- We continued to streamline our business with the creation of 'One C&C' GB, aligning our GB, MCB and International businesses under one management team, which now reports under a single segment.
- Effective management of industry-wide operational issues including shortage of drivers and CO_2, through in-house network and CO_2 recovery systems – ensuring continuity of supply and service for customers.
- Our secondary logistics customer service has improved, with OTIF ('On Time in Full') for our Matthew Clark network recovering from a low of c.73% in FY2022 to c.88% at February 2022. Our target OTIF under normalised conditions is 96%.
- Continued strengthening of third-party brand portfolio with an exclusive sales and distribution agreement with Moët Hennessy in Scotland.

SUSTAINABILITY HIGHLIGHTS

- We installed the largest rooftop solar panel farm in Ireland at Clonmel, reducing carbon emissions by 500 tonnes per annum and generating 10% of the site's annual electricity needs.
- We transitioned out of single use plastics in consumer packaging for our key brands in Wellpark in the first half of the year followed by investment in Clonmel in the second half of the year, replacing plastic on canned products with recyclable card.
- Our Wellpark brewery in Glasgow was recognised as Sustainable Brewery of the Year at the Scottish Beer Awards and also received a Good Practice Award at the VIBES Scottish Environment Business Awards.
- We have aligned the executive team's long-term incentives with environmental targets relating to the reduction of scope 1 and 2 carbon emissions.

DISPOSAL OF NON-CORE INVESTMENT IN ADMIRAL TAVERNS

- C&C today announces the sale of its entire minority interest in Admiral Taverns to Proprium Capital Partners, with whom it originally invested into Admiral Taverns in September 2017, for total gross aggregate cash consideration of €65.8m (£55.0m).
- The sale of the shares will be completed and consideration will be paid in three tranches during FY2023.
- We estimate the disposal represents an FY2023 EBITDA multiple of 10.9x. The aggregate proceeds receivable are expected to be used to reduce net debt and contribute to the delivery of our stated medium-term target Net debt/EBITDA multiple of less than 2.0x(xx).
- As part of the divestment, C&C has negotiated a long-term supply agreement into the Admiral estate which includes our owned and agency brands.

CURRENT TRADING & OUTLOOK

- FY2023 has started strongly with net revenue +12% of pre-COVID (FY2020) levels for the two months to 30 April 2022 and 140% of FY2021. The benefit of no on-trade restrictions, easing of the pressures on supply chains and additional public holidays has created a more positive trading environment over recent months.
- Recently implemented price increases, hedged positions and cost savings programme have provided a degree of protection against cost inflation. However, additional input cost pressure, particularly at our manufacturing facilities, will likely necessitate further price increases.
- We plan to increase investment behind our brands and continue to execute efficiency improvement plans, primarily in our GB business unit, however we remain vigilant of the macro-economic backdrop and consumer environment with respect to the potential for reduced spending as the year progresses.
- Against this backdrop, we will target a leverage multiple of less than 2.0x.
- Reflecting our strong Balance Sheet position and cash flow capability, the Board's objective is to return to paying a dividend in due course.

David Forde, C&C Group Chief Executive Officer, commented:

"Following a period of unprecedented challenges for the hospitality sector, we are delighted to be back serving our customers and delivering our iconic and much-loved brands to our on-trade and off-trade partners. Encouraged by the reaction and resilience of the industry, we are pleased with how trading has recovered and the subsequent

strength of customer and consumer demand, which we believe reflects the enduring importance of the on-trade and the role that it plays in our society.

FY2022 finished with a robust return of the on-trade, and we are excited for the opportunities ahead. C&C has and will continue to enhance its branded portfolio through increased investment and product development, utilising our system strength to win in cider and strengthen our position in premium beer. Through investment in technology, we are creating a more streamlined and efficient business which will, in turn, deliver an improved customer experience and service.

Looking forward, we are operating in an evolving and challenging inflationary cost environment and will continue to monitor this closely over FY2023 and beyond. We have already taken action to afford the business a degree of protection, nevertheless we are susceptible to further increases in our cost base which would necessitate further price increases. Despite the current positive sentiment in the hospitality sector post reopening, we are mindful of the pressures being faced by consumers and its potential impact on future demand.

The Group continues to play a key role in the UK and Ireland drinks market and is well positioned, with a market leading platform and a position of financial strength to drive sustainable growth and create long-term returns for our shareholders."

Capital Markets Day
C&C is hosting a Capital Markets Day today for analysts and investors at 13.30 BST. The event will provide a brief summary of FY2022; an update on the execution of the Group's strategy including near-term priorities; and provide an overview on key metrics going forward.

Registration for the Capital Markets Day webcast can be accessed on the Group's website:

https://candcgroupplc.com/investors/capital-markets-day-2022/.

ENDS

OPERATING REVIEW

Great Britain

€'m			
Constant currency[(i)]	**FY2022**	**FY2021**	**Change %**
Net revenue	1,213.8	598.4	102.8%
of which Branded	*170.1*	*139.0*	*22.4%*
- Price / mix impact			*10.0%*
- Volume impact			*12.4%*
of which Distribution	*1,005.5*	*414.2*	*142.8%*
- Price / mix impact			*83.7%*
- Volume impact			*59.1%*
of which Co-pack / Other	*38.2*	*45.2*	*(15.5%)*
Operating profit/(loss)[(iii)]	31.2	(56.9)	NM
Operating margin	2.6%	NM	
of which Branded	*21.7*	*(10.4)*	*NM*
of which Distribution	*9.5*	*(46.5)*	*NM*
Volume – (kHL)	4,305	3,167	35.9%
of which Tennent's	897	712	26.0%
of which Magners	606	557	8.8%

Our Great Britain division's net revenue increased 102.8% to €1,213.8m[(i)] in the year driven by the reopening of the on-trade from May 2021, with strong growth in our branded volumes. As a result, the division generated an operating profit[(iii)] of €31.2m against a loss of €56.9m[(i)] in FY2021. The period has been characterised by an evolving backdrop of challenges including: supply chain constraints, inflationary pressures and periods of further COVID-19 disruption. We have embarked on a period of significant change with the announcement of One C&C GB, streamlining our GB, MCB and International business under one management team with the goal of optimising our support office function, improving customer service and executing the Group's strategy.

Operational Highlights

Our customer service levels were impacted during FY2022 by widely publicised capacity constraints, driven by the ongoing issue of driver and warehouse operatives shortages. As a result, a number of initiatives were implemented including: delivery day changes; increasing minimum order value to improve efficiency; and the simplification of our offering, for example we actively reduced the volume of less valuable water products we delivered. This, coupled with our inhouse logistic operation, with its significant size and scale, has ensured that we have broadly been able to meet customer demand throughout the period. We are pleased to report that Matthew Clark On Time In Full ('OTIF'), one of our key delivery metrics, has recovered from a low of c.73% in FY2022 to c.88% at February 2022, our target under normalised conditions is 96%.

As service stabilised in H2 FY2022, we are pleased to report that CSI (Customer Service Index) and NPS (Net Promotor Score) scores across our Tennent's ('TCB'), Matthew Clark and Bibendum business have been improving month by month through H2 FY2022.

Our manufacturing site at Wellpark in Glasgow, has continued to build its sustainability credentials, being voted as Sustainable Brewery of the Year at the Scottish Beer Awards. During COP26 in Glasgow, the site hosted dignitaries and events, showcasing the investment the site has made in removing CO_2 (4,000 tonnes in FY2022) and removing 150 tonnes of single use plastic in the year. With the inflationary pressures, especially around aluminium and energy, we have introduced a lighter weight pint can for FY2023 and continue to focus on efficiencies at the site to drive down energy usage of which 100% is now generated from renewable sources. Together this will ensure that we have a competitive manufacturing cost base whilst delivering on our sustainability commitments.

Following the reopening of the on-trade in January 2022, we are pleased to be trading with 79% of outlets in February 2022 compared with February 2020.

Brands

Tennent's performance was aided by Scotland qualifying for the first time in 23 years for a major football championship. Our multi-channel advertising campaign and associated on and off-trade promotional activity helped in part to drive brand health improvement with Tennent's Lager brand index score increasing 230 bps from 14.6% to 16.9%[viii]. Tennent's off-trade volume share of 24.0% has fallen compared with FY2021 (24.6%), a reflection of Tennent's benefitting in the previous year from disruption that competitor brands experienced as well as growth of the premium category[xi]. Encouragingly though, FY2022 share is higher than FY2020 (22.9%)[xi]. In the year, our Tennent's lager IFT on-trade volumes have recovered back to 74% of FY2020 levels with direct delivered outlets recovering to 88% of FY2020.

For Magners, both volume and value share of GB off-trade apple cider declined, with a similar trend in the on-trade compared to last year[xi][xii]. Despite this, Magners Original remains the number 1 packaged apple cider by volume and value sales[xiv] and the number 1 recommended apple cider brand amongst GB cider drinkers[xv]. Matthew Clark and Bibendum have continued to grow the outlet penetration of our cider brands in outlets purchasing cider to nearly 50%, a growth of c.3% compared to FY2020.

Premium beer, driven primarily by Heverlee, Menabrea, Drygate, Innis & Gunn and Jubel, grew its penetration of our Scotland IFT outlet base in FY2022 to 40% compared with 35% in FY2020. The rate of sale has also improved in FY2022 compared with FY2020, reflecting the move to premiumisation by consumers and improved targeting into the right outlet demographic. Despite the periods of on-trade closures, coupled with hospitality restrictions, Scotland IFT premium beer volumes reached 95% of FY2020 levels with both Menabrea and Innis & Gunn outperforming FY2020 volumes. In Matthew Clark and Bibendum, we have grown the outlet penetration of our premium beer brands, compared to total beer distribution outlets, by c.+30% versus FY2020. Our premium Belgian beer brand, Heverlee has reported strong brand health scores in the latest You Gov survey[xvi] and grown in GB off-trade, with volumes +19% and value sales +20%, driven by incremental distribution and new pack formats. Innis and Gunn, exclusive partner for the IFT in GB, has made considerable distribution gains in both Scotland and England, and Wales during FY2022.

Distribution

FY2022 volumes were materially impacted by restrictions in the year, further compounded by supplier product shortages impacting availability. In addition, our MCB business experienced an isolated cyber security incident on 19 April 2021 which we pro-actively managed, restoring all systems by the end of May 2021. During this period operational efficiency was negatively impacted, however the business remained open and continued to trade. With the reopening of the on-trade we are pleased to report volume growth of 59.1% on FY2021 with net revenue growth of 142.8%. During FY2022 we successfully retained a number of large distribution customers, however, we made the decision to stop delivering less profitable products or to some lower margin customers.

We have been encouraged by the trend in spend per customer in Matthew Clark and Bibendum, where in the final nine months of FY2022, spend per customer was approximately +5% on FY2020. Together, during this period, TCB, Matthew Clark and Bibendum consistently delivered nearly one in five equivalent drinks consumed in the GB on-trade.

Our position as the leading drinks distributor in GB has been reinforced by an exclusive sales and distribution agreement with Moët Hennessy in Scotland. The partnership will combine C&C's market leading distribution in Scotland, with the strength of Moët Hennessy's exceptional portfolio of luxury wines, spirits, and champagnes. Key to securing the partnership was the level of insight we had on the market and key drivers which were provided by PROOF, our inhouse data and insight business. PROOF Insight now has approximately one hundred international and domestic drinks brand owners and operators whom they work with either directly or who subscribe to PROOF assets.

Ecommerce

We launched an ecommerce platform for Bibendum, resulting in all of our operating businesses in GB providing customers with this offering. We have continued to enhance our existing Matthew Clark and TCB ecommerce platforms, improving our customer experience through automated access, live chat and investment in platform security. Matthew Clark and TCB ecommerce revenue represent 57.6% and 54.8% of total IFT revenue respectively in February 2022, an increase from 39.5% and 37% in FY2020.

With the continued trend to online, we are retraining staff from the contact centre to support our ecommerce operations. We are pleased to report that we continue to see enhanced order sizes through our ecommerce platform compared with traditional contact centre orders. In H1 FY2022, we moved all of our promotional activity to online to further promoting the use of online ordering amongst customers. Partly as a consequence we are pleased to report that 60.2% of Matthew Clark's IFT customers now order online. We believe we have a market leading platform which provides a frictionless and superior customer experience and as such it is our near-term target to drive 80% IFT revenue through ecommerce.

International

The international business has performed well, driven by a strong recovery in late Summer 2021, aided by tourist regions re-opening. Our volumes were 91% of FY2021 as they have been impacted by the sale of our Vermont business in Q1 FY2022. Magners represented approximately 75% of total exports volume in FY2022. As with the rest of the Group, a price increase was successfully implemented in order to manage inflationary cost pressures. In one of core markets, Australia, we signed a new distribution agreement with Good Drinks Australia Ltd. Lastly, North America has performed well with Magners and Tennent's volumes 11.1% higher than FY2020.

Ireland

€m **Constant currency[i]**	**FY2022**	**FY2021**	**Change %**
Net revenue	224.3	167.4	34.0%
of which Branded	*78.3*	*48.9*	*60.1%*
- Price / mix impact			*48.3%*
- Volume impact			*11.8%*
of which Distribution	*139.8*	*115.0*	*21.6%*
- Price / mix impact			*13.3%*
- Volume impact			*8.3%*
of which Co-pack / Other	*6.2*	*3.5*	*77.1%*
Operating profit/(loss)[iii]	16.7	(6.7)	NM
Operating margin	7.4%	NM	
of which Branded	*13.6*	*(4.1)*	*NM*
of which Distribution	*3.1*	*(2.6)*	*NM*
Volume – (kHL)	1,384	1,257	10.1%
of which Bulmers	*330*	*300*	*10.0%*

Our Ireland division's net revenue increased by 34.0%[i] to €224.3m in the year driven by the re-opening of the on-trade. As a result, Ireland generated an operating profit[iii] of €16.7m from a loss of €6.7m[i] in FY2021. With the re-opening of the on-trade, off-trade net revenues dropped by 0.5%[i] compared with FY2021. Our key focus in FY2022 has been stock availability and servicing the on-trade as it returned while planning and preparing for the implementation of MUP in January 2022.

Operational Highlights

We are pleased to report that our Republic of Ireland business traded directly with 95% of outlets during February 2022 compared with February 2020. With the easing of restrictions in January 2022, over January and February 2022, on-trade volumes were at 84% of the equivalent period in FY2020. Customer service and meeting demand as the on-trade reopened has been a key focus. We have delivered a strong performance in FY2022 with customer OTIF in February 2022 of 97.8% compared with 98.0% in February 2020. Pre COVID-19, cider held a 12.5%[xvii] share of the Long Alcoholic Drinks (LAD) category, across the combined on and off-trade. Over the last 2 years, we have seen this share grow further and as of February 2022, it represents 12.6%[xvii].

MUP was introduced in the Republic of Ireland in January 2022 which put in place a minimum sales price for a unit of alcohol. MUP was introduced in Scotland in 2018, and C&C has been able to use the data and learnings from the Tennent's brand and apply them to Bulmers and the rest of our Irish portfolio. The Group had optimised the off-trade portfolio in preparation for MUP by introducing new pack sizes, vessels sizes and ABVs.

Our Clonmel manufacturing site has invested €4.8m to eliminate single use plastic for all canned products from January 2022, as a result removing approximately 150 tonnes of plastics from our products. Furthermore, the site has invested in the largest rooftop solar panel farm in Ireland which will generate 10% of the site's electricity requirements going forward. Further enforcing our sustainability credentials, we are now the only significant drinks manufacturer to use returnable pint bottles.

Brands

Bulmers launched the ‘When Time Bears Fruit’ advertising campaign in FY2022. This campaign was rooted in sustainability, targeting the important role that bees play in our environment and importantly in the pollination of our orchards. The campaign included TV advertising which saw Bulmers on the TV for the first time in three years. The latest brand health scores have seen Bulmers Original Brand Index improve +2.8%, with our TV campaign helping to increase awareness. Encouragingly, Bulmers Light increased its brand health index, +4.2%, compared with last year whereas competitor brand scores have moved backwards.

Bulmers is building momentum in the near-term, taking volume share in the off-trade in the latest 26 and 13 week market data, an indication of share gains since the introduction of MUP(x). Encouragingly, the latest 52 week data reflects off-trade volume and value share growth compared with pre COVID-19, FY2020 levels(x). In addition, this is mirrored in the on-trade where in the latest 52 week data, reflects volume and value share gains compared with FY2020(xiii). Between the on and off-trade, Bulmers remains the largest and most popular cider brand in Ireland.

Distribution and Wine

Distribution volumes have increased 8.3% in the year with the reopening of the on-trade. Our Wine business volumes were 107% of FY2020 driven by strong off-trade volumes and the resilient ontrade volumes following the reopening of the trade in June 2021 in ROI.

The Group has a strategic partnership with Budweiser Brewing Group, notably in the Republic of Ireland where we exclusively distribute their complete beer portfolio. Budweiser, the biggest brand we distribute through this agreement has been repositioned in terms of pack sizes in preparation for MUP. The latest 13-week market data indicates that Budweiser’s share of volume and value in off-trade lager has moved into growth year on year(x). In February 2022, Bud Light was launched in the Republic of Ireland, further strengthening the portfolio and tailoring to changes in consumer preferences. In addition, Corona has seen 52-week volume and value market share growth in off-trade lager(x) with its brand health scores also impressing, up +16.6% compared with last year(xix). We continued our beer portfolio development with the controlled launch of Corona Draught in December 2021.

Ecommerce

Following the launch of Bulmers Direct in H2 FY2021 and its sister platform for Tennent’s NI, we are pleased to report that 33% on-trade revenue in Ireland was captured online in FY2022. In addition, we have seen higher online order values compared with traditional contact centre orders across both platforms. We will continue to enhance the customer experience online and drive customers to the platform.

Notes to Operating Review are set out below.

(i) FY2021 comparative adjusted for constant currency (FY2021 translated at FY2022 F/X rates).

(ii) Adjusted EBITDA is earnings/(loss) before exceptional items, finance income, finance expense, tax, depreciation, amortisation and share of equity accounted investments' profit/(loss) after tax. A reconciliation of the Group's operating profit/(loss) to adjusted EBITDA is set out on page 14.

(iii) Before exceptional items.

(iv) During the current financial year, the Group completed a Rights Issue at a discounted price of £1.86. As the rights price was issued at a discount, this was equivalent to a bonus issue of shares combined with a full market price. As such, IAS 33 Earnings Per Share requires an adjustment to the number of shares outstanding before the Rights Issue to reflect the bonus element inherent in it and also for this to be included in the EPS calculation for the prior period presented so as to provide a comparable result. Adjusted basic/diluted earnings/(loss) per share ('EPS') excludes exceptional items. Please see note 6 of the Condensed Consolidated Financial Statements.

(v) Free Cash Flow ('FCF') that comprises cash flow from operating activities net of tangible and intangible cash outflows 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 €84.1m (FY2021: €45.0m reported/€46.3m on a constant currency basis) inflow in the year. A reconciliation of FCF to net movement in cash per the Group's Cash Flow Statement is set out on page 14.

(vi) Liquidity is defined as cash plus undrawn amounts under the Group's revolving credit facility.

(vii) Net debt comprises borrowings (net of issue costs) less cash. Net debt, including the impact of IFRS 16, comprises borrowings (net of issue costs), lease liabilities capitalised less cash. Please see note 8 of the Condensed Consolidated Financial Statements.

(viii) Tennent's: Source: YouGov Brand Index, 1 October 2019 - 28 Feb 2022, Scottish Likely Beer Drinkers.

(ix) Bulmers You Gov 52 week period to 28.02.22.

(x) Nielson, Volume Share of Long Alcoholic Drinks, Off-trade including Dunnes and Discounters, MAT February 2022.

(xi) GB IRI off-trade data 52 week ending 20.03.22.

(xii) CGA OPMS Data to P02 2022 (26/02/2022).

(xiii) Bulmers: CGA Ireland 52 weeks ending 28.02.22.

(xiv) YouGov Profiles+ Great Britain 02.01.2022, C&C Group, 01/03/19 - 29/02/20 vs 01/04/21 - 31/12/2021.

(xv) YouGov Profiles+ Great Britain 02.01.2022.

(xvi) Heverlee: Scotland YouGov Report, Data as of 01.03.22.

(xvii) Combined; NielsenIQ Cider MAT Vol HL share of LAD, February 2020 & CGA Cider MAT Vol HL share of LAD, February 2020.

(xviii) Combined; NielsenIQ Cider MAT Vol HL share of LAD, February 2022 & CGA Cider MAT Vol HL share of LAD, February 2022.

(xix) Corona YouGov 52 week period to 28.02.22.

(xx) Admiral Taverns is a tenanted pub group with approximately 1,600 pubs across England and Wales. C&C originally invested in the Admiral Taverns joint venture in September 2017 with its joint venture partner Proprium Capital Partners ("Proprium"), a privately-held real estate focused principal investing firm. Under the terms of the transaction, C&C will dispose of its 48.9% interest in the joint venture to Proprium. The sale of the shares will be completed and the consideration will be paid in three equal tranches, the first tranche when approval has been received from the Financial Conduct Authority, the second and third tranches on the later of receipt of approval from the Financial Conduct Authority and 31 August 2022 and 28 February 2023 respectively. In FY2022, Admiral Taverns had profit before tax of €4.9m. As at 28 February 2022, the gross assets of Admiral Taverns were €743.3m.

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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, such as Heverlee, Menabrea, Five Lamps 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.

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 C&C believes are reasonable. However, these statements are neither promises nor guarantees, but are subject to risks and uncertainties, including those factors discussed on page 18 that could cause actual results to differ materially from those anticipated.

Finance review

A summary of results for the twelve months ended 28 February 2022 is set out in the table below:

	Year ended 28 February 2022 before exceptionals(i) €m	**Year ended 28 February 2021 before exceptionals(i) €m**	**CC(ii) year ended 28 February 2021 before exceptionals(i) €m**
Net revenue	**1,438.1**	736.9	765.8
Operating profit/(loss)	**47.9**	(59.6)	(63.6)
Net finance costs	**(16.1)**	(19.5)	
Share of equity accounted investments' profit/(loss) after tax	**2.6**	(6.1)	
Profit/(loss) before tax	**34.4**	(85.2)	
Income tax (expense)/credit	**(6.2)**	14.4	
Profit/(loss) for the financial year	**28.2**	(70.8)	
Basic EPS (note 6)	**9.9 cent**	(31.1) cent	
Adjusted diluted EPS(iii) (note 6)	**7.5 cent**	(21.1) cent	

Once again, COVID-19 and its related restrictions have posed significant challenges to the drinks and hospitality sector, effecting all of the Group's stakeholders and materially impacting our results for the year ended 28 February 2022. Despite significant challenges the Group returned to profitability for the year.

C&C is reporting net revenue of €1,438.1m, operating profit(i) of €47.9m, liquidity(iv) of €438.7m and net debt(v) including leases, of €271.3m. Net debt(v) excluding IFRS 16 *Leases* was €191.3m. Following the easing of on-trade restrictions in the first half of FY2022, trading was ahead of plan with the Group returning to profitability and underlying cash generation. However, renewed Government restrictions on the hospitality industry in the second half of the year, particularly across the key Christmas trading period adversely impacted performance. With the lifting once again of restrictions towards the latter stages of FY2022, the Group's on-trade performance improved yet again, providing a platform for a clean start to FY2023. Cost inflation pressures and concerns associated with the potential consequences of the ongoing conflict in Ukraine have grown over recent months. In response to this challenging and evolving inflationary backdrop and uncertain macro environment, in November 2021 the Group implemented a series of price increases which, alongside our previously announced cost reduction programme and cost hedge positions afford us a degree of cost protection as we enter into FY2023.

The Group's performance in FY2022 continued to be significantly impacted by COVID-19 and the associated on-trade restrictions in our core markets. As a direct result, and on a constant currency basis(ii), net revenue for the Group of €1,438.1m increased by 87.8%.

Bulmers and Tennent's continued to build on market share gains, our distribution businesses returned to profitability and we successfully executed our previously announced cost reduction programme. The continued, intermittent lockdowns and restrictions in the on-trade resulted in the Group reporting an operating profit for the year of €47.9m (i), up from a loss of €63.6m in the prior year(i)(ii) and €74.8m below the Group FY2020 outcome (on a constant currency basis). Adjusted diluted EPS for FY2022 is 7.5 cent.

Liquidity and net debt reduction have been a key focus for the Group throughout FY2022. The Group completed a successful Rights Issue in June 2021 issuing 81,287,315 New Ordinary Shares at 186 pence per New Ordinary Share, raising gross proceeds of £151.2m (€176.3m). As a result of this, the Group reduced leverage with a significant reduction in net debt, improving the Group's overall liquidity position and providing the Group with the capital structure to both support the business during further potential disruptions from COVID-19 and to deliver on its strategy. The Group maintains a robust liquidity position with available liquidity of €438.7m at 28 February 2022 and at year end achieved Net Debt/ EBITDA of 3.4x. Our target Net Debt/ EBITDA level is less than 2x.

The potential impact on the Group's profitability from the challenging inflationary cost environment and concerns associated with the potential consequences of the ongoing conflict in Ukraine is a key focus as the Group enters FY2023. This risk has been somewhat mitigated to date by a successfully executed €18.0m cost reduction plan, recent price increases and input cost hedging but we remain very vigilant of the risk this level of cost inflation poses to our cost base and more generally consumer confidence and spending as we progress into FY2023.

Finance Costs, Income Tax and Shareholder Returns

Net finance costs before exceptional items of €16.1m were incurred in the financial year (FY2021: €19.5m), with €7.4m being incurred post the receipt of Rights Issue gross cash proceeds of £151m (€176m). The Group successfully negotiated financial covenant waivers as a consequence of the impact of COVID-19 with its lenders. Exceptional finance costs of €6.7m were incurred directly associated with these waivers including waiver fees, increased margins payable and other professional fees associated with the covenant waivers.

In FY2022, the UK trading group increased its contribution to overall Group profits. Expectedly, this impacts the Group's effective tax rate for FY2022 of 18.8%, as UK generated profits are taxed a rate of 19% as compared to that of 12.5% in Ireland. Further pressure on the Group's effective tax rate is to be expected with the increase of the UK's corporate tax rate to 25% from 1 April 2023 and the expected implementation of a 15% corporate tax rate in Ireland (for large multi-national corporations) towards the end of FY2023. The Group continues to manage its effective tax rate in line with its published tax strategy.

Due to COVID-19 and the impact this had on global economies and on business generally, the Board concluded it was not appropriate to pay an interim dividend or a final dividend for FY2022. In the prior financial year, due to the emergence of COVID-19, no interim or final dividend was paid, a payment of €0.4m was made to recipients of dividend accruing share-based payment awards and a credit of €0.2m was recognised in the Income Statement as a consequence of dividend accruing share-based payment awards now deemed to be not capable of achieving their performance conditions, and hence both the share-based payment award and related dividend accrual were deemed to have lapsed.

Exceptional items

Total exceptional items, before the impact of taxation, of a €11.3m credit were incurred in the current financial year.

COVID-19
The Group has continued to account for the ongoing COVID-19 pandemic as an exceptional item and has incurred an exceptional credit of €17.5m from operating activities at 28 February 2022. The Group reviewed the recoverability of its debtor book and advances to customers and booked a credit of €7.9m with respect to its provision against trade debtors and a credit of €5.5m with respect to its provision for advances to customers. The Group also realised an exceptional credit of €4.1m with respect to inventory, this related to inventory that had previously been assessed as unsaleable before becoming obsolete, all as a consequence of the COVID-19 restrictions.

Restructuring costs
A credit of €1.2m relating to restructuring costs was incurred in the current financial year. This included severance costs of €0.6m which arose as a consequence of the optimisation of the delivery networks in England and Scotland. In addition, the Group realised a credit of €1.8m in relation to the profit on disposal of a property, as a direct consequence of the optimisation project.

Impairment of property, plant & equipment
Property (comprising freehold land & buildings) and plant & machinery are valued at fair value on the Consolidated Balance Sheet and reviewed for impairment on an annual basis. During the current financial year, the Group engaged external valuers to value the freehold land & buildings and plant & machinery at the Group's Clonmel (Tipperary), Wellpark (Glasgow) and Portugal sites. Using the valuation methodologies, this resulted in a net revaluation gain of €0.6m accounted for in the Consolidated Income Statement and a gain of €2.5m accounted for within Other Comprehensive Income.

Rights Issue Costs
The Group completed a successful Rights Issue in June 2021 issuing 81,287,315 New Ordinary Shares at 186 pence per New Ordinary Share, raising gross proceeds of £151.2m (€176.3m). Attributable costs of €9.2m were incurred, of which €6.6m was debited directly to Equity and €2.6m was recorded as an exceptional charge in the Group's Condensed Consolidated Income Statement.

Profit on disposal
During the current financial year, as outlined in further detail in note 7, the Group completed the sale of its wholly owned US subsidiary, Vermont Hard Cider Company to Northeast Kingdom Drinks Group, LLC on the 2 April 2021 for a total consideration of €17.5m (USD 20.5m) (comprised of cash proceeds of €13.4m (€12.9m net cash impact on disposal) and promissory notes of €4.1m at the date of transaction), realising a profit of €4.5m on disposal.

Finance income
The Group earned finance income of €0.2m relating to promissory notes issued as part of the disposal of the Group's subsidiary Vermont Hard Cider Company.

Finance expense
As outlined previously, during the current financial year, the Group successfully negotiated covenant waivers due to the impact of COVID-19 with its lenders. Costs of €6.7m were incurred in the year directly associated with these waivers including waiver fees, increased margins payable and other professional fees associated with covenant waivers.

Equity accounted investments' exceptional items
On 17 May 2022, the Group announced the sale of its joint venture investment in Admiral Taverns, to Proprium Capital Partners for a total consideration of €65.8m (£55.0m). The sale of the shares will be completed and the consideration will be paid in three tranches during FY2023, subject only to FCA approval. Admiral Taverns was classified as an asset held for sale as at 24 February 2022.

The net impact of exceptional items in relation to Admiral is a charge of €3.7m. The Group continued to equity account for this investment up until this date, with the Group recognising a credit of €2.7m with respect to its share of Admiral Taverns' exceptional items. This included a credit of €4.1m with respect to the Group's share of the revaluation gain arising from the fair value exercise to value Admiral's property assets. The Group also recognised an exceptional charge of €1.4m in relation to its share of other exceptional items for the year, including the Group's share of acquisition costs of €1.4m incurred with respect to Admiral Taverns' acquisition of Hawthorn. The Group also recognised its share of other exceptional items for the year of €0.5m, primarily relating to restructuring costs. This was offset by a release from the expected loss provision with respect to the recoverability of Admiral Taverns' debtor book as a consequence of COVID-19 of €0.5m.

As a result of the same property valuation exercise, a gain of €2.2m with respect to the Group's share of the revaluation was recognised in Other Comprehensive Income.

Also in the current financial year, the Group assessed the carrying value of its equity accounted investment as a result of its classification as an asset held for sale as at 24 February 2022 and recognised an impairment charge of €6.4m. This impairment charge reverses previously accumulated gains and losses in relation to the application of equity accounting for the Admiral Taverns investment, to reflect the recoverable value of the Group's investment in line with the agreed consideration of €65.8m (£55.0m).

Other
During the current financial year, €0.3m was released against a provision for legal disputes.

Balance Sheet Strength and Debt Management
Balance sheet strength provides the Group with the financial flexibility to pursue its strategic objectives. It is our policy to ensure that a medium/long-term debt funding structure is in place to provide us with the financial capacity to promote the future development of the business and to achieve its strategic objectives. To ensure the business was equipped with the optimum capital structure and financing to emerge from the COVID-19 pandemic in a position of strength, the Group announced a Rights Issue on the 26 May 2021. The Group successfully completed the Rights Issue in June 2021 raising gross cash proceeds of £151.2m (€176.3m). As a result of this, the Group reduced leverage, improving the Group's overall liquidity position and providing the Group with the capital structure to both support the business during further potential disruptions from COVID-19 and to deliver on its strategy.

The Group manages its borrowing requirements by entering into committed loan facility agreements. In July 2018, the Group amended and updated its committed €450m multi-currency five year syndicated revolving loan facility and executed a three-year Euro term loan. Both the multi-currency facility and the Euro term loan were negotiated with eight banks, namely ABN Amro Bank, Allied Irish Bank, Bank of Ireland, Bank of Scotland, Barclays Bank, HSBC, Rabobank and Ulster Bank. In FY2020 the Group availed of an option within the Group's multi-currency revolving loan facility agreement to extend the tenure for a further 364 days from termination date. The multi-currency facility agreement is therefore now repayable in a single instalment on 11 July 2024. During the prior financial year, the Group renegotiated an extension of the repayment schedule of the Euro term loan with its lenders and the last instalment is now payable on 12 July 2022.

In March 2020, the Group completed the successful issue of new USPP notes. The unsecured notes, denominated in both Euro and Sterling, have maturities of 10 and 12 years and diversify the Group's sources of debt finance. The Group's Euro term loan included a mandatory prepayment clause from the issuance of any Debt Capital Market instruments however a waiver of the prepayment was successfully negotiated in addition to a waiver of a July 2020 repayment, as a consequence of COVID-19, which now becomes payable with the last instalment in July 2022.

As outlined previously, as a direct consequence of the impact of COVID-19, the Group successfully negotiated waivers on its debt covenants from its lending group for FY2021, and these have been extended up to, but not including, the August 2022 test date.

As part of the agreement reached to waive the debt covenants, a minimum liquidity requirement and a gross debt restriction have been put in place. The minimum liquidity requirement and a gross debt restriction will remain in place until the Group is able to show compliance with its original debt covenant levels at the 28 February 2023 or any subsequent test date or earlier if compliance can be demonstrated, and, and, with respect to the minimum liquidity requirement, the Group must maintain liquidity of at least €150.0m each month. A monthly gross debt cap of €700.0m in the current financial year applied which will continue during FY2022.

The Group complied with these new minimum liquidity and gross debt requirements during the financial year.

The Group maintains a £200m committed receivables purchase facility, renewable annually in May. As at 28 February 2022, €84.1m of this facility was drawn (FY2021: €45.0m, FY2020: €131.4m).

Cash generation
Summary cash flow for the year ended 28 February 2022 is set out in the table below. Overall liquidity remains robust. The increase in the Group's receivables purchase programme, as a direct consequence of increased trading was partly offset by the Group's repayment of previously deferred tax payments to the UK and Irish Tax Authorities in accordance with our agreed repayment schedules of €64.3m and an investment in stock in Q4 FY2022. The contribution to year end Group cash from the receivables purchase programme was €84.1m compared to €45.0m (€46.3m on a constant currency basis(ii)) at 28 February 2021 - a cash inflow of €37.8m(ii). In FY2022 €64.3m of previously deferred tax payments were repaid and €28.8m will be repaid in FY2023.

Capital expenditure in FY2022 amounted to €14.9m, with almost 50% relating directly to ESG initiatives and investments, namely the completion of our Out of Plastics projects for owned alcohol brands in Wellpark and Clonmel and an investment in Ireland's largest rooftop solar panel installation in Clonmel which will provide 10% of the site's electricity requirement.

Reconciliation of Adjusted EBITDA(vi) to Operating profit/(loss)

	2022 €m	2021 €m
Operating profit/(loss)	**58.5**	(84.8)
Exceptional items	**(10.6)**	25.2
Operating profit/(loss) before exceptional items	**47.9**	(59.6)
Amortisation and depreciation charge	**31.8**	30.8
Adjusted EBITDA(vi)	**79.7**	(28.8)
Adjusted EBITDA(vi)	**79.7**	(28.8)
Working capital	**(19.2)**	(44.7)
Advances to customers	**2.3**	1.2
Net finance costs excluding exceptional finance costs	**(16.7)**	(18.0)
Tax (paid)/refunded	**(3.2)**	7.2
Pension contributions paid	**(0.4)**	(0.4)
Tangible/intangible expenditure	**(17.1)**	(10.0)
Net proceeds on disposal of property plant & equipment	**2.3**	1.0
Exceptional items paid	**(12.5)**	(12.4)
Other*	**3.0**	1.3
Free cash flow(vii)	**18.2**	(103.6)
Free cash flow(vii)	**18.2**	(103.6)
Exceptional cash outflow	**10.2**	12.4
Free cash flow(vii) excluding exceptional cash outflow	**28.4**	(91.2)
Reconciliation to Group Condensed Cash Flow Statement		
Free cash flow(vii)	**18.2**	(103.6)
Net proceeds from exercise of share options/equity interests	**0.7**	0.3
Drawdown of debt	**49.5**	570.9
Repayment of debt	**(271.7)**	(464.0)
Payment of lease liabilities	**(21.9)**	(19.0)
Proceeds from Rights Issue	**176.3**	-
Payment of issue costs	**-**	(1.4)
Payment of Rights Issue costs	**(9.2)**	-
Disposal of subsidiary/equity investment	**12.9**	6.7
Cash outflow re acquisition of equity accounted investments/financial assets	**(0.3)**	(6.9)
Dividends paid	**-**	(0.4)
Net decrease in cash	**(45.5)**	(17.4)

* Other relates to the add back of share options, pension contributions: adjustments from charge to payment and the add back of intangible asset impairment.

Retirement Benefits

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

Independent actuarial valuations of the defined benefit pension schemes are carried out on a triennial basis using the attained age method. The most recently completed actuarial valuations of the ROI defined benefit pension schemes were carried out with an effective date of 1 January 2021 while the date of the most recent actuarial valuation of the NI defined benefit pension scheme was 31 December 2020. As a result of these updated valuations the Group has committed to contributions of 27.5% of pensionable salaries for the Group's staff defined benefit scheme. There is no funding requirement with respect to the Group's executive defined benefit pension scheme or the Group's NI defined benefit pension scheme, both of which are in surplus. The Group has an unconditional right to these surpluses when the scheme concludes.

There are 2 active members in the NI scheme and 51 active members (less than 10% of total membership) in the ROI staff defined benefit pension scheme and no active members in the executive defined benefit pension scheme.

At 28 February 2022, the retirement benefits computed in accordance with IAS 19 Employee Benefits amounted to a net surplus of €37.6m gross of deferred tax (€20.0m surplus with respect to the Group's staff defined benefit pension scheme, €11.1m surplus with respect to the Group's executive defined benefit pension scheme and a €6.5m surplus with respect to the Group's NI defined benefit pension scheme) and a net surplus of €31.5m net of deferred tax.

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

	€m
Net surplus at 1 March 2021	**4.9**
Translation adjustment	**0.2**
Employer contributions paid	**0.4**
Credit to Other Comprehensive Income	**32.8**
Charge to Income Statement	**(0.7)**
Net surplus at 28 February 2022	**37.6**

The increase in the surplus from €4.9m at 28 February 2021 to a surplus of €37.6m at 28 February 2022 is primarily due to an actuarial gain of €32.8m over the year. The actuarial gain was driven by the increase in the discount rates used to value the pension benefit obligation. The impact of the increase in discount rates was partially offset by the increase in the inflation-related assumptions.

Financial Risk Management

The main financial market risks facing the Group continue to include commodity price fluctuations, foreign currency exchange rate risk, interest rate risk, creditworthiness in relation to its counterparties and liquidity risk.

The Board of Directors set the treasury policies and objectives of the Group, the implementation of which are monitored by the Audit Committee.

Currency Risk Management

The reporting currency and the currency used for all planning and budgetary purposes is Euro. However, as the Group transacts in foreign currencies and consolidates the results of non-Euro reporting foreign operations, it is exposed to both transaction and translation currency risk.

Currency transaction exposures primarily arise on the Sterling, US, Canadian and Australian Dollar denominated sales of our Euro subsidiaries and Euro purchases in the Group's Great Britain (GB) business. We seek to minimise this exposure, when possible, by offsetting the foreign currency input costs against the same foreign currency receipts, creating a natural hedge. When the remaining net currency exposure is material, the Group enters into foreign currency forward contracts to mitigate and protect against adverse movements in currency risk and remove uncertainty over the foreign currency equivalent cash flows. Forward foreign currency contracts are used to manage this risk in a non-speculative manner when the Group's net exposure exceeds certain limits as set out in the Group's treasury policy. In the current financial year, the Group had €22.2m forward foreign currency cash flow hedges outstanding.

The average rate for the translation of results from Sterling currency operations was €1:£0.8524 (year ended 28 February 2021: €1:£0.8959) and from US Dollar operations was €1:$1.1701 (year ended 28 February 2021: €1:$1.1602).

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 and US Dollar denominated subsidiaries by restating the prior year at current year average rates.

Segmental reporting

In September 2021, the Group announced to the market as part of its 'One C&C' target that it would be combining all of the Great Britain ('GB and RoW') trading businesses with immediate effect aligning management structures and beginning a significant change programme of simplification and integration. This led to our previously reported GB, Matthew Clark Bibendum and International businesses being absorbed under one management team led by one Managing Director. The Ireland business remains unchanged. Considering the changes in the operational management and organisational structure, the Group has aligned its reporting segments with how the business is now managed. Furthermore and to aid more useful analysis of the Group's business performance, the Group has introduced Branded, Distribution and Co-pack/Other secondary analysis to its reporting this year.

Applying the realised FY2022 foreign currency rates to the reported FY2021 revenue, net revenue and operating loss(i) are shown in the table below:

	Year ended 28 February 2021 €m	FX transaction €m	FX translation €m	Year ended 28 February 2021 €m
Revenue				
Ireland	269.8	-	1.9	271.7
Branded	*94.2*	-	*0.7*	*94.9*
Distribution	*167.2*	-	*1.2*	*168.4*
Co-pack/Other	*8.4*		-	*8.4*
Great Britain	753.0	-	36.8	789.8
Branded	*230.8*	-	*10.5*	*241.3*
Distribution	*476.2*	-	*24.2*	*500.4*
Co-pack/Other	*46.0*		*2.1*	*48.1*
Total	**1,022.8**	**-**	**38.7**	**1,061.5**
Net revenue				
Ireland	166.1	-	1.3	167.4
Branded	*48.6*	-	*0.3*	*48.9*
Distribution	*114.0*	-	*1.0*	*115.0*
Co-pack/Other	*3.5*		-	*3.5*
Great Britain	570.8	-	27.6	598.4
Branded	*133.4*	-	*5.6*	*139.0*
Distribution	*394.2*	-	*20.0*	*414.2*
Co-pack/Other	*43.2*		*2.0*	*45.2*
Total	**736.9**	**-**	**28.9**	**765.8**
Operating loss(i)				
Ireland	(4.9)	(1.7)	(0.1)	(6.7)
Branded	*(3.9)*	*(0.1)*	*(0.1)*	*(4.1)*
Distribution	*(1.0)*	*(1.6)*	-	*(2.6)*
Great Britain	(54.7)	0.6	(2.8)	(56.9)
Branded	*(10.0)*	*(0.1)*	*(0.3)*	*(10.4)*
Distribution	*(44.7)*	*0.7*	*(2.5)*	*(46.5)*
Total	**(59.6)**	**(1.1)**	**(2.9)**	**(63.6)**

Commodity Price and Other Risk Management

The Group is exposed to commodity price fluctuations, and manages this risk, where economically viable, by entering into fixed price supply contracts with suppliers. We do not directly enter into commodity hedge contracts. The cost of production is also sensitive to variability in the price of energy, primarily gas and electricity. Our policy is to fix the cost of a certain level of energy requirement through fixed price contractual arrangements directly with our energy suppliers. Evolving cost inflation pressures and concerns associated with the potential consequences of the ongoing conflict in Ukraine have grown over recent months, heightening the risk around cost and to some extent continuity of supply of raw materials and ingredients.

The Group seeks to mitigate risks in relation to the continuity of supply of key raw materials and ingredients by developing trade relationships with key suppliers. We have long-term apple supply contracts with farmers in the west of England and have an agreement with malt farmers in Scotland for the supply of barley.

In addition, the Group enters into insurance arrangements to cover certain insurable risks where external insurance is considered by management to be an economic means of mitigating these risks.

Cyber Incident

On 19 April 2021, the Group announced that it had experienced a cyber security incident within its Matthew Clark Bibendum (MCB) operations. In response, certain IT systems and applications used in those business units were pro-actively shut down and were securely restored over the course of a numbers of weeks. By the end of May 2021, MCB was again using their IT systems and applications. The cyber security incident affected MCB only, with other Group business and production sites unaffected throughout the period.

The Group incurred €2.6m of costs in FY2022 as a direct result of the cyber security incident in April. These costs primarily related to specialist advisory fees incurred to investigate and respond to the incident and subsequent improvements and additional protection tools to enhance the security of the IT systems. Following the incident affecting Matthew Clark and Bibendum IT systems in April 2021, the Group has reviewed its information security and cyber preparedness policies and procedures, enhanced its Information Technology systems and controls, including the appointment of a Technology and Transformation Director and Group Head of IT. As a demonstration of the Group's commitment to tackling cyber security, it is currently pursuing Cyber Essentials Plus accreditation from the National Cyber Security Centre (NCSC).

Notes to the Group Chief Financial Officer's Review

(i) Before exceptional items.
(ii) FY2021 comparative adjusted for constant currency (FY2021 translated at FY2022 F/X rates).
(iii) Adjusted basic/diluted earnings/(loss) per share ('EPS') excludes exceptional items. Please see note 6 of the Condensed Consolidated Financial Statements.
(iv) Liquidity is defined as cash plus undrawn amounts under the Group's revolving credit facility.
(v) Net debt comprises borrowings (net of issue costs) less cash plus lease liabilities capitalised under IFRS 16 *Leases.* Please see note 8 of the Condensed Consolidated Financial Statements.
(vi) Adjusted EBITDA is earnings/(loss) 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/(loss) to adjusted EBITDA is set out on page 14.
(vii) Free Cash Flow ('FCF') that comprises cash flow from operating activities net of capital investment cash outflows 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 €84.1m (FY2021: €45.0m reported/€46.3m on a constant currency basis) inflow in the year. A reconciliation of FCF to net movement in cash per the Group's Cash Flow Statement is set out on page 14.

Principal Risks and Uncertainties

During the year, the Audit Committee and the Board carried out a robust assessment of the principal risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity. The principal risks and uncertainties represent the principal uncertainties that the Board believes may impact the Group's ability to effectively deliver its strategy and future performance. The list does not include all risks that the Group faces and it does not list the risks in any order of priority. The actions taken to mitigate the risks cannot provide assurance that other risks will not materialise and adversely affect the operating results and financial position of the Group. These principal risks are incorporated into the modelling activity performed to assess the ability of the Group to continue in operation and meet its liabilities as they fall due for the purposes of the Viability Statement. The Audit Committee and Board will continue to monitor risk in the context of relevant factors such as the ongoing impact of the COVID-19 pandemic, as well as other changes in the external environment, which may create future risks.

Sustainability and Climate Change Risk

The Board recognise the significant risks posed by climate change and consideration of these risks forms part of our existing risk management processes. The increasing importance of climate change risk was reflected in the Board's decision to include climate change and sustainability as a standalone principal risk in FY2021.

During the year, a cross-functional team was created to further align our assessment and disclosure practices within the requirements of the Taskforce on Climate-related Financial Disclosures ("TCFD"). This included conducting a detailed climate change risk assessment and scenario analysis with the support of an expert external party. The TCFD section summarises the work undertaken to date to understand the potential impact of climate change on the Group and outlines future areas of management focus.

Changes to the Principal Risks

While there has been no significant change in the principal risks in the last year, the Group operates in a dynamic environment where risks continue to evolve and the Group continues to develop mitigation measures to address them.

Although the COVID-19 pandemic has continued to create uncertainty, as vaccination rollouts progress and our understanding and agility in managing it through preventative measures has grown, the outlook has improved. As a consequence, we have chosen to not consider COVID-19 as an individual risk, but rather consider the amplifying effect it has on a number of other principal risks such as Health & Safety risk, People and Culture, Supply Chain Operations Costs and Inflation and Cyber and Information Security.

Some fluctuation in risk trends did arise in FY2022 including:
- Supply Chain Operations, Costs and Inflation has increased from stable to increasing as global activity has increased supply chain pressures and inflation has created headwinds across the business; and
- Economic and Political, Sustainability and Climate Change and People and Culture continue to trend upwards.

Risk & Uncertainties

Impact	Mitigation
Regulatory and Social Attitude Changes to Alcohol	
The Group may be adversely affected by changes in government regulations affecting alcohol pricing (including duty), sponsorship or advertising.	The Group and business units continue to engage with trade bodies to ensure any proposed changes to legislation and restrictions are appropriate within the industry. The Group is actively involved in BBPA and also complies with all Portman Group guidance. Within the context of supporting responsible drinking initiatives, the Group supports the work of its trade associations to present the industry's case to government. The Group has developed low, and zero, alcohol options for brands in order to address legislation and possible duty increases as well as appeal to those consumers looking for a healthier choice.

Economic and Geo-Political	
Our business, financial results and operations may be adversely affected by economic or geo-political instability and/or uncertainty, such as the conflict in Ukraine. The Group's performance is also impacted by potential recessions, inflation, exchange rates, taxation rates and social unrest.	The Board and management will continue to consider the impact on the Group's businesses, monitor developments and engage with the UK, Irish and Scottish governments to help ensure a manageable outcome for our businesses. Group businesses are active members in respected industry trade bodies including being a steering committee member of the all-party UK Parliamentary Beer Group. On an ongoing basis, the Group seeks, where appropriate, to mitigate currency risk through hedging and structured financial contracts and take appropriate action to help mitigate the consequences of any decline in demand within its markets. We have implemented action plans to protect the profitability and liquidity of the Group and mitigate a significant proportion of our cost base. We continue to review our cost base for additional savings. We remain vigilant to changes in local jurisdictions and retain the flexibility to take appropriate mitigating action as necessary.
Sustainability and Climate Change	
The Group recognises the significant environmental challenges the world faces due to a changing climate and the implications that this can have for our business and supply chains. Physical climate impacts and related policy and/or market changes may disrupt our operations or impact demand for our products. Failure to implement policies and meet required sustainability and ethical standards and social perceptions could significantly impact C&C's reputation as well as potentially impact future growth.	The Group has established a strong governance model which includes an ESG Committee responsible for the delivery of our sustainability strategy. Ambitious targets are in place with regard to reducing the carbon footprint of our operations, our water intensity, reducing waste and also the use of single use plastics. Clonmel continues to be ISO 14001 accredited for an effective environmental management system. C&C Group plc have pledged to be a carbon-neutral business by 2050 at the latest. We have recently set our emissions reduction targets which are grounded in climate science and will be validated by the Science Based Targets initiative ('SBTi'). We are committed to reduce our absolute Scope 1 and Scope 2 GHG emissions by 35% by 2030 (Vs a FY2020 base year). To achieve our target of reducing our Scope 3 emissions by 25% (Vs a FY2020 base year) by 2030, we have also committed that suppliers and customers making up 67% of our Scope 3 emissions (Purchased Goods, Downstream Transport and Use of Sold Goods) will have science-based targets in place by 2026. The Group will continuously engage with suppliers and customers to support them to set science-based targets for their own emissions. A cross functional team has been established to lead our alignment with the TCFD guidance. An expert external party has also been engaged to support this process. We continue to embed climate considerations into our overall strategic planning and investment appraisal process. Sustainability and climate related metrics were included as part of the Long-Term Incentive Plan ('LTIP') for Executive Directors in FY2022. We have established a Risk & Compliance Committee which is responsible for monitoring and managing climate risk. This committee is composed of executives and various levels of management from across the Group and will meet bi-

	monthly. The Risk Committee for Sustainability and Climate Change reports to the Audit Committee; however, we are in the process of evaluating and developing additional reporting lines which will see the Risk Committee for Sustainability and Climate Change reporting also to the ESG Committee in order to improve our oversight of climate-related risks and opportunities. The Group ensures strong overall corporate social responsibility of suppliers is reviewed and assessed both on an ongoing basis and as part of new tenders to ensure sustainability and ethical practices are a fundamental part of the supply chain.
Customer and Consumer Dynamics and Group Performance	
Consumer preference may change, new competing brands may be launched and competitors may increase their marketing or change their pricing policies. Failure to respond to competition and/or changes in customer preferences could have an adverse impact on sales, profits and cash flow within the Group. COVID-19 may have an impact on the viability of a certain cohort of the Group's customers and on underlying consumer behaviour and preferences.	Through diversification, innovation and strategic partnerships, we are developing our product portfolio to enhance our offering of niche and premium products to satisfy changing consumer requirements including the production of low and non-alcoholic variants of our brands. The Group has a programme of brand investment, innovation and product diversification to maintain and enhance the relevance of its products in the market. The Group also operates a brand-led model in our core geographies with a comprehensive range to meet consumer needs. In order to specifically assist customers manage the impact of COVID-19, the Group provided a 'holiday' on capital and interest repayments to loan customers, full credit or 'new for old' on un-broached kegs, together with a dedicated helpline to offer advice and guidance around government support initiatives that were introduced and how to access them as well as assistance and advice in relation to hygiene measures.
People and Culture	
The Group's ability to attract, develop, engage and retain a diverse, talented and capable workforce is critical if the Group is to continue to compete and grow effectively. A number of external factors including the COVID-19 pandemic, have increased the competition for talent and labour across all sectors. Failure to continue to evolve our culture, diversity and inclusion could impact our reputation and delivery of our strategy.	The Group seeks to mitigate this risk through employment policies and procedures, as well as ongoing enhancements to pay and conditions, including benchmarking remuneration packages to ensure market competitiveness, broadening the scope of variable elements of remuneration and the development of retention and succession plans for critical roles. The Group's approach to talent management and executive succession planning is regularly reviewed by the Group Executive and is overseen by the ESG, Nomination Committee and the Board. A key focus of the Group's sustainability agenda is to build a purpose led, culturally diverse, engaged and inclusive workforce, where our people can be at their best, contribute to the Group's success and realise their career ambitions. Progress is monitored through KPIs and a six monthly Group wide employee engagement survey. The Group has continued to prioritise the safety and wellbeing of employees as it has navigated the challenges of the COVID-19 pandemic.
Health and Safety	
A health and safety related incident could result in serious injury to the Group's	The Group has a Health, Safety and Environmental ('HSE') team who work closely with management to ensure that the Group complies with all health, safety

employees, contractors, customers and visitors, which could adversely affect our operations and result in reputational damage, criminal prosecution, civil litigation and damage to the reputation of the Group and its brands. The continuing COVID-19 pandemic presents a specific risk to the health and welfare of the Group's employees, as measures required to be adopted by societies and businesses to help prevent the spread of the virus adversely effect our employees.	and environmental laws and regulations with ongoing monitoring, reporting and training. The Group has established protocols and procedures for incident management and product recall and mitigates the financial impact by appropriate insurance cover. Stringent COVID-19 protocols remain in place at all sites. These include remote working in some locations, employee and visitor screening protocols, segregation and zoning and use of appropriate personal protective equipment. Our support for mental health and wellbeing has increased this year, with a significant expansion of our Mental Health First Aider population and investment in a range of resources.

Product Quality and Safety

The quality and safety of our products is of critical importance and any failure in this regard could result in a recall of the Group's products, damage to brand image and civil or criminal liability. The COVID-19 virus continues to present additional risk to the safe production of the Group's products.	The Group has implemented quality control and technical guidelines which are adhered to across all sites. Group Technical continually monitor quality standards and compliance with technical guidelines. The Group also has quality agreements with all raw material suppliers, setting out our minimum acceptable standards. Any supplies which do not meet the defined standards are rejected and returned. The Group has enacted specific business continuity plans and a range of measures to protect the business in line with the advice of governments and local health authorities; and ensure the safe production and distribution of the Group's products.

Supply Chain Operations, Costs and Inflation

Circumstances such as the prolonged loss of a production or storage facility, disruptions to its supply chains or critical IT systems and reduced supply of raw materials may interrupt the supply of the Group's products, adversely impacting results and reputation. FY2022 has seen unprecedented global supply chain disruption. The COVID-19 pandemic combined with an increased number of other disruptive events have posed the risk of an interruption to the supply of raw materials or to the effective operation of the Group's manufacturing facilities. Also, there is a risk of increased input costs due to poor harvests and price of inputs. Very recently, the conflict in Ukraine has contributed to heightened uncertainty and inflationary pressures.	The Group seeks to mitigate the operational impact of such an event through business continuity plans, which are tested regularly to ensure that interruptions to the business are prevented or minimised and that data is protected from unauthorised access, contingency planning, including involving the utilisation of third party sites and the adoption of fire safety standards and disaster recovery protocols. The Group seeks to mitigate the financial impact of such an event through business interruption and other insurance covers. The Group has enacted specific business continuity plans including a range of measures to protect the integrity of production and distribution facilities and increased packaging capacity to meet increased take home demand. To date we have maintained strong levels of service into our customer base. We have taken action to ensure our facilities are staffed sufficiently, that our production plans optimise the capacity available at each of our sites and that we prioritise the SKUs that current consumer demand requires. The Group is also working closely with its suppliers to protect the integrity and consistency of supply of raw materials. The Group seeks to minimise input risks through long-term or fixed price supply agreements, where applicable. The Group continues to assess inflationary and other supply chain pressures and impacts on product pricing and will continue to work with our suppliers to identify opportunities to improve supply chain resilience and to selectively pre-purchase products in order to ensure continuity of supply.

The Group does not seek to hedge its exposure to commodity prices by entering into derivative financial instruments.

Information Technology

The Group relies on robust IT systems and supporting infrastructure to manufacture and trade effectively. Any significant disruption or failure of key systems could result in business disruption and revenue loss, accident or misappropriation of confidential information. Failure to properly manage existing systems, or the implementation of new IT systems may result in increased costs and/or lost revenue, and reputational damage.	The Group has continued to focus on modern cloud-based assets which are naturally more resilient to failure. Business and IT continuity has been maintained during the COVID-19 pandemic by updating operating models to ensure the safety of our workforce and customers. Nevertheless, the risk of disruption or failure of critical IT infrastructure, as well as process failure remains a significant risk.

Cyber Security and Data Protection

Failure or compromise of our IT infrastructure or key IT systems may result in theft, loss of information, inability to operate effectively, financial or regulatory penalties, loss of financial control and negatively impact our reputation. Failure to comply with legal or regulatory requirements relating to data security (including cyber security) or data privacy in the course of our business activities, may result in reputational damage, fines or other adverse consequences, including criminal penalties and consequential litigation, adverse impact on our financial results or unfavourable effects on our ability to do business. There is a constant threat of significant and sophisticated cyber attacks including phishing, ransom ware, malware and social engineering. A continuation of home working as a result of the COVID-19 pandemic has led to an increase in the risk of cyber/phishing attacks across all organisations. Using personal data in a non-compliant manner (whether deliberately or inadvertently) may exacerbate the impact of security incidents.	Following the incident affecting Matthew Clark and Bibendum IT systems in April 2021, we have reviewed our information security and cyber preparedness policies and procedures, enhanced our information technology systems and controls, including the appointment of a Technology and Transformation Director and Group Head of IT. In the field of information technology and security, the Group undertakes a regular security assurance programme, testing controls, identifying weaknesses and prioritising remediation activities where necessary. This includes periodic best practice specialist security testing by a leading third party provider and regular system scanning to identify security weaknesses. Issues are assessed for risk and are comprehensively managed as part of the Group's risk management programme. The Board and Audit Committee is presented with regular detailed Information Security Reports by the Technology and Transformation Director and Group Head of IT, which includes recommendations for further reinforcements, and a roadmap for further risk reduction. As a demonstration of our commitment to tackling cyber security we are currently pursuing Cyber Essentials Plus accreditation from the National Cyber Security Centre ('NCSC'). An appropriate governance structure is in place including an IT & DP risk committee. Cyber security is a major focus area for the Board and Audit Committee who this year received three formal updates from the Group Transformation and Technology Director. A programme of initiatives has been implemented and enhancements made to further reduce cyber risk. Specialist external IT security team undertake a 24/7 security monitoring service, a vulnerability management programme, a software review process, supply chain partner audits, a data loss prevention programme and identity governance controls amongst other initiatives. During FY2022 we continued our ongoing programme of investment in cyber security controls which included Endpoint Detect and Respond ('EDR'), Cloud Access Security Broker ('CASB'), Domain based Message authentication, Reporting and Conformance ('DMARC'), email authentication and enhanced data loss prevention controls.

	Business continuity, disaster recovery and crisis management plans are in place and tested on a regular basis. We continue to prioritise a number of initiatives to further minimise the risk profile, including employees receiving regular online cyber security training and ongoing awareness is promoted through monthly phishing training and other initiatives to keep employees abreast of new and emerging threats. Policies are in place regarding the protection of both business and personal information, with support from the newly appointed, Group Data Protection Officer.
Business Growth, Integration and Change Management	
As the Group reacts to the effects of the COVID-19 pandemic, it is necessary to adjust to change and assimilate new business models. The breadth and pace of change can present strategic and operational challenges. Business integration and change that are not managed effectively could result in unrealised synergies, poor project governance, poor project delivery, increased staff turnover, erosion of value and failure to deliver growth.	Significant projects and acquisitions have formal leadership and project management teams to deliver integration. Regular Group communications ensure effective information, engagement and feedback flow to support cultural change. The Executive Management team oversees change management and integration risks through regular meetings.
Compliance with Laws and Regulations	
The Group operates in an environment governed by strict and extensive regulations to ensure the safety and protection of customers, shareholders, employees and other stakeholders. These laws and regulations include hygiene, health and safety, the rules of the London Stock Exchange and competition law. Changing laws and regulation may impact our ability to market or sell certain products or could cause the Group to incur additional costs or liabilities that could adversely affect its business. Moreover, breach of our internal global policies and standards could result in severe damage to our corporate reputation and/or significant financial penalty. Companies face increased risk of fraud and corruption, both internally and externally, due to financial pressures and changes to ways of working as a consequence of COVID-19.	The Company Secretary and Group General Counsel is a member of the Executive Committee and is supported by appropriately skilled in-house legal, data protection and company secretarial resource, with further support provided by external lawyers and advisors. Policies and procedures are in place to ensure compliance with regulations and legislation, providing updated documentation, training and communication across the Group. The Group's Code of Conduct and supporting policies, clearly define the standards and expectations for all employees and third parties. A mandatory online employee compliance programme is in place to embed employees understanding of key compliance risks. The Group's Vault whistleblowing service, managed and facilitated by an independent third party, is available to all employees to raise concerns with regard to suspected wrongdoings or unethical behaviours. All calls are followed up and investigated fully with all findings reported to the Board. The Group maintains appropriate internal controls and procedures to guard against economic crime and imposes appropriate monitoring and controls on subsidiary management.

Brand and Reputation

The Group faces considerable risk if we are unable to uphold high levels of consumer awareness, retain and attract key associates and sponsorships for our brands, or if we have inadequate marketing investment to support our brands. Maintaining and enhancing brand image and reputation through the creation of strong brand identities is crucial for sustaining and driving revenue and profit growth. The closure of on-trade outlets and a reduction in the Group's marketing and brand advertising due to COVID-19 may impact the Group's brand health scores.	To mitigate this risk, C&C has defined values and goals for all our brands. These form the foundation of our product and brand communication strategies. Central to all our brand image initiatives is ensuring clear and consistent messaging to our targeted consumer audience. Executive Management, Group Legal and internal/external PR consultants work together to ensure that all sponsorship and affiliations are appropriate and protect the position of our brands. The Group is monitoring the impact of the rapidly changing trading environment on the Group's brands and will make necessary investment decisions to protect the Group's brand health scores and reputation.

Financial and Credit

The Group is subject to a number of financial and credit risks such as adverse exchange and interest rate fluctuations, availability of supplier credit, credit management of customers and possible increase to pension funds deficits and cash contributions. COVID-19 may have a further impact on the Group's liquidity, due to lower on-trade revenues, customers' ability to honour their obligations, and the Group's ability to access supplier credit. Non-conformities of accounting and financial controls could impair the accuracy of the data used for internal reporting, decision-making and external communication.	The Group seeks to mitigate currency risks, where appropriate, through hedging and structured financial contracts to hedge a portion of its foreign currency transaction exposure. It has not entered into structured financial contracts to hedge its translation exposure on its foreign acquisitions. In relation to pensions, continuous monitoring, taking professional advice on the optimisation of asset returns within agreed acceptable risk tolerances and implementing liability-management initiatives. A range of credit management controls are in place which are regularly monitored by management to minimise the risk and exposure. The Group is working with all customers and suppliers to minimise the adverse impact of COVID-19 on the business. Contracts may be renegotiated. We continue to focus on retention and new sales opportunities as customers move to more resilient and "best in class" operations. A range of key internal financial controls, such as segregation of duties, authorisations and detailed reviews are in place with regular monitoring by management to ensure the accuracy of the data for reporting purposes.

Condensed Consolidated Income Statement
For the financial year ended 28 February 2022

		Year ended 28 February 2022			Year ended 28 February 2021		
	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	**1,796.1**	**-**	**1,796.1**	1,022.8	-	1,022.8
Excise duties		**(358.0)**	**-**	**(358.0)**	(285.9)	-	(285.9)
Net revenue	2	**1,438.1**	**-**	**1,438.1**	736.9	-	736.9
Operating costs		**(1,390.2)**	**10.6**	**(1,379.6)**	(796.5)	(25.2)	(821.7)
Group operating profit/(loss)	2	**47.9**	**10.6**	**58.5**	(59.6)	(25.2)	(84.8)
Profit on disposal	4	**-**	**4.5**	**4.5**	-	5.8	5.8
Finance income		**-**	**0.2**	**0.2**	-	-	-
Finance expense		**(16.1)**	**(6.7)**	**(22.8)**	(19.5)	(7.9)	(27.4)
Share of equity accounted investments' profit/(loss) after tax		**2.6**	**2.7**	**5.3**	(6.1)	(8.8)	(14.9)
Profit/(loss) before tax		**34.4**	**11.3**	**45.7**	(85.2)	(36.1)	(121.3)
Income tax (expense)/credit		**(6.2)**	**(2.4)**	**(8.6)**	14.4	2.4	16.8
Group profit/(loss) for the financial year		**28.2**	**8.9**	**37.1**	(70.8)	(33.7)	(104.5)
Basic earnings/(loss) per share (cent)	**6**			**9.9**			(31.1)
Diluted earnings/(loss) per share (cent)	**6**			**9.9**			(31.1)

All of the results are related to continuing operations.

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Condensed Consolidated Statement of Comprehensive Income
For the financial year ended 28 February 2022

	Notes	2022 €m	2021 €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		**11.9**	(17.4)
Foreign currency recycled on disposal of subsidiary		**(0.2)**	-
(Loss)/gain relating to cash flow hedges		**(0.1)**	0.3
Items that will not be reclassified to Income Statement in subsequent years:			
Revaluation of property, plant & equipment		**2.5**	0.9
Deferred tax on revaluation of property, plant and equipment		**(0.6)**	(0.2)
Actuarial gain on retirement benefits	**9**	**32.8**	13.4
Deferred tax charge on actuarial gain on retirement benefits		**(4.3)**	(1.6)
Share of equity accounted investments' Other Comprehensive Income		**2.2**	(0.4)
Net gain/(loss) recognised directly within Other Comprehensive Income		**44.2**	(5.0)
Group profit/(loss) for the financial year		**37.1**	(104.5)
Total comprehensive income/(expense) for the financial year		**81.3**	(109.5)

Condensed Consolidated Balance Sheet
As at 28 February 2022

	Notes	2022 €m	2021 €m
ASSETS			
Non-current assets			
Property, plant & equipment		**214.0**	204.0
Goodwill & intangible assets		**656.5**	646.0
Equity accounted investments/financial assets		**1.3**	63.1
Retirement benefits	9	**37.6**	10.4
Deferred tax assets		**27.0**	24.6
Derivative financial assets		**4.3**	-
Trade & other receivables		**43.0**	41.8
		983.7	989.9
Current assets			
Inventories		**168.2**	121.3
Trade & other receivables		**186.3**	102.8
Cash		**64.7**	107.7
		419.2	331.8
Assets held for sale		**65.8**	13.9
		485.0	345.7
TOTAL ASSETS		**1,468.7**	1,335.6
EQUITY			
Capital and reserves			
Equity share capital		**4.0**	3.2
Share premium		**347.2**	171.3
Treasury shares		**(36.0)**	(36.5)
Other reserves		**98.3**	83.1
Retained income		**285.5**	225.0
Total Equity		**699.0**	446.1
LIABILITIES			
Non-current liabilities			
Lease liabilities		**59.8**	60.7
Interest bearing loans & borrowings		**219.4**	420.3
Retirement benefits	9	**-**	5.5
Provisions		**3.9**	6.5
Deferred tax liabilities		**30.2**	17.3
		313.3	510.3
Current liabilities			
Lease liabilities		**20.2**	18.9
Derivative financial liabilities		**0.1**	-
Trade & other payables		**386.1**	296.2
Interest bearing loans & borrowings		**36.6**	49.7
Provisions		**8.2**	6.2
Current income tax liabilities		**5.2**	5.8
		456.4	376.8
Liabilities directly associated with the assets held for sale		**-**	2.4
		456.4	379.2
Total liabilities		**769.7**	889.5
TOTAL EQUITY & LIABILITIES		**1,468.7**	1,335.6

Condensed Consolidated Cash Flow Statement
For the financial year ended 28 February 2022

CASH FLOWS FROM OPERATING ACTIVITIES	Notes	2022 €m	2021 €m
Group profit/(loss) for the year		**37.1**	(104.5)
Finance income		**(0.2)**	-
Finance expense		**22.8**	27.4
Income tax expense/(credit)		**8.6**	(16.8)
(Profit)/loss on share of equity accounted investments		**(5.3)**	14.9
Impairment of intangible asset	4	**0.6**	0.3
Impairment of equity accounted investments	4	**6.4**	9.1
(Revaluation)/impairment of property, plant & equipment	4	**(0.6)**	1.2
Depreciation of property, plant & equipment		**29.2**	28.2
Amortisation of intangible assets		**2.6**	2.6
Profit on disposal	4	**(4.5)**	(5.8)
Net profit on disposal of property, plant & equipment		**(1.6)**	(0.4)
Rights Issue costs recorded as exceptional		**2.6**	-
Charge for equity settled share-based payments		**1.5**	0.8
Pension contributions: adjustment from charge to payment	9	**0.3**	0.5
		99.5	(42.5)
(Increase)/ decrease in inventories		**(43.6)**	18.2
(Increase)/decrease in trade & other receivables		**(84.0)**	39.6
Increase/(decrease) in trade & other payables		**89.6**	(97.2)
(Decrease)/increase in provisions		**(0.9)**	3.5
		60.6	(78.4)
Interest and similar costs paid		**(24.4)**	(23.4)
Income taxes (paid)/refunded		**(3.2)**	7.2
Net cash inflow/(outflow) from operating activities		**33.0**	(94.6)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant & equipment		**(14.9)**	(8.4)
Purchase of intangible assets		**(2.2)**	(1.6)
Net proceeds on disposal of property, plant & equipment		**2.3**	1.0
Sale of business	7	**12.9**	6.7
Cash outflow re acquisition of equity accounted investments		**(0.3)**	(6.9)
Net cash outflow from investing activities		**(2.2)**	(9.2)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from exercise of share options/equity interests		**0.7**	0.3
Proceeds from Rights Issue		**176.3**	-
Drawdown of debt		**49.5**	570.9
Repayment of debt		**(271.7)**	(464.0)
Payment of lease liabilities		**(21.9)**	(19.0)
Payment of issue costs		**-**	(1.4)
Payment of Rights Issue costs		**(9.2)**	-
Dividends paid	5	**-**	(0.4)
Net cash (outflow)/inflow from financing activities		**(76.3)**	86.4
Decrease in cash		**(45.5)**	(17.4)
Reconciliation of opening to closing cash			
Cash at beginning of year		**107.7**	123.4
Translation adjustment		**2.5**	1.7
Net decrease in cash		**(45.5)**	(17.4)
Cash at end of financial year		**64.7**	107.7

A reconciliation of cash to net debt is presented in note 8 to the financial statements.

Condensed Consolidated Statement of Changes in Equity
For the financial year ended 28 February 2022

	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 28 February 2021	3.2	171.3	25.8	-	3.3	41.6	12.4	(36.5)	225.0	446.1
Profit for the financial year	-	-	-	-	-	-	-	-	37.1	37.1
Other comprehensive income/(expense)	-	-	-	(0.1)	-	11.7	2.5	-	30.1	44.2
Total comprehensive income/(expense)	-	-	-	(0.1)	-	11.7	2.5	-	67.2	81.3
Ordinary Share Capital Issued	0.8	175.5	-	-	-	-	-	-	-	176.3
Share Issue costs	-	-	-	-	-	-	-	-	(6.6)	(6.6)
Exercised share options	-	0.4	-	-	-	-	-	-	-	0.4
Reclassification of share-based payments reserve	-	-	-	-	(0.4)	-	-	-	0.4	-
Sale of treasury shares/purchases of shares to satisfy employee share entitlements	-	-	-	-	-	-	-	0.5	(0.5)	-
Equity settled share-based payments	-	-	-	-	1.5	-	-	-	-	1.5
Total transactions with owners	0.8	175.9	-	-	1.1	-	-	0.5	(6.7)	171.6
At 28 February 2022	4.0	347.2	25.8	(0.1)	4.4	53.3	14.9	(36.0)	285.5	699.0

* Other capital reserves includes Other undenominated reserve of €0.9m and the capital reserve of €24.9m.

	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 29 February 2020	3.2	171.0	25.8	0.3	5.8	59.0	11.5	(36.6)	315.4	555.4
Loss for the financial year	-	-	-	-	-	-	-	-	(104.5)	(104.5)
Other comprehensive income/(expense)	-	-	-	0.3	-	(17.4)	0.9	-	11.2	(5.0)
Total comprehensive income/(expense)	-	-	-	0.3	-	(17.4)	0.9	-	(93.3)	(109.5)
Dividend on ordinary shares (note 5)	-	-	-	-	-	-	-	-	0.2	0.2
Exercised share options	-	0.3	-	-	-	-	-	-	-	0.3
Reclassification of share-based payments reserve	-	-	-	-	(3.3)	-	-	-	3.3	-
Reclassification of cash flow hedge reserve	-	-	-	(0.6)	-	-	-	-	0.6	-
Sale of treasury shares/purchases of shares to satisfy employee share entitlements	-	-	-	-	-	-	-	0.1	(0.1)	-
Equity accounted investment adjustment	-	-	-	-	-	-	-	-	(1.1)	(1.1)
Equity settled share-based payments	-	-	-	-	0.8	-	-	-	-	0.8
Total transactions with owners	-	0.3	-	(0.6)	(2.5)	-	-	0.1	2.9	0.2
At 28 February 2021	3.2	171.3	25.8	-	3.3	41.6	12.4	(36.5)	225.0	446.1

* Other capital reserves includes Other undenominated reserve of €0.9m and the capital reserve of €24.9m.

Notes to the Condensed Consolidated Financial Statements
For the year ended 28 February 2022

1. BASIS OF PREPARATON

The financial information presented in this report has been prepared in accordance with the listing rules of the London Stock Exchange and the accounting policies that the Group has adopted under International Financial Reporting Standards (IFRS) as approved by the EU Commission for the financial year ended 28 February 2022.

Going concern basis

The Directors have adopted the going concern basis in preparing the financial statements after assessing the Group's principal risks including the risks associated with COVID-19.

Following the Rights Issue that the Group successfully completed in June 2021 in which the Group raised £151m (€176m) and as a consequence of COVID-19, the debt covenants for 31 August 2022 were renegotiated to increase the threshold of the Group's Net Debt/Adjusted EBITDA covenant to not exceed 4.5x and to reduce the Interest cover covenant to be not less than 2.5x. Restrictions including a minimum liquidity requirement of €150.0m each month and a monthly gross debt limit of €700.0m also apply. The Group is on track to meet these amended covenants, which end in August 2022 and revert to the traditional covenant metrics (Net Debt: Adjusted EBITDA not exceeding 3.5:1 and Interest Cover not less than 3.5:1) for its FY2023 full year results. In fact, the Group is back within its traditional covenant metrics as at 28 February 2022. However the restrictions will continue to apply until the Group demonstrates compliance with the traditional covenant metrics at its FY2023 full year results, unless it can show Net Debt: Adjusted EBITDA not exceeding 3:1 and Interest Cover not less than 4:1 for its FY2023 half year results, in which case the restrictions will end at that point.

The proceeds from the Rights Issue of £151m (€176m), coupled with a return to profitability and cash generation following the easing of government restrictions around COVID-19 in our core markets and disciplined balance sheet management has led to net debt excluding leases and liquidity of €191m and €439m respectively at year end compared with €362m and €315m respectively in FY2021. The Group delivered a leverage of 3.4x Net Debt/EBITDA as at 28 February 2022 and as previously noted is back within its traditional covenants metrics.

The Group returned to profitability in May 2021 following the easing of government restrictions around COVID-19 in our core markets, with trading ahead of plan. However, renewed Government restrictions on the hospitality industry around the key Christmas trading period adversely impacted performance. With the lifting once again of restrictions towards the latter stages of FY2022, the Group's on-trade performance improved, providing a platform for a clean start to FY2023. Cost inflation pressures have grown over recent months and in response, the Group implemented a series of price increases which, alongside the previously announced €18.0m cost reduction programme and cost hedge positions taken, affords the Group a degree of protection from the inflationary environment as we enter into FY2023.

The Directors assessed the Group's cash flow forecasts for the period ending 31 August 2023 (the going concern "assessment period"). The Cashflows included various stress testing scenarios around higher costs, an evolving inflationary environment and reduced volumes, in part associated with the impact of the on-going conflict in Ukraine, but even at FY2022 profit levels, which were significantly curtailed as a consequence of the COVID-19 restrictions, the Group would have sufficient headroom to covenants. The Group's cash flow forecasts assume the continuation of trading over the assessment period with no lockdowns or the reintroduction of COVID-19 restrictions.

Overall conclusion

The headroom on the covenants within the financing facilities have been reviewed in detail by management and assessed by the Directors. Given the successful Rights Issue in June 2021, the return to profitability in the Group's core markets, the price increases implemented, cost hedge positions taken and the disposal of the Group's share of Admiral Taverns in FY2023; the Group's cashflow forecasts demonstrate significant headroom on the covenants within the financing facilities. Given the quantum of headroom, the Directors have concluded that the covenants will be satisfied and therefore consider it appropriate to adopt the going concern basis of accounting with no material uncertainties as to the Group's ability to continue to do so.

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 2021:

- Interest Rate Benchmark Reform – Phase 2 – Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16
- Covid-19-Related Rent Concessions beyond 30 June 2021 – Amendments to IFRS 16

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

Statutory accounts
The financial information prepared in accordance with IFRS as adopted by the European Union included in this report does not constitute the statutory financial statements for the purposes of Chapter 4 of Part 6 of the Companies Act 2014. Full statutory accounts for the year ended 28 February 2022 prepared in accordance with IFRS, upon which the auditors have given an unqualified report, have not yet been filed with the Registrar of Companies but are available on the Group's website. Full accounts for the year ended 28 February 2021, prepared in accordance with IFRS and containing an unqualified audit report have been delivered to the Registrar of Companies. The information included has been extracted from the Group's financial statements, which have been approved by the Board of Directors on 17 May 2022.

Reporting Currency
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:

	2022	**2021**
Balance Sheet (Euro : Sterling closing rate)	**0.8355**	0.8705
Income Statement (Euro : Sterling average rate)	**0.8524**	0.8959
Balance Sheet (Euro : USD closing rate)	**1.1199**	1.2121
Income Statement (Euro : USD average rate)	**1.1701**	1.1602

2. SEGMENTAL REPORTING

The Group's business activity is the manufacturing, marketing and distribution of branded beer, cider, wine, spirits and soft drinks. Two operating segments have been identified in the current financial year; Ireland and Great Britain. In FY2021, the Group reported under four segments (Ireland, GB, MCB and International), however following a business review and organisational structure change in FY2022, this has been reduced to two for FY2022. The Group has restated the operating segment information for the year ended 28 February 2021 to conform with the current year presentation.

The Group continually reviews and updates the manner in which it monitors and controls its financial operations resulting in changes 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 effectively manage the business and allocate resources.

The identified business segments are as follows:

(i) Ireland
This segment includes the financial results from sale of the Group's own branded products across the island of Ireland, principally Bulmers, Magners, Tennent's, Five Lamps, Clonmel 1650, Heverlee, Dowd's Lane, Seven Summits hard seltzer, Roundstone Irish Ale, Linden Village, Finches and Tipperary Water. The Group also operates the Bulmers Ireland drinks distribution business, a leading distributor of third party drinks to the licenced on and off-trade in Ireland. The Group distributes San Miguel, Tsingtao and Budweiser Brewing Group beer brands across the island of Ireland. Since July 2020, the Group has also distributed the Budweiser brand on an exclusive basis. Our primary manufacturing plant is located in Clonmel, Co. Tipperary, with major distribution and administration centres in Dublin and Culcavy, Northern Ireland.

(ii) Great Britain (GB)
This segment includes the financial results from sale of the Group's own branded products in Scotland, with Tennent's, Caledonia Best, Heverlee and Magners the main brands. This division includes the sale of the Group's portfolio of owned cider brands across the rest of GB, including Magners, Orchard Pig, K Cider and Blackthorn which are distributed in partnership with Budweiser Brewing Group. In addition, the division includes the Tennent's drinks distribution business in Scotland. The Group also distributes selected Budweiser Brewing Group brands in Scotland and the Tsingtao and Menabrea international beer brands across the UK. Our primary manufacturing plant and administration centre is located at the Wellpark Brewery in Glasgow.

In addition, this segment includes the financial results from the Matthew Clark and Bibendum distribution businesses. Matthew Clark is the largest independent distributor to the UK on-trade drinks sector. It offers an unrivalled range of products, including beers, wines, spirits, cider and soft drinks. Matthew Clark and Bibendum also have a number of exclusive distribution agreements for third party products (mainly wines but also including spirits) into the UK market and also has a limited range of own brand wines. Bibendum is one of the largest wine, spirits and craft beer distributors and wholesalers to the UK on-trade and off-trade, with a particular focus on wine.

Together the Tennent's, Matthew Clark and Bibendum distribution businesses operate a nationwide distribution network serving the independent free trade and national accounts.

Further, this segment includes the financial results from the sale and distribution of the Group's own branded products, principally Magners and Tennent's outside of the UK and Ireland. The Group exports to over 40 countries globally, notably in continental Europe, Asia and Australia. The Group operates mainly through local distributors in these markets and regions.

This segment also includes the sale of the Group's cider and beer products in the US and Canada. In April 2021, the business divested our wholly-owned US subsidiary, Vermont Hard Cider Company and its Woodchuck suite of brands.

The Group's 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

		2022			2021*	
	Revenue	**Net revenue**	**Operating profit**	Revenue	Net revenue	Operating loss
	€m	**€m**	**€m**	€m	€m	€m
Ireland	**338.3**	**224.3**	**16.7**	269.8	166.1	(4.9)
Great Britain	**1,457.8**	**1,213.8**	**31.2**	753.0	570.8	(54.7)
Total before exceptional items	**1,796.1**	**1,438.1**	**47.9**	1,022.8	736.9	(59.6)
Exceptional items (note 4)	**-**	**-**	**10.6**	-	-	(25.2)
Group operating profit/(loss)	**1,796.1**	**1,438.1**	**58.5**	1,022.8	736.9	(84.8)
Profit on disposal (note 4)			**4.5**			5.8
Finance income			**0.2**			-
Finance expense			**(16.1)**			(19.5)
Finance expense exceptional items (note 4)			**(6.7)**			(7.9)
Share of equity accounted investments' profit/(loss) after tax before exceptional items			**2.6**			(6.1)
Share of equity accounted investments' exceptional items (note 4)			**2.7**			(8.8)
Profit/(loss) before tax			**45.7**			(121.3)

* The Group has restated the operating segment information for the year ended 28 February 2021 to conform with the current year presentation.

The exceptional items in the current financial year are a €10.6m credit, of which €9.2m relates to Ireland and €1.4m relates to Great Britain. Of the exceptional items in the prior financial year charge of €25.2m, €8.3m loss related to Ireland and a €16.9m loss related to Great Britain.

Profit on disposal of €4.5m in the current financial year relates to Great Britain. Profit on disposal of €5.8m in the prior financial year related to Ireland.

The share of equity accounted investments' profit after tax before exceptional items of €2.6m (FY2021: loss €6.1m) relates to Great Britain. The share of equity accounted investments' exceptional items of €2.7m (FY2021: €8.8m loss) relates to Great Britain.

Total assets for the year ended 28 February 2022 amounted to €1,468.7m (FY2021: €1,335.6m).

(b) Other operating segment information

		2022			2021*	
	Tangible and intangible expenditure	**Lease additions**	**Depreciation /amortisation /impairment /revaluation**	Tangible and intangible expenditure	Lease additions	Depreciation /amortisation /impairment/ revaluation
	€m	**€m**	**€m**	€m	€m	€m
Ireland	**7.3**	**4.1**	**6.2**	1.9	0.9	6.1
Great Britain	**5.9**	**19.0**	**25.6**	12.2	11.0	26.2
Total	**13.2**	**23.1**	**31.8**	14.1	11.9	32.3

* The Group has restated the operating segment information for the year ended 28 February 2021 to conform with the current year presentation.

(c) Geographical analysis of revenue and net revenue

	Revenue		Net revenue	
	2022	2021	**2022**	2021
	€m	€m	**€m**	€m
Ireland	**338.3**	269.8	**224.3**	166.1
Great Britain	**1,439.0**	726.1	**1,195.1**	544.6
International*	**18.8**	26.9	**18.7**	26.2
Total	**1,796.1**	1,022.8	**1,438.1**	736.9

* International as a geographic region consists of multiple countries that in aggregate represent 1% of Group revenue.

The geographical analysis of revenue and net revenue is based on the location of the third party customers.

(d) Geographical analysis of non-current assets

	Ireland €m	**Great Britain €m**	**International €m**	**Total €m**
28 February 2022				
Property, plant & equipment	**73.4**	**135.9**	**4.7**	**214.0**
Goodwill & intangible assets	**157.6**	**473.7**	**25.2**	**656.5**
Equity accounted investments/financial assets	**0.4**	**0.7**	**0.2**	**1.3**
Total	**231.4**	**610.3**	**30.1**	**871.8**

	Ireland €m	Great Britain €m	International €m	Total €m
28 February 2021				
Property, plant & equipment	68.5	130.2	5.3	204.0
Goodwill & intangible assets	158.1	462.7	25.2	646.0
Equity accounted investments	0.4	62.5	0.2	63.1
Total	227.0	655.4	30.7	913.1

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 the date of acquisition.

(e) Disaggregated net revenue

In the following table, net revenue is disaggregated by principal activities and products. Principal activities and products is the primary basis on which management reviews its businesses across the Group. To aid in more useful analysis of the Group's business performance, the Group has introduced Branded and Distribution for the year ended 28 February 2022 to better reflect how the business is managed commercially and the distinct revenue sources which drive its performance as a brand-led distributor in the UK and Ireland.

Principal activities and products		**2022**	
Net revenue	**Ireland**	**Great Britain**	**Total**
	€m	**€m**	**€m**
Branded*	**78.3**	**170.1**	**248.4**
Distribution**	**139.8**	**1,005.5**	**1,145.3**
Co pack/Other	**6.2**	**38.2**	**44.4**
Total Group from continuing operations	**224.3**	**1,213.8**	**1,438.1**

* Branded defined as being 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.

** Distribution defined as third-party brands sold through our distribution businesses and brands where C&C act as an exclusive agent for a brand in a specific geography.

Principal activities and products		2021***	
Net revenue	Ireland	Great Britain	Total
	€m	€m	€m
Branded*	48.6	133.4	182.0
Distribution**	114.0	394.2	508.2
Co pack/Other	3.5	43.2	46.7
Total Group from continuing operations	166.1	570.8	736.9

* Branded defined as being 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.

** Distribution defined as third-party brands sold through our distribution businesses and brands where C&C act as an exclusive agent for a brand in a specific geography.

*** The Group has restated the disaggregated net revenue information for the year ended 28 February 2021 to conform with the current year presentation.

3. SEASONALITY OF OPERATIONS

In the current environment, once again COVID-19 and its related restrictions is having a material impact on the results of the Group. Under a normal trading environment, C&C (excluding Matthew Clark and Bibendum) brands within our portfolio, particularly our cider brands, tend to have higher consumption during the summer months, which fall within the first half of our 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 our first half trading. Accordingly, trading profit is usually higher in the first half of the Group's financial year.

For Matthew Clark and Bibendum, 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 our distribution business.

4. EXCEPTIONAL ITEMS

	2022 €m	2021 €m
Operating costs		
COVID-19 (a)	**17.5**	(4.6)
Restructuring costs (b)	**1.2**	(8.1)
Impairment of equity accounted investment (c)	**(6.4)**	(9.1)
Reversal of impairment /(impairment) of property, plant and equipment (d)	**0.6**	(1.2)
Rights Issue costs (e)	**(2.6)**	-
Other (f)	**0.3**	(2.2)
Operating profit/(loss) exceptional items	**10.6**	(25.2)
Profit on disposal (g)	**4.5**	5.8
Finance income (h)	**0.2**	-
Finance expense (i)	**(6.7)**	(7.9)
Share of equity accounted investments' exceptional items (c)	**2.7**	(8.8)
Included in profit/(loss) before tax	**11.3**	(36.1)
Income tax (charge)/credit (j)	**(2.4)**	2.4
Included in profit/(loss) after tax	**8.9**	(33.7)

(a) COVID-19
The Group has continued to account for the ongoing COVID-19 pandemic as an exceptional item and has realised an exceptional credit of €17.5m from operating activities at 28 February 2022 in this regard (FY2021: charge of €4.6m). The Group reviewed the recoverability of its debtor book and advances to customers and booked a credit of €7.9m with respect to its provision against trade debtors (FY2021: €6.1m) and a credit of €5.5m with respect to its provision for advances to customers (FY2021: charge of €1.2m). The Group also realised an exceptional credit of €4.1m with respect to inventory (FY2021: charge of €5.8m), this related to inventory that had previously been deemed at risk of obsolescence in FY2021, all as a consequence of the COVID-19 restrictions.

In the prior financial year, the Group also incurred costs of €1.7m with respect to a provision for lost kegs, €0.3m with respect to the write off of an IT intangible asset where the project was not completed due to COVID-19 and a net credit of €0.6m with respect to the release of a trade provision. Other costs of €2.3m were incurred, which included site improvement costs, impairment of brand dispense equipment and an excess holiday accrual all directly linked to the pandemic.

(b) Restructuring costs
A credit of €1.2m relating to restructuring costs was incurred in the current financial year. This included severance costs of €0.6m, all of which arose as a consequence of the optimisation of the delivery networks in England and Scotland. In addition, the Group realised a credit of €1.8m in relation to the profit on disposal of a property, as a direct consequence of the optimisation project.

Restructuring costs of €8.1m were incurred in the prior financial year. These included severance costs of €6.8m, of which €4.9m was incurred with respect to the restructuring of the Group as a consequence of the COVID-19 pandemic and €1.9m arose as a consequence of the optimisation of the delivery networks in England and Scotland. The Group also incurred additional costs of €2.0m with respect to the optimisation of the delivery networks in England and Scotland which was offset by a credit of €0.7m relating to the profit on disposal of a property as a direct consequence of the optimisation project.

(c) Equity accounted investments' exceptional items
On 17 May 2022, the Group announced the sale of its joint venture investment in Admiral Taverns, to Proprium Capital Partners for a total consideration of €65.8m (£55.0m) payable in three tranches during FY2023, subject only to FCA approval. Admiral Taverns was classified as an asset held for sale as at 24 February 2022.

The net impact of exceptional items in relation to Admiral is a charge of €3.7m (FY2021: €17.7m). The Group continued to equity account for this investment up until this date, with the Group recognising a credit of €2.7m with respect to its share of Admiral Taverns' exceptional items (FY2021: €8.8m charge). This included a credit of €4.1m with respect to the Group's share of the revaluation gain arising from the fair value exercise to value Admiral's property assets (FY2021: €7.0m loss). The Group also recognised an exceptional charge of €1.4m (FY2021: €1.8m) in relation to its share of other exceptional items for the year, including the Group's share of acquisition costs of €1.4m incurred with respect to Admiral Taverns' acquisition of Hawthorn. The Group also recognised its share of other exceptional items for the year of €0.5m, primarily relating to restructuring costs. This was offset by a release from the expected loss provision with respect to the recoverability of Admiral Taverns' debtor book as a consequence of COVID-19 of €0.5m.

As a result of the same property valuation exercise, a gain of €2.2m with respect to the Group's share of the revaluation was recognised in Other Comprehensive Income (FY2021: €0.4m loss).

Also in the current financial year, the Group assessed the carrying value of its equity accounted investment as a result of its classification as an asset held for sale as at 24 February 2022 and recognised an impairment charge of €6.4m (FY2021: €8.9m). This impairment charge reverses previously accumulated gains and losses in relation to the application of equity accounting for the Admiral Taverns investment, to reflect the recoverable value of the Group's investment in line with the agreed consideration of £55.0m (€65.9m at date of classification as held for sale, €65.8m at year-end rate).

In the prior financial year, the Group also recorded an impairment charge of €0.2m with respect to the carrying value of its investment in Drygate Brewing Company Limited.

(d) Reversal of impairment of property, plant & equipment
Property (comprising freehold land & buildings) and plant & machinery are valued at fair value on the Consolidated Balance Sheet and reviewed for impairment on an annual basis. During the current financial year, the Group engaged external valuers to value the freehold land & buildings and plant & machinery at the Group's Clonmel (Tipperary), Wellpark (Glasgow) and Portugal sites. Using the valuation methodologies, this resulted in a net revaluation gain of €0.6m (FY2021: €1.2m net loss) accounted for in the Consolidated Income Statement and a gain of €2.5m (FY2021: €0.9m) accounted for within Other Comprehensive Income.

(e) Rights Issue costs
The Group completed a successful Rights Issue in June 2021 issuing 81,287,315 New Ordinary Shares at 186 pence per New Ordinary Share, raising gross proceeds of £151.2m (€176.3m). Attributable costs of €9.2m were incurred, of which €6.6m was debited directly to Equity and €2.6m was recorded as an exceptional charge in the Group's Condensed Consolidated Income Statement.

(f) Other
During the current financial year €0.3m was released against a provision for legal disputes (FY2021: €2.2m charge).

(g) Profit on disposal
During the current financial year, as outlined in further detail in note 7, the Group completed the sale of its wholly owned US subsidiary, Vermont Hard Cider Company to Northeast Kingdom Drinks Group, LLC on the 2 April 2021 for a total consideration of €17.5m (USD 20.5m) (comprised of cash proceeds of €13.4m (€12.9m net cash impact on disposal) and promissory notes of €4.1m at the date of transaction), realising a profit of €4.5m on disposal.

During the prior financial year, the Group disposed of its Tipperary Water Cooler business for an initial consideration of €7.4m, realising a profit of €5.8m on disposal.

(h) Finance income
The Group earned finance income of €0.2m (FY2021: €nil) relating to promissory notes issued as part of the disposal of the Group's subsidiary Vermont Hard Cider Company.

(i) Finance Expense
The Group incurred costs of €6.7m (FY2021: €7.9m) during the current financial year directly associated with continued covenant waivers including waiver fees, increased margins payable and other professional fees associated with covenant waivers, negotiated in the prior year due to the impact of COVID-19.

(j) Income tax (charge)/credit
The tax charge in the current financial year, with respect to exceptional items amounted to €2.4m (FY2021: €2.4m credit).

5. DIVIDENDS

	2022 €m	2021 €m
Dividends charged to Income Statement:		
Final: €nil dividend paid (FY2021: €nil dividend paid)	**-**	-
Interim: €nil dividend paid (FY2021: €nil dividend paid)	**-**	-
Credit with respect to share-based payments dividend entitlements	**-**	(0.2)
Total equity dividends	**-**	(0.2)
Settled as follows:		
Paid in cash	**-**	-
Scrip dividend	**-**	-
(Credit)/charge with respect to share-based payments dividend entitlements	**-**	(0.2)
	-	(0.2)

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. In the prior financial year, a credit of €0.2m was a consequence of dividend accruing share-based payment awards deemed to have lapsed and their related dividend accrual being released.

Also in the prior financial year, a payment of €0.4m was made to recipients of dividend accruing share based payment awards, where the award was exercised in the current financial year and the resulting dividends accrued over the vesting period were paid.

Due to the continued impact of COVID-19, no interim dividend was paid and no final dividend is being declared with respect to FY2022. Total dividends for the prior financial year was €nil. Total dividends of €nil (final dividend with respect to FY2021 and interim dividend with respect to FY2022) were recognised as a deduction from the retained income reserve in the year ended 28 February 2022 (FY2021: €nil). In the prior financial year, a credit of €0.2m was recorded as a consequence of dividend accruing share-based payment awards deemed to have lapsed and their related dividend accrual being released.

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.

6. EARNINGS PER ORDINARY SHARE

Denominator computations

	2022 Number '000	2021 Number '000
Number of shares at beginning of year	**320,480**	319,495
Shares issued in respect of options exercised	**147**	985
Shares issued in respect of Rights Issue	**81,287**	-
Number of shares at end of year	**401,914**	320,480
Weighted average number of ordinary shares (basic)*	**374,560**	336,236**
Adjustment for the effect of conversion of options	**1,374**	-
Weighted average number of ordinary shares, including options (diluted)	**375,934**	336,236**

* Excludes 10.7m treasury shares (FY2021: 10.8m).

** During the current financial year, the Group completed a rights issue at a discounted price of £1.86. As the rights price was issued at a discount, this was equivalent to a bonus issue of shares combined with a full market price. As such, IAS 33 Earnings Per Share requires an adjustment to the number of shares outstanding before the rights issue to reflect the bonus element inherent in it and also for this to be included in the EPS calculation for the prior period presented so as to provide a comparable result.

Profit/(loss) attributable to ordinary shareholders	**2022**	2021
	€m	€m
Group profit/(loss) for the financial year	**37.1**	(104.5)
Adjustment for exceptional items, net of tax	**(8.9)**	33.7
Earnings/(loss) as adjusted for exceptional items, net of tax	**28.2**	(70.8)

	Cent	Cent
Basic earnings/(loss) per share restated*		
Basic earnings/(loss) per share	**9.9**	(31.1)
Adjusted basic earnings/(loss) per share	**7.5**	(21.1)
Diluted earnings/(loss) per share restated*		
Diluted earnings/(loss) per share	**9.9**	(31.1)
Adjusted diluted earnings/(loss) per share	**7.5**	(21.1)

* During the current financial year, the Group completed a Rights Issue at a discounted price of £1.86. As the rights price was issued at a discount, this was equivalent to a bonus issue of shares combined with a full market price. As such, IAS 33 *Earnings Per Share* requires an adjustment to the number of shares outstanding before the Rights Issue to reflect the bonus element inherent in it and also for this to be included in the EPS calculation for the prior period presented so as to provide a comparable result.

Basic earnings/(loss) per share is calculated by dividing the Group profit/(loss) for the financial year by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased/issued by the Group and accounted for as treasury shares (FY2022: 10.7m shares, FY2021: 10.8m shares).

Diluted earnings/(loss) per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all potential 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 of the year 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 Earnings per Share, these contingently issuable shares are excluded from the computation of diluted earnings per share where the vesting conditions would not have been satisfied as at the end of the reporting period (FY2022: 499,828, FY2021: 1,930,864). 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.

7. BUSINESS COMBINATIONS/DIVESTMENTS AND NON-CONTROLLING INTERESTS

The Group completed the sale of its wholly owned US subsidiary, Vermont Hard Cider Company (VHCC) to Northeast Kingdom Drinks Group LLC on the 2 April 2021 for a total consideration of €17.5m (USD 20.5m) comprised of cash proceeds of €13.4m (€12.9m net cash impact on disposal) and promissory notes of €4.1m (USD 4.8m), realising a profit of €4.5m on disposal (note 4). The sale was completed on 2 April 2021. VHCC was previously classified as a disposal group held for sale as at 28 February 2021.

The net identifiable assets disposed were as follows:

	Asset value on disposal €m
Non-current assets	
Property, plant & equipment	**5.8**
Leased right-of-use assets	**0.2**
Non-current assets	**6.0**
Current assets	
Inventories	**4.1**
Trade & other receivables	**4.2**
Current assets	**8.3**

Current liabilities	
Lease liabilities	**(0.2)**
Trade & other payables	**(2.0)**
Current liabilities	**(2.2)**
Total net identifiable assets disposed	**12.1**
Total consideration	**17.5**
Net identifiable assets disposed	**(12.1)**
Working capital adjustment	**(0.6)**
Foreign currency recycled on disposal of subsidiary	**0.2**
Transaction costs incurred	**(0.5)**
Profit on disposal	**4.5**
Satisfied by:	
Cash consideration received	**13.4**
Deferred consideration	**4.1***
Total consideration	**17.5**
Analysis of cash flows on disposal:	
Cash consideration received	**13.4**
Cash and cash equivalents disposed of	**(0.5)**
Net cash inflow	**12.9**

The cumulative foreign exchange gain recognised in other comprehensive income in relation to VHCC was €0.2m. This was reclassified out of the Currency Translation Reserve via the Consolidated Statement of Comprehensive Income and recognised in the Consolidated Income Statement as part of the profit on disposal.

*As at 28 February 2022, the non-cash consideration which relates to the promissory notes issued on the date of transaction at €4.1m (USD 4.8m) were revalued to €4.3m, with a translation adjustment of €0.2m recognised.

Year ended 28 February 2021
In the prior financial year, the Group disposed of €1.3m of net assets with respect to its non-core Tipperary Water Cooler business for an initial consideration of €7.4m, with further consideration potentially being dependent on further revenue targets being achieved. Transaction costs of €0.3m were also incurred (included in the cash flows from operating activities) resulting in a profit on disposal of €5.8m.

8. ANALYSIS OF NET DEBT

	1 March 2021 €m	Translation adjustment €m	Additions/ disposals/ remeasurement €m	Cash Flow, net €m	Non-cash changes €m	28 February 2022 €m
Interest bearing loans & borrowings	**(470.0)**	**(7.2)**	**-**	**222.2**	**(1.0)**	**(256.0)***
Cash	**107.7**	**2.5**	**-**	**(45.5)**	**-**	**64.7**
Net debt excluding leases	**(362.3)**	**(4.7)**	**-**	**176.7**	**(1.0)**	**(191.3)**
Lease liabilities	**(79.6)**	**(3.2)**	**(19.1)**	**25.2**	**(3.3)**	**(80.0)**
Net debt including leases	**(441.9)**	**(7.9)**	**(19.1)**	**201.9**	**(4.3)**	**(271.3)**

* Interest bearing loans & borrowings at 28 February 2022 are net of unamortised issue costs of €2.9m.

	1 March 2020 €m	Translation adjustment €m	Additions/ disposals/ remeasurement €m	Cash Flow, net €m	Non-cash changes €m	28 February 2021 €m
Interest bearing loans & borrowings	(357.0)	(6.3)	-	(105.5)	(1.2)	(470.0)*
Cash	123.4	1.7	-	(17.4)	-	107.7
Net debt excluding leases	(233.6)	(4.6)	-	(122.9)	(1.2)	(362.3)
Lease liabilities	(93.3)	2.0	(7.3)	22.5	(3.5)	(79.6)
Net debt including leases	(326.9)	(2.6)	(7.3)	(100.4)	(4.7)	(441.9)

* Interest bearing loans & borrowings at 28 February 2021 are net of unamortised issue costs of €3.9 m.

The non-cash change to the Company and Group's interest bearing loans and borrowings in the current financial year relates to the amortisation of issue costs of €1.0m (FY2021: €1.2m). The non-cash changes for the Group's lease liabilities in the current financial year relate to discount unwinding of €3.3m (FY2021: €3.5m).

The Company, together with a number of its subsidiaries, gave a letter of guarantee to secure its obligations in respect of all debt drawn by the Company and Group at 28 February 2022.

Borrowing facilities

Group

The Group manages its borrowing requirements by entering into committed loan facility agreements and in the prior financial year also completed the successful issue of new USPP notes which diversifies the Group's sources of debt finance.

In July 2018, the Group amended and updated its committed €450m multi-currency five year syndicated revolving loan facility and executed a three-year Euro term loan. Both the multi-currency facility and the Euro term loan were negotiated with eight banks, namely ABN Amro Bank, Allied Irish Bank, Bank of Ireland, Bank of Scotland, Barclays Bank, HSBC, Rabobank and Ulster Bank. In FY2020 the Group availed of an option within the Group's multi-currency revolving loan facility agreement to extend the tenure for a further 364 days from termination date. The multi-currency facility agreement is therefore now repayable in a single instalment on 11 July 2024. In the prior financial year, the Group renegotiated an extension of the repayment schedule of the Euro term loan with its lenders and the last instalment is now payable on 12 July 2022.

In March 2020, the Group completed the successful issue of new USPP notes. The unsecured notes, denominated in both Euro and Sterling, have maturities of 10 and 12 years and diversify the Group's sources of debt finance. The Group's Euro term loan included a mandatory prepayment clause from the issuance of any Debt Capital Market instruments however a waiver of the prepayment was successfully negotiated in addition to a waiver of a July 2020 repayment, as a consequence of COVID-19, which now becomes payable with the last instalment in July 2022.

Under the terms of the multi-currency facility and the Euro term loan, the Group must pay a commitment fee based on 35% of the applicable margin on undrawn committed amounts and variable interest on drawn amounts based on variable Euribor/Sonia interest rates plus a margin, the level of which is dependent on the Net Debt: EBITDA ratio, plus a utilisation fee, the level of which is dependent on percentage utilisation. The Group may select an interest period of one, two, three or six months.

Under the terms of the USPP, the Group pays a margin of 1.6% with respect to €19.0m USPP notes with a 10 year tenure; 1.73% with respect to €57.0m USPP notes with a 12 year tenure and 2.74% with respect to £58.0m notes with a 10 year tenure. A waiver fee is payable with respect to the covenant waivers secured during the current and previous financial year, including a reduced EBITDA fee payable while EBITDA is below €120.0m and a below investment grade fee payable when the Group's credit rating is below investment grade. The maximum payable under the three components is capped at 1.5%.

The Group had further financial indebtedness in the form of non-bank debt of €5.7m at 28 February 2021, which was fully repaid in the current financial year with the last instalment paid on 3 April 2021.

The Euro term loan and multi-currency revolving facilities agreement provides for a further €100m in the form of an uncommitted accordion facility.

All bank loans drawn are unsecured and rank pari passu. All borrowings of the Group are guaranteed by a number of the Group's subsidiary undertakings. The USPP allows the early prepayment of the notes at any time subject to the payment of a make whole amount to compensate the note holders for the interest that would have been received on the notes had they not been prepaid early.

All borrowings of the Group at 28 February 2022 are repayable in full on change of control of the Group.

Covenants
As outlined previously, as a direct consequence of the impact of COVID-19, the Group successfully negotiated waivers on its debt covenants from its lending group for FY2021, and these have been extended up to, but not including, the August 2022 test date. Conditional on a Minimum Equity Raise, the Group's banking covenants were also renegotiated to increase the threshold of the Group's Net Debt/Adjusted EBITDA covenant to not exceed 4.5x and to reduce the Interest cover covenant to be not less than 2.5x. The Minimum Equity Raise was defined as the receipt of at least £125.0m of gross cash proceeds from the issuance of new ordinary shares in the Company including in such proceeds the gross amount received by the Company upon issuance of any right to acquire any new ordinary shares in the Company. The company successfully raised gross cash proceeds of £151m (€176m) in June 2022.

As part of the agreement reached to waive the debt covenants, a minimum liquidity requirement and a gross debt restriction have been put in place. Following the successful Rights Issue, the minimum liquidity requirement and a gross debt restriction will remain in place until the Group is able to show compliance with its original debt covenant levels at the 28 February 2023 or earlier if compliance can be demonstrated, and, with respect to the minimum liquidity requirement, the Group must maintain liquidity of at least €150.0m each month. A monthly gross debt cap of €750.0m in FY2021 was also applied which will continue through FY2022 but was reduced to €700.0m in June 2021 post the successful Rights Issue. The minimum liquidity requirement and a gross debt restriction can be lifted earlier in certain circumstances.

The Group complied with these new minimum liquidity and gross debt requirements during the financial year.

The Group's Euro term loan and multi-currency debt facility incorporates the following financial covenants (before the current waivers were secured):
- Interest cover: The ratio of EBITDA to net interest for a period of twelve months ending on each half-year date will not be less than 3.5:1
- Net debt: EBITDA: The ratio of net debt on each half-year date to EBITDA for a period of twelve months ending on a half-year date will not exceed 3.5:1

The Company and Group also had covenants with respect to its non-bank financial indebtedness (before the current waivers were secured).
- Interest cover: The ratio of EBITDA to net interest for a period of twelve months ending on each half-year date will not be less than 3.5:1
- Net debt: EBITDA: The ratio of net debt on each half-year date to EBITDA for a period of twelve months ending on a half-year date will not exceed 3.5:1

There is no effect on the Group's covenants as a result of implementing IFRS 16 Leases as all covenants are calculated on a pre IFRS 16 Leases adoption basis.

9. RETIREMENT BENEFITS

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. The Group provides permanent health insurance cover for the benefit of certain employees and separately charges this to the Income Statement.

The defined benefit pension scheme assets are held in separate trustee administered funds to meet long-term pension liabilities to past and present employees. The trustees of the funds are required to act in the best interest of the funds' beneficiaries. The appointment of trustees to the funds is determined by the schemes' trust documentation. The Group has a policy in relation to its principal staff pension fund that members of the fund should nominate half of all fund trustees.

There are no active members remaining in the executive defined benefit pension scheme (FY2021: no active members). There are 51 active members, representing less than 10% of total membership, in the ROI Staff defined benefit pension scheme (FY2021: 52 active members) and 2 active members in the NI defined benefit pension scheme (FY2021: 2 active members). The Group's ROI defined benefit pension reform programme concluded during the financial year ended 29 February 2012 with the Pensions Board issuing a directive under Section 50 of the Pensions Act 1990 to remove the mandatory pension increase rule, which guaranteed 3% per annum increase to certain pensions in payment, and to replace it with guaranteed pension increases of 2% per annum for each year 2012 to 2015 and thereafter for all future pension increases to be awarded on a discretionary basis.

Actuarial valuations – funding requirements
Independent actuarial valuations of the defined benefit pension schemes are carried out on a triennial basis using the attained age method. The most recently completed actuarial valuations of the ROI defined benefit pension schemes were carried out with an effective date of 1 January 2021 while the date of the most recent actuarial valuation of the NI defined benefit pension scheme was 31 December 2020. The actuarial valuations are not available for public inspection; however the results of the valuations are advised to members of the various schemes.

The funding requirements in relation to the Group's ROI defined benefit pension schemes are assessed at each valuation date and are implemented in accordance with the advice of the actuaries. Arising from the formal actuarial valuations of the Group's staff defined benefit pension scheme, the Group has committed to contributions of €418,000 per annum commencing in 2021 and increasing at a rate of 1.4% each year thereafter. This will be reviewed at the next actuarial valuation, which is due in the normal course of events at 1 January 2024. 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 Group has an unconditional right to any surplus remaining in these schemes in the event the scheme concludes.

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

	€m
Net surplus at 1 March 2021	**4.9**
Translation adjustment	**0.2**
Employer contributions paid	**0.4**
Credit to Other Comprehensive Income	**32.8**
Charge to Income Statement	**(0.7)**
Net surplus at 28 February 2022	**37.6**

The increase in the surplus from €4.9m at 28 February 2021 to a surplus of €37.6m at 28 February 2022 is primarily due to an actuarial gain of €32.8m over the year. The actuarial gain was driven by the increase in the discount rates used to value the pension benefit obligation. The impact of the increase in discount rates was partially offset by the increase in the inflation-related assumptions.

10. RELATED PARTY TRANSACTIONS

The principal related party relationships requiring disclosure in the consolidated financial statements of the Group 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.

(a) Group
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 consolidated 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 consolidated financial statements in accordance with IFRS 10 *Consolidated Financial Statements*.

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.

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

	Joint ventures		**Associates**	
	2022	2021	**2022**	2021
	€m	€m	**€m**	€m
Net revenue	**1.3**	0.9	**0.5**	0.1
Trade & other receivables	**0.5**	0.2	**-**	-

Purchases	**0.9**	0.3	**0.5**	0.2
Trade & other payables	**0.1**	-	**-**	-
Loans	**1.5**	1.5	**0.9**	1.0

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.

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.

Details of key management remuneration, charged to the Income Statement, are as follows:

	2022 Number	2021 Number
Number of individuals	**10**	10
	€m	€m
Salaries and other short-term employee benefits	**2.3**	1.9
Post-employment benefits	**0.1**	0.2
Equity settled share-based payment charge/(credit) and related dividend accrual	**1.7**	(0.7)
Pay in lieu of notice	**-**	0.6
Total	**4.1**	2.0

During the current and prior financial year, there were no transactions or balances between the Group and its key management personnel or members of their close family apart from:

- The Group sells stock to Tesco plc, of which Stewart Gilliland is a Non-Executive Director;
- The Group purchases and sells stock from St Austell Brewery Company Limited, of which Jill Caseberry is a Non-Executive Director; and
- Also in the current financial year, the Group sold and purchased stock from Britvic plc, of which Emer Finnan is a Non-Executive Director.

All transactions with related parties involve the normal supply of goods or services and are priced on an arm's length basis.

For the purposes of the Section 305 of the Companies Act 2014, the aggregate gains by Directors on the exercise of share options during FY2022 was €nil (FY2021: €0.6m).

11. POST BALANCE SHEET EVENTS

On 17 May 2022, the Group announced the sale of its joint venture investment in Admiral Taverns, to Proprium Capital Partners for a total consideration of €65.8m (£55.0m). The sale of the shares will be completed and the consideration will be paid during FY2023, subject to FCA approval. Admiral Taverns was classified as an asset held for sale as at 24 February 2022.

There were no other events affecting the Group that have occurred since the year end which would require disclosure or amendment of the consolidated financial statements.

12. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Directors on 17 May 2022.