



TRADING UPDATE FOR THE 12 MONTHS ENDED 28 FEBRUARY 2025

DELIVERY OF EARNINGS AND MARGIN PROGRESSION, ALONGSIDE CONTINUED STRONG CASH GENERATION

13 March 2025 | C&C Group plc ('C&C' or the 'Group'), a premium drinks company which manufactures, markets and distributes branded beer, cider, wine, spirits and soft drinks across the UK and Ireland announces a trading update for the twelve months ended 28 February 2025 ('FY2025'). The Group's portfolio includes market-leading brands such as Tennent's, the #1 beer brand in Scotland, Bulmers the #1 cider brand in Ireland, as well as a growing collection of premium beers and ciders, together with Matthew Clark Bibendum, the leading premium drinks and wine distributor to the UK hospitality sector.

Financial Performance

Group revenues are expected to be in line with last year reflecting growth in our Distribution business offset, as highlighted at the interim results, by the impact of the disposal of our non-core soft drinks business in Ireland, the strategic exit of low margin contract brewing volume and softer GB cider sales during the important summer trading period.

The macroeconomic environment and UK October Budget have placed a degree of additional pressure on our hospitality customers and impacted consumer confidence more generally. Despite these headwinds, the Group has made good progress and expects to report underlying EBIT in the range of €76m - €78m, which although modestly below our target due to softer trading across the market in January and February, reflects significant recovery versus the prior year's earnings of €60m. Operating margins are expected to be ahead of FY2024 with positive progress in both our Branded and Distribution businesses. The Group has increased customer numbers growing 7% in the second half of FY2025 in our Matthew Clark Bibendum distribution business, reflecting further improved and consistently high service levels. We have invested in our brands and achieved market share value growth for Tennent's in both the on and off trade and for Bulmers in the ROI on trade.

Cash generation has remained strong, with net debt/EBITDA at year-end 1.0x, in line with our target, reflecting disciplined working capital management, investment in the business, and further progress in our shareholder return programme. The Group's balance sheet remains robust, providing flexibility to support future growth initiatives and capital returns to shareholders.

We have distributed €51m, comprising dividend payments of €21m and share buybacks of €30m. We intend to commence a further €15m share buyback programme on 1 May 2025.

Current Outlook

Our key commercial objectives are to support our customers with industry-leading service, choice and value, whilst continuing to delight consumers with our range of leading brands. We have some exciting plans for our brands coming in FY2026, including the relaunch of Magners as the brand is now back under our full management control in the UK market.

Looking forward, we expect to see continued uncertainty for consumers alongside the impact of the well documented challenges of the hospitality sector. We remain confident in the longer-term and will further invest in our customer proposition, brand innovation, systems and people. This underpins the Board's confidence in our ability to achieve sustainable, long-term profitable growth. We expect earnings in FY2026 to be marginally ahead of FY2025, reflecting our ongoing investment in the business to enhance our growth potential. The Group remains well-positioned to navigate these challenging conditions and our previously stated objective to deliver €100m EBIT remains in place over the medium-term.

Further details will be provided in the Group's full-year results announcement on 28 May 2025.

Roger White, Chief Executive Officer, commented:

"Having joined the business in late January 2025, although it is still early days, I believe I have already gained an understanding of the business and the wider market dynamics. It is clear to me that C&C has a committed and capable team, alongside great brands and a passion for delivering for its customers. However there is much work to be done to fully realise the potential across the Group. Whilst the market backdrop remains challenging, we are continuing to support our customers, invest in the business and have some exciting plans to implement this year which I look forward to updating you on further in May. I remain confident of the significant long-term opportunity within the business and I am fully focussed on delivering increased shareholder value."

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