

Britvic plc Preliminary Results – 20 November 2024

For the year ended 30 September 2024

“Another outstanding performance”

Group Financial Headlines:

- Revenue increased 9.5%¹ to £1,899.0 million (statutory increased 8.6%), driven by both price/mix and volume
- Adjusted EBIT² increased 15.2%¹ to £250.9 million (statutory increased 14.9%), reported EBIT³ increased 12.6%¹
- Adjusted EBIT margin increased 60bps¹ to 13.2% (statutory increased 70bps)
 - Adjusting EBIT items² net charge of £46.9 million, of which £38.7million was non-cash and £21.3 million related to the proposed Carlsberg transaction
- Profit after tax increased 1.8%¹ (statutory increased 1.5%) to £125.8 million
- Adjusted earnings per share of 69.5p, increased 13.9%
- Adjusted net debt to EBITDA at 1.98x
- Full year dividend 34.5p, including a 25 pence per share dividend payable on completion of the acquisition of Britvic by Carlsberg

Operational Highlights:

- Strong demand for portfolio of family favourite brands, including Pepsi, Tango, Lipton, MiWadi and Ballygowan
- Step-change performance in Brazil, with established and acquired brands in high double-digit revenue growth
- Successfully scaling our new growth brands, Plenish, Jimmy’s, Aqua Libra, and London Essence to build scale in fast-growing categories
- A 30.9%¹ increase in A&P spend to support long-term brand growth
- New growth capacity added across our markets with new lines in GB, Ireland and Brazil
- Continued focus on healthier people with great tasting low calorie drinks, with an average of only 21 calories per serve
- Promoting a healthier planet, through investment in decarbonisation and water stewardship programmes

	Year ended 30 September 2024 £m	Year ended 30 September 2023 £m	% change actual exchange rate (statutory)	Adjusted % change constant exchange rate ¹
Revenue	1,899.0	1,748.6	8.6%	9.5%
Adjusted EBIT	250.9	218.4	14.9%	15.2%
Adjusted EBIT margin	13.2%	12.5%	70bps	60bps
Adjusting EBIT items ²	(46.9)	(36.9)	(27.1)%	(28.1)%
Reported EBIT	204.0	181.5	12.4%	12.6%
Reported EBIT margin	10.7%	10.4%	30bps	30bps
Profit after tax	125.8	124.0	1.5%	1.8%
Basic EPS	50.8p	48.3p	5.2%	
Adjusted basic EPS	69.5p	61.0p	13.9%	
Full year dividend per share	34.5p	30.8p	12.0%	
Adjusted net debt/EBITDA	1.98x	1.94x	-	
ROIC	19.4%	17.9%	150bps	

See glossary on pages 29-30 for definitions of performance measures and the appendix of non-GAAP reconciliations on page 26 for the reconciliation of alternative performance measures to IFRS measures.

1. Adjusted for constant currency.

2. Adjusting measures are defined and reconciled to reported measures on page 26. Total adjusting items were £48.0 million, of which £46.9 million are EBIT-related (year ended 30 September 2023: £36.9 million).

3. Reported measures include the effect of adjusting items

Simon Litherland, Chief Executive Officer commented:

“We have delivered another excellent financial performance this year, with strong growth across our markets and portfolio of market-leading brands. We have also continued to ensure the business is fit for the future, adding more capacity, investing in our people and significantly increasing investment in marketing and innovation. I am extremely proud of what we have achieved, and I thank the entire Britvic team for their commitment and passion to deliver such a great result in a challenging environment. Subject to approval from the regulatory authorities, we anticipate that the acquisition by Carlsberg will complete in the first quarter of 2025. I am confident that the prospects for our brands and people are extremely positive, and I look forward to them going from strength to strength.”

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There will be a recorded webcast of the presentation published at 9.30am by Simon Litherland (Chief Executive Officer) and Rebecca Napier (Chief Financial Officer). The webcast will be available at www.britvic.com/investors with a transcript available in due course.

About Britvic

Britvic is an international soft drinks business, rich in history and heritage. Founded in England in the 1930s, it has grown into a global organisation with 39 much-loved brands sold in over 100 countries. The company combines its own leading brand portfolio including Fruit Shoot, Robinsons, Tango, J2O, London Essence, Teisseire, Plenish, Jimmy's Iced Coffee and MiWadi with PepsiCo brands such as Pepsi, 7UP and Lipton Ice Tea which Britvic produces and sells in Great Britain and Ireland under exclusive PepsiCo agreements.

Britvic is the largest supplier of branded still soft drinks in Great Britain and the number two supplier of branded carbonated soft drinks in Great Britain. Britvic is an industry leader in the island of Ireland with brands such as MiWadi and Ballygowan, in France with brands such as Teisseire, Pressade and Moulin de Valdonne and in its growth market, Brazil, with Maguary, Bela Ischia, Extra Power and Dafruta. Britvic is growing its reach into other territories through franchising, export, and licensing.

Britvic is a purpose-driven organisation with a clear vision and a clear set of values. Our purpose, vision and values sit at the heart of our company, driving us forward together to create a better tomorrow. We want to contribute positively to the people and world around us. This means ensuring that our sustainable business practices, which we call Healthier People, Healthier Planet, are embedded in every element of our business strategy.

Britvic is listed on the London Stock Exchange under the code BVIC and is a constituent of the FTSE 250 index. Find out more at Britvic.com

Cautionary note regarding forward-looking statements

This announcement includes statements that are forward-looking in nature. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Group to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Except as required by the Listing Rules and applicable law, Britvic undertakes no obligation to update or change any forward-looking statements to reflect events occurring after the date such statements are published.

Market data

Great Britain take-home market data referred to in this announcement is supplied by Nielsen and runs to 21 September 2024. ROI take-home market data referred to is supplied by Nielsen and runs to 8 September 2024. French market data is supplied by Nielsen and runs to 22 September 2024.

Chief Executive Officer's Review

Performance highlights

Today, we present our results for the year ending 30 September 2024. It's a year of which we can be exceptionally proud, as Britvic has not only delivered its best-ever financial performance but also made significant strides in our strategic priorities. The Britvic team has once again demonstrated their unwavering commitment to our overarching ambitions, even in the face of challenging markets and a prospective change of ownership, with the proposed acquisition of Britvic by Carlsberg Group. I want to publicly acknowledge the Britvic team's efforts, which have been instrumental in our outstanding performance.

Overall, revenue is ahead of last year by +9.5% (+8.6% on a statutory basis), at £1,899.0 million. Encouragingly, this was achieved through growth in both volume and price/mix, reflecting strong consumer demand for our brands and appropriate revenue growth management actions. Volume increased +3.1%, driven by both organic growth and the Extra Power and Jimmy's brand acquisitions. Average Realised Price grew +6.2%, benefiting from price realisation and positive pack and brand mix. We have reported our highest-ever adjusted EBIT, £250.9m, 15.2% ahead of last year (+14.9% on a statutory basis), with adjusted EBIT margin of 13.2%, 60 basis points (bps) ahead of last year (+70bps on a statutory basis). Profit after tax increased 1.8% (1.5% on a statutory basis) to £125.8 million. Our outstanding holistic performance, detailed in our annual report, is even more impressive given the challenging summer weather conditions across Great Britain and our European markets.

At the same time, total A&P spending increased by 30.9% to £87.2m, as we continued to invest in the equity of our brand portfolio.

Our disciplined approach to cash has enabled us to invest in the business for sustainable growth. We have continued to invest in our people and planet programmes, demonstrating our commitment to sustainability, while building capacity and investment in technology. We have also used the cash to acquire Extra Power in Brazil and to increase shareholder returns through our dividend policy and the share buyback programme, which was suspended following the announcement of the proposed acquisition of Britvic plc by the Carlsberg Group towards the end of the year, a process that is ongoing at the time of writing.

Irrespective of the outcome of this process, I remain confident of Britvic's current and future prospects, driven by our compelling and proven growth algorithm.

Our compelling approach to growth

In our 2023 preliminary results and strategy presentation, we shared our growth algorithm, as a framework of where we believed our future revenue growth and category outperformance would come from. The growth accelerators we identified were:

- Outperforming the market with our broad portfolio of family favourite brands
- Double-digit growth in Brazil
- Strong double-digit growth in new growth brands such as Plenish, Jimmy's, Aqua Libra and London Essence
- Underpinned by underlying category volume growth and price/mix

This year, we have made excellent progress against these opportunities, with revenues growing across our portfolio of family favourite brands by +5.5%, Brazil by +35.3% and new growth brands by +52.1%. Our growth strategy has underpinned this success, providing us with a clear framework for sustainable performance. Each market has an important role: with Great Britain to lead market growth, Brazil to accelerate and expand our presence, in other international markets to globalise our premium brands, and to improve profitability in Western Europe.

Market highlights

Great Britain

Our performance in Great Britain has been strong, with robust volume growth and favourable price/mix. The volume growth was driven by the retail channel, with a weaker hospitality channel. From a revenue perspective, both channels delivered revenue growth, as did our owned and PepsiCo brands. Encouragingly, we have delivered volume growth across all quarters, with quarter four volume +2.0%, despite the poor summer weather.

Investment in our supply chain continued this year. In the spring, we commissioned another can line to enable us to unlock consumer demand through increased capacity and access margin benefits by bringing the production of certain co-packed products in-house. In August, we completed a £25 million upgrade investment in our national distribution centre in Lutterworth, Leicestershire. This state-of-the-art, lights-out facility now boasts 17 new automatic cranes, 18 despatch lanes, and 20 automated cars, enhancing our capacity to move 600 pallets an hour.

In March, we activated the unmissable brand refresh of Pepsi, which was supported by a significant increase in investment behind a nationwide 360-degree marketing campaign, including billboards, digital takeovers, in-store activation, a new bold TV advertisement and engaging social media content. Pepsi MAX continued its successful association with Champions League football, adding new signings such as Jack Grealish and Leah Williamson as brand ambassadors. May also saw the launch of the limited-edition Pepsi Electric, a zesty, citrus cola with a striking blue liquid.

Tango continued to excite consumers with great-tasting, sugar-free innovation. In August, Tango brought back, by popular demand, a new and improved sugar-free Cherry flavour and launched a bold new advertising campaign, "Warden," supported by social content across Instagram and out-of-home activation.

Robinsons continued its association with The Hundred Cricket, rolling out an on-pack promotion across the squash range for the first time alongside the ready-to-drink format. Robinsons expanded its cordials range with two exciting new flavours, Elderflower and Ginger & Orange.

We have also successfully delivered significant growth in our emerging categories this year. Plenish, our plant-based milk and shots brand, had an excellent year, with revenue +101.6% compared to last year. The plant-based milk range, unique in its combination of all-natural organic ingredients, is now the clear number three brand in the category. The Plenish Shots range benefited from new launches such as Mango Sunshine and Beet Balance, offering consumers an easy route to improving their nutritional balance through great-tasting products. New Shots listings have been achieved across retail, grocery, and hospitality channels; distribution has nearly doubled, and Plenish Shots grew value this year faster than any other shots brand. Building Plenish brand awareness has extended to TV for the first time, with a six-month partnership as the sponsor of Channel 4's breakfast programming.

Jimmy's Iced Coffee was acquired last summer, giving us access to the fast-growing cold/hot drinks category. During the year, we added a larger 380ml BottleCan and a multipack format to complement the existing pack range. Leveraging our innovation capability, we also launched a new offering in conjunction with Myprotein and a new limited edition, Cinnamon Roll flavour. New listings were secured across the Grocery, Hospitality, and Wholesale channels, providing a solid foundation for the future and driving Jimmy's brand value growth of +15.0% in the latest 26 weeks, versus category growth of 1.7%.

London Essence has made excellent progress this year, with revenue in Great Britain growing +37.6% on last year and increased distribution points in retail and hospitality channels. Our unique offering of premium soft drinks on dispense has resulted in 2,000 Freshly Infused dispense fountains being installed. In the hospitality channel, we won over 50 new contracts, including Center Parcs, Barons Pub Company and The Belfry.

Brazil

At the start of the financial year, we completed the acquisition of Extra Power and three supporting brands to access the high margin and fast-growing energy category. The acquisition also gave us a more significant presence in the centre-west region. The integration was completed earlier this year, and we are already realising the anticipated cost synergies and commercial benefits. It has allowed us to accelerate the presence of our existing brands in the Goiás region and to roll out the acquired brands into our existing regions.

Performance in Brazil was very strong, with both existing brands and acquired brands contributing to revenue growth of 35.3%. A combination of factors underpinned the growth. We have continued to focus on categories and regions which enable us to build scale and grow profitability. Growth was achieved across our Concentrates range as well as RTD formats such as Fruit Shoot and Grape juice. We have focused on compelling store execution, increasing investment in the merchandising team, feature and display, and in-store campaigns. We have also focused on winning in the stores close to our factories, optimising supply chain costs to serve, and realising margin benefits.

Building awareness of our brand portfolio has continued this year, with increased A&P spend. This has included Carnival sponsorship in Rio de Janeiro, music events with Extra Power, and sports sponsorship, such as encouraging sports among state school children in the Minas Gerais region and sponsoring volleyball and football teams.

Other International markets

Performance in Ireland remained strong, with revenue up 7.8%, driven by price realisation and mix, offsetting a modest volume decline of 1.8% in the year. Pepsi and Ballygowan were the main drivers, with both the core water offering and Hint of Fruit delivering strong growth. February saw the launch of the Deposit Return Scheme (DRS) for PET bottles and cans in the Republic of Ireland. As anticipated, we saw a volume decline in the early months following the scheme's launch. In quarter four however, we saw a return to volume growth, up 5.9% on last year. At the end of 2023, we completed a supply chain programme to release additional production capacity in the Irish factories by introducing new work rosters while simultaneously implementing cost-efficiency savings within the manufacturing and warehouse operations. This has enabled us to reduce the cost and complexity created by introducing a DRS. In July, we introduced tethered caps, which align with EU legislation. We also expanded our production capacity for the fast-growing Ballygowan Hint of Fruit flavoured variant.

In France, volumes declined compared to last year. While branded volumes improved in the second half of the year, total volume declined as we took a strategic decision to exit private label contracts, and we faced stiff competition in the juice category. While volume was down, revenue was slightly up on last year at 0.1%. Brand contribution materially improved due to the favourable product mix. In the second half of the year, we activated a significant marketing campaign for the Teisseire brand. As well as TV and social media campaigns, the brand sponsored the Women's Tour de France, supported by in-store activation and on-pack promotion of the sponsorship. A&P investment increased by nearly 80% on last year as we continued to invest in our brands.

In other international markets, Mathieu Teisseire was in strong growth. This was offset by a softer performance in the USA as Fruit Shoot transitioned to a new bottling partner and some weakness for our brands in other export markets.

Healthier People, Healthier Planet

Our sustainability strategy, Healthier People, Healthier Planet, is a central and integrated part of our business strategy. While full details of our Healthier People, Healthier Planet performance this year can be found on pages 6-9 of the Annual Report, I am particularly proud of some key highlights.

Healthier People

We continue to build our portfolio of healthier consumer choices, with a range of great tasting, low calorie offerings, giving us an impressive average of only 21 calories per serve. Our people are our biggest asset, and we continue to invest in building capability by launching new online learning tools and investing in expanded graduate and apprenticeship schemes across the business to develop the next generation. Our active equity, diversity and inclusion programme continues and is ably stewarded by our employee-led network groups. We have supported the team's well-being with an innovative example this year: our partnership with the award-winning sleep-science experience, the Night Club. They are helping our shift workers across the supply chain to be happier and healthier at home and work.

In Ireland, MiWadi is celebrating eleven years of supporting its Trick or Treat for Sick Children campaign, helping raise funds of over €3.9m for sick children, and supporting all Children's Health Foundation hospitals and urgent care centres.

Healthier Planet

This year, we announced a power purchase agreement to deliver clean energy, meaning that 75% of the National Grid electricity used to make our brands in Great Britain comes from solar generation, thanks to a 160-acre solar farm in Northamptonshire. At our Beckton site, the heat recovery system we announced last year is now fully operational, and we anticipate a 50% reduction in the site's carbon emissions. To date we have reduced our Group carbon emissions by 35%, in-line with our science-based targets.

In Ireland, Britvic has actively campaigned and supported the introduction of a DRS. Over 600 million drinks containers have been returned since the launch of the Deposit Return Scheme on February 1, 2024, with over €70,000 raised in deposit donations for the Return for Children charity initiative.


At our Rugby site, we have invested in new systems for our water processing plant. We can treat the water used and reduce energy consumption by 60%. True water stewardship means we must look beyond our operations to the catchments we operate. Our Astolfo Dutra plant in Brazil has become the first Britvic manufacturing site to receive the Alliance for Water Stewardship standard certification.

A track record of generating shareholder value

Since I was appointed CEO in February 2013, following a turbulent period for Britvic plc, the Group has benefitted from a rejuvenated leadership team and a clear strategy. We set about restoring confidence in Britvic, with the ambition of making the business future-fit to win in a changing world. Since then, I have been consistently proud of what Team Britvic has achieved. Some key highlights include:

- The Business Capability Programme investment of c.£250m in our supply chain capacity and capability
- Entering Brazil with the initial acquisition of Ebba and the subsequent expansion of our presence in one of the world's largest soft drinks markets
- Revitalising our owned brands portfolio, including Tango, MiWadi and Robinsons
- Continuing our long-standing relationship with PepsiCo, with a new 20-year bottling agreement
- Accessing new growth spaces through both innovation and acquisition with brands such as Plenish, Aqua Libra, and Jimmy's
- Leadership in healthier consumer choices by investing in our portfolio of family favourite brands that offer great tasting, low-calorie soft drinks that are better for you, with an industry-leading 21 average calories per serve
- Becoming the first UK-listed soft drinks company to sign up to science-based carbon reduction targets
- Building the capability and diversity of the Britvic team to release the company's full potential, and
- Establishing and maintaining a strong market and stakeholder reputation for delivering on our promises and punching above our weight

The relentless energy, focus and commitment demonstrated by the Britvic team over these past 12 years have generated superior returns for shareholders. Together, we have delivered Total Shareholder Returns of 341.8%, significantly outperforming the FTSE350 (105.7%). I am incredibly proud of what this business has delivered. I sincerely thank the team for their achievements, just as I thank the Board and our shareholders for their support over the years. I have every confidence that our brands and our Britvic people will go from strength to strength in the years ahead.



Chief Financial Officer's Review

Overview

The Company has delivered a strong financial performance this year across our key metrics. Volume increased 3.1% and positive price strong price/mix growth delivered Average Realised Price (ARP) growth of 6.2%. Consequently, Group revenue increased 9.5% (statutory +8.6%) year on year.

We delivered our highest ever adjusted EBIT on record, increasing by 15.2% (actual exchange rate +14.9%) to £250.9 million at an adjusted EBIT margin of 13.2% (2023: 12.5%). Adjusted Earnings Per Share (EPS) increased 13.9% year on year, reflecting the growth in adjusted EBIT and the reduction of the number of shares in issuance due to the share buyback programme, which was suspended following the announcement of the proposed acquisition of Britvic by Carlsberg Group. Basic EPS for the period was 50.8 pence, an increase of 5.2% on last year, while diluted EPS for the period was 50.2 pence, an increase of 4.8% on the same period last year. This was primarily due to the impact of non-cash adjusting items.

Statutory profit after tax increased 1.8% from £124.0 million to £125.8 million. Adjusting items totalled £48.0 million, of which £46.9 million are EBIT-related (year ended 30 September 2023: £36.9 million). Costs this year include an impairment on the Norwich site, which closed in 2019, and costs related to the acquisition of Britvic by Carlsberg.

Our cash performance remained robust, with a free cash flow of £85.5 million, driven by a continued focus on cash management and the impact of an additional payment run in 2024. Consequently, our adjusted net debt/EBITDA ratio remained broadly flat at 1.98x. During the year, we acquired Extra Power for cash consideration and returned cash to shareholders through the dividend and share buyback programme. Subject to the proposed takeover by the Carlsberg Group being successfully completed, shareholders would receive a special dividend payment of 25p per Britvic share, which is expected to be paid to shareholders within 14 days of the effective date. The Board has decided not to declare the normal final dividend as Carlsberg reserves the right to decrease the acquisition price for any dividend declared, made, paid or that becomes payable by Britvic on or prior to the effective date (other than the special dividend).

Below is a summary of the segmental performance and explanatory notes related to items including taxation, interest and free cash flow generation.

Great Britain

	Year ended 30 September 2024 £m	Year ended 30 September 2023 £m	% change actual exchange rate
Volume (million litres)	1,781.9	1,750.2	1.8%
Average Realised Price (ARP) per litre	72.3p	67.9p	6.5%
Revenue	1,288.7	1,187.7	8.5%
Brand contribution	541.2	479.6	12.8%
Brand contribution margin	42.0%	40.4%	160bps

In Great Britain, revenue increased by 8.5%, with ARP growth of 6.5% and volume growth of 1.8%, an impressive performance against the backdrop of another summer of poor weather. The ARP growth was driven through a combination of improved mix, price realisation and optimising promotional activity. Consequently, brand contribution increased 12.8% and brand contribution margin increased 160bps to 42.0%.

Both our owned-brand and PepsiCo portfolios were in growth. Pepsi, led by MAX, and Tango were the major growth drivers, with revenue increasing 7.5% and 11.1% respectively. J2O, Fruit Shoot and Lipton also enjoyed strong growth. Robinsons was in modest growth, across both the squash and ready to drink ranges, reflecting the impact on the squash category from the poor summer weather. We continued to leverage the strength of the Britvic operating model to deliver the potential of new growth spaces. Plenish revenue increased 101.6% and packaged Aqua Libra increased 109.5%, benefiting from our innovation capability, distribution model and strong customer relationships.

London Essence revenue increased an impressive 37.6%. This year also included the first full year benefit of Jimmy's, which was acquired in July 2023, giving us immediate access to the Iced Coffee category.

Brazil	Year ended 30 September 2024 £m	Year ended 30 September 2023 £m	% change actual exchange rate	Adjusted % change constant exchange rate
Volume (million litres)	355.0	296.5	19.7%	19.7%
Average Realised Price (ARP) per litre	56.5p	52.7p	7.2%	13.0%
Revenue	200.5	156.2	28.4%	35.3%
Brand contribution	61.2	36.2	69.1%	77.9%
Brand contribution margin	30.5%	23.2%	730bps	730bps

In Brazil, revenue increased 35.3%, on a constant currency basis, with volume +19.7%. Brazil benefited from strong growth in the existing portfolio, with organic revenue increasing 20.9%, as well as the first-year benefit of the Extra Power brand, which was acquired in October 2023. Revenue growth was achieved across the portfolio, with concentrates up 12.0%, Fruit Shoot up 32.4% and RTD juices up 24.3%. Extra Power was a major contributor to growth, with revenue up 32% compared to the previous year when it was under different ownership. The combination of positive price/mix and a targeted regional commercial approach has resulted in a strong brand contribution performance and a significant increase in brand contribution margin to 30.5%.

Other International	Year ended 30 September 2024 £m	Year ended 30 September 2023 £m	% change actual exchange rate	Adjusted % change constant exchange rate
Volume (million litres)	402.1	416.5	(3.4)%	(3.4)%
Average Realised Price (ARP) per litre	101.9p	97.2p	4.8%	6.5%
Revenue	409.8	404.7	1.3%	2.8%
Brand contribution	110.6	99.6	11.0%	12.6%
Brand contribution margin	27.0%	24.6%	240bps	240bps

Note: Other International consists of France, Ireland, and other international markets. Volumes and ARP include own-brand soft drinks sales and third-party product sales included within total revenue and brand contribution. Concentrate sales are included in both revenue and ARP but do not have any associated volume.

In other International, the combined markets' volume declined 3.4%, with strong price/mix ARP growth of 6.5% resulting in revenue growth of 2.8%. In Ireland, revenue increased 7.8%. The implementation of the DRS was expected to have an adverse impact on volume as the trade and consumers get used to the concept of returning bottles and cans for a nominal deposit. Consequently, Ireland saw a modest volume decline of 1.8%, with volume returning to growth in the final quarter. Scale brands in revenue growth were Pepsi up 15.4%, 7UP up 6.1%, MiWadi up 12.5% and Ballygowan up 27.3%.

In France, volumes in the year went down compared to last year. While branded volumes improved in the second half of the year, total volume declined as we took a strategic decision to exit private label contracts, and we faced stiff competition in the juice category. While volume was down, revenue was slightly up on last year at 0.1%. Branded syrups and Fruit Shoot revenue growth was offset by the decline in private label syrups and Pressade, our organic juice brand. Other International brand contribution increased 12.6% and brand contribution margin increased 240bps to 27.0%.

Fixed costs – pre-adjusting items	Year ended 30 September 2024 £m	Year ended 30 September 2023 £m	% change actual exchange rate	% change like for like at constant exchange rate
Non-brand A&P	(18.0)	(11.8)	(52.5)%	(52.5)%
Fixed supply chain	(170.6)	(145.5)	(17.3)%	(18.2)%
Selling costs	(105.0)	(96.7)	(8.6)%	(9.4)%
Overheads and other	(168.5)	(143.0)	(17.8)%	(18.5)%
Total	(462.1)	(397.0)	(16.4)%	(17.2)%

<i>Total A&P investment</i>	<i>(87.2)</i>	<i>(67.0)</i>
<i>A&P as a % of own brand revenue</i>	<i>4.6%</i>	<i>3.8%</i>

Overall, our fixed cost base increased 17.2% on a constant currency basis, due to inflationary pressure and investment in our future growth drivers. Total A&P was £20.2 million higher year on year, an increase of 30.9%, as we continued to increase investment in our brands. Fixed supply chain investment during the period included increased production capacity, adding a new can line in Great Britain and additional capacity in Brazil. The additional capacity in Great Britain enabled savings in third-party co-packing costs.

Selling costs increased as we invested in additional field sales resource to support our channel growth strategy. Overheads and other costs increased as we invested in our people, reflecting investment in both additional resources and reward, to retain and recruit the best talent. We adopted a tiered approach to salary increases, ensuring that those on lower salaries received a higher percentage increase, in recognition of the increased costs of living.

Interest

The net finance charge for the year ended 30 September 2024 is £30.8 million, compared with £24.7 million in the comparative year, primarily due to higher cost of borrowing on floating rate debt.

Adjusting items – pre-tax

In the year, the Group incurred, and has separately disclosed, a net charge of £48.0 million of pre-tax adjusting items, of which £46.9 million was EBIT-related (2023: £36.9 million). Adjusting items comprise:

EBIT-related

- Strategic restructuring and M&A costs of £6.7 million, including Group organisational transformation costs and M&A costs in relation to the acquisition in Brazil,
- Ballygowan trademark impairment reversal credit of £3.6 million,
- Impairment and running costs of the Norwich site of £8.4 million,
- £3.0 million in relation to costs for the setup of the DRS in Ireland,
- £21.3 million of costs related to the proposed Carlsberg transaction, and
- Acquisition-related amortisation of £11.1 million.

Interest-related

- £1.1 million of interest in relation to consideration payable for the acquisition in Brazil.

Taxation

The adjusted tax charge was £49.0 million (2023: £38.5 million), which equates to an effective tax rate of 23.3% (2023: 20.6%). The adjusted tax charge increased from the prior year primarily due to the increase in profits and an increase in the applicable tax rate in the UK from 22% to 25%. The statutory net tax charge was £47.4 million (2023: £32.8 million), which equates to an effective tax rate of 27.4% (2023: 20.9%). The statutory effective tax rate is higher than the adjusted effective tax rate as certain expenses included within adjusting items, primarily related to the Carlsberg transaction, are non-deductible tax expenses.

Earnings per share (EPS)

Adjusted basic EPS for the year was 69.5p, an increase of 13.9% on the prior year, due to higher operating profits and the impact of a lower number of shares in issue following the share buyback. Basic EPS for the period was 50.8 pence, an increase of 5.2% on last year, while diluted EPS for the period was 50.2 pence, an increase of 4.8% on the same period last year. This was due to the impact of adjusting items, which were primarily non-cash.

Dividends

Subject to the proposed takeover by the Carlsberg Group being successfully completed, shareholders would receive a special dividend payment of 25p per Britvic share, which is expected to be paid to shareholders within 14 days of

the effective date. The Board has decided not to declare the normal final dividend as Carlsberg reserves the right to decrease the acquisition price for any dividend declared, made, paid or that becomes payable by Britvic on or prior to the effective date (other than the special dividend). The special dividend combined with the interim dividend paid in July 2024 represents a total value of £85.5m, or 34.5p per share.

Share buyback programme

In May 2023, the Company commenced a share buyback programme to repurchase ordinary shares with a market value of up to £75.0 million. The purpose of the programme was to reduce share capital and, accordingly, the shares repurchased were subsequently cancelled. During the year ended 30 September 2024, the Company completed this share buyback programme.

In May 2024, the Board approved a share buyback programme for a further £75.0m, to be executed over the period to 28 February 2025. This programme was suspended following the acquisition offer from the Carlsberg Group announced on 21 June 2024. The Board will evaluate recommencement of the programme should the circumstances change.

Excluding transaction costs, the Company has returned £43.1 million to shareholders via the buyback programmes during the year ended 30 September 2024.

Free cash flow

Free cash flow (defined as cash generated from operating activities, plus proceeds from sale of property, plant and equipment, less capital expenditure, interest and repayment of lease liabilities) was an inflow of £85.5 million, compared with £129.8 million in the previous year, with the impact of an additional payment run being absorbed into the cash flow this year.

Net cash flow from operating activities was £190.9 million, compared to £238.4 million in the previous year. There was a working capital outflow of £80.9 million (2023: £16.6 million outflow), comprising of an outflow from increases in inventory of £5.0 million (2023: £37.8 million outflow) and an inflow from increase in provisions of £0.2 million (2023: £0.9 million outflow), offset by an outflow from decreases in trade and other payables of £64.1 million (2023: £5.8 million inflow) and an outflow from increases in trade and other receivables of £12.0 million (2023: £16.3 million inflow).

Net income taxes paid in the year were £34.5 million (12 months ended 30 September 2023: £21.9 million). Cash capital expenditure was £68.6 million (2023: £76.6 million).

Impairment testing

Impairment reviews of goodwill and intangible assets with indefinite lives are undertaken by management annually. Recoverable amounts are calculated in line with accounting standards at the higher of value in use and fair value. An impairment loss from prior years of £3.6m was fully reversed on the Ballygowan brand in Britvic Ireland, as a result of strong performance in year and the projected performance of Ballygowan's Hint of Fruit range in the flavoured water category. Otherwise, during the current year there has been no impairment to goodwill or intangible assets with indefinite lives. Further details will be provided in the Annual Report and Accounts.

Treasury management

The financial risks faced by the Group are identified and managed by a central treasury department, whose activities are carried out in accordance with Board approved policies and subject to regular Audit and Treasury Committee reviews. The department does not operate as a profit centre and no transaction is entered into for trading or speculative purposes. Key financial risks managed by the treasury department include exposures to movements in interest rates, foreign exchange rates and commodities, while managing the Group's debt and liquidity profile. The Group uses financial instruments to hedge against raw materials, interest rate and foreign currency exposures.

On 30 September 2024, the Group had £1,039.9 million of committed debt facilities, consisting of a £400.0 million bank facility, of which £8.3 million was drawn, and a series of private placement notes, with maturities between February 2025 and May 2035. A one-year extension to the maturity of the Group's £400.0 million bank facility was approved by six of the seven lenders in February 2022, extending the maturity of £366.7 million of this facility to

February 2027. The remaining £33.3 million will mature in February 2025. The next maturity for the Company's private placement notes is in February 2025, when notes with outstanding principal amounts of £35.0 million will be due for repayment.

On 30 September 2024, the Group's adjusted net debt, including the impact of cross currency swaps hedging the private placement notes, was £607.1 million, which compares with £538.1 million at 30 September 2023. Adjusted net debt to EBITDA leverage at 30 September 2024 was 1.98x, broadly maintaining the same level as at 30 September 2023.

The Group uses derivative financial instruments to hedge its exposure to movements in interest rates, foreign exchange rates and commodity prices. At 30 September 2024, the Group's balance sheet included derivatives with a net fair value of £5.1 million (2023: £24.8 million), comprising cross currency swaps of £10.0 million (2023: £22.3 million), interest rate swaps of £0.8 million (2023: £2.4 million), forward currency contract liabilities of £4.1 million (2023: £0.2 million assets), commodity swaps liabilities of £0.1 million (2023: £0.1 million) and a solar power purchase agreement liability of £1.5m (2023: £nil). The decrease in fair value compared to 30 September 2023 is driven by settlements during the year and fair value decreases linked to the appreciation of sterling against the dollar and the euro.

Acquisitions and disposals

At the start of the financial year, the Group completed an acquisition in Brazil, which includes the Extra Power and Flying Horse energy drink brands, juice brand Juxx and acai smoothie brand Amazoo. The consideration for the acquisition comprised initial cash consideration of £24.1m (net of derivatives hedging the acquisition) and deferred and contingent consideration as set out further in note 12 to the financial statements.

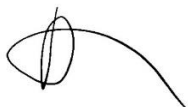
In June 2024, Britvic terminated the existing contract for the sale of the Norwich production site. Management remains committed to the sale of the site and have an active programme to locate a buyer. The assets remain classified as held for sale but have been revalued downwards to reflect latest market conditions, resulting in an expense of £7.7 million for the year, presented within adjusting items.

Pensions

At 30 September 2024, the Group recognised IAS 19 defined benefit pension surpluses in Great Britain and Ireland totalling £68.3 million and an IAS 19 pension deficit in France of £1.6 million (30 September 2023: pension surpluses in Great Britain, Ireland and Northern Ireland totalling £74.0 million and a pension deficit in France of £1.4m). In aggregate, the net pension assets and liabilities decreased by £5.9 million, comprising a net remeasurement loss of £14.4 million and a translation loss of £0.3 million recognised in other comprehensive income, partially offset by an asset increase from employer contributions of £5.8 million and net income recognised in profit and loss of £3.0 million. The net remeasurement loss includes £9.1 million on the Great Britain scheme and £6.3 million on the Northern Ireland scheme.

The net income for the defined benefit schemes recognised in the income statement for the year ended 30 September 2024 was £3.0 million (2023: net expense of £15.2 million). In the prior year, the Group recognised a £20.5 million past service cost for the Great Britain scheme, presented within adjusting items, which arose following an amendment to the scheme rules in relation to pension increases. There is no equivalent past service cost recognised in the current year.

Contributions are ordinarily paid into the defined benefit section of the Great Britain plan as determined by the trustee, agreed by the Company and certified by an independent actuary in the schedule of contributions. No deficit funding payments were paid during the year, except for the £5.0 million pension funding partnership payment which will continue annually until 2025.



CONSOLIDATED INCOME STATEMENT

	Note	Year ended 30 September 2024 £m	Year ended 30 September 2023 £m
Revenue	4	1,899.0	1,748.6
Cost of sales		(1,089.2)	(1,049.1)
Gross profit		809.8	699.5
Selling and distribution expenses		(303.2)	(271.1)
Administration expenses		(302.6)	(246.9)
Operating profit		204.0	181.5
Finance income		3.6	1.1
Finance costs		(34.4)	(25.8)
Profit before tax		173.2	156.8
Income tax expense	5	(47.4)	(32.8)
Profit for the year attributable to the equity shareholders		125.8	124.0
Earnings per share			
Basic earnings per share	6	50.8p	48.3p
Diluted earnings per share	6	50.2p	47.9p

All activities relate to continuing operations.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended 30 September 2024 £m	Year ended 30 September 2023 £m
Profit for the year attributable to the equity shareholders	125.8	124.0
Other comprehensive (expense)/income:		
Items that will not be reclassified to profit or loss		
Remeasurement losses on defined benefit pension plans	(14.4)	(55.5)
Deferred tax on defined benefit pension plans	3.7	13.4
Deferred tax on other temporary differences	(0.1)	-
	(10.8)	(42.1)
Items that may be subsequently reclassified to profit or loss		
Losses in respect of cash flow hedges	(21.7)	(34.3)
Amounts reclassified to the income statement in respect of cash flow hedges	12.9	(4.6)
Current tax in respect of cash flow hedges accounted for in the hedging reserve	0.1	(0.2)
Deferred tax in respect of cash flow hedges accounted for in the hedging reserve	1.8	7.3
Exchange differences reclassified to profit or loss on disposal of foreign operations	-	(0.3)
Exchange differences on translation of foreign operations	(37.9)	(3.4)
Tax on exchange differences accounted for in the translation reserve	(0.9)	(0.6)
	(45.7)	(36.1)
Other comprehensive expense for the year, net of tax	(56.5)	(78.2)
Total comprehensive income for the year attributable to the equity shareholders	69.3	45.8

CONSOLIDATED BALANCE SHEET

	Note	30 September 2024 £m	30 September 2023 £m
Non-current assets			
Property, plant and equipment		551.0	535.3
Right-of-use assets		64.1	61.1
Goodwill and intangible assets		440.2	434.3
Trade and other receivables		11.1	8.1
Derivative financial instruments	9	9.7	16.0
Deferred tax assets		7.9	4.2
Retirement benefit assets		68.3	74.0
		1,152.3	1,133.0
Current assets			
Inventories		202.9	209.8
Trade and other receivables		420.7	425.6
Current income tax receivables		1.1	5.3
Derivative financial instruments	9	3.8	17.4
Interest-bearing deposits		11.3	10.9
Cash and cash equivalents		52.8	79.2
		692.6	748.2
Assets held for sale	11	9.1	16.8
		701.7	765.0
Total assets		1,854.0	1,898.0
Current liabilities			
Trade and other payables		(477.7)	(533.6)
Commercial rebate liabilities		(111.8)	(123.3)
Lease liabilities		(9.2)	(7.5)
Interest-bearing loans and borrowings	8	(43.5)	(50.9)
Derivative financial instruments	9	(6.7)	(8.3)
Current income tax liabilities		(0.5)	(0.1)
Overdrafts		(16.5)	(48.9)
Provisions		(0.9)	(0.7)
Other current liabilities		(36.4)	(8.4)
		(703.2)	(781.7)
Non-current liabilities			
Lease liabilities		(62.3)	(59.8)
Interest-bearing loans and deposits	8	(620.7)	(551.0)
Deferred tax liabilities		(112.2)	(111.1)
Retirement benefit obligations		(1.6)	(1.4)
Derivative financial instruments	9	(1.7)	(0.3)
Provisions		(0.9)	(1.0)
Other non-current liabilities		(8.3)	–
		(807.7)	(724.6)
Total liabilities		(1,510.9)	(1,506.3)
Net assets		343.1	391.7
Equity			
Issued share capital	10	49.8	50.9
Share premium account		157.2	157.2
Own shares reserve	10	(23.4)	(21.4)
Other reserves		35.7	78.8
Retained earnings		123.8	126.2
Total equity		343.1	391.7

The financial statements were approved by the Board of Directors and authorised for issue on 19 November 2024. They were signed on its behalf by:

Simon Litherland



Rebecca Napier



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Other reserves									Total £m
	Issued share capital £m	Share premium account £m	Own shares reserve £m	Capital				Retained earnings £m		
				redemption reserve £m	Hedging reserve £m	Translation reserve £m	Merger reserve £m			
At 1 October 2022	52.7	157.2	(7.2)	0.9	27.3	(9.5)	87.3	179.3	488.0	
Profit for the year	–	–	–	–	–	–	–	124.0	124.0	
Other comprehensive loss	–	–	–	–	(31.8)	(4.3)	–	(42.1)	(78.2)	
Total comprehensive (loss)/income	–	–	–	–	(31.8)	(4.3)	–	81.9	45.8	
Share buyback programme	(1.8)	–	(1.7)	1.8	–	–	–	(73.7)	(75.4)	
Own shares purchased for share schemes	–	–	(20.1)	–	–	–	–	9.8	(10.3)	
Own shares utilised for share schemes	–	–	7.6	–	–	–	–	(5.3)	2.3	
Movement in share-based schemes	–	–	–	–	–	–	–	9.3	9.3	
Current tax on share-based payments	–	–	–	–	–	–	–	0.2	0.2	
Deferred tax on share-based payments	–	–	–	–	–	–	–	0.2	0.2	
Transfer of cash flow hedge reserve to inventories	–	–	–	–	7.1	–	–	–	7.1	
Payment of dividend	–	–	–	–	–	–	–	(75.5)	(75.5)	
At 30 September 2023	50.9	157.2	(21.4)	2.7	2.6	(13.8)	87.3	126.2	391.7	
Profit for the year	–	–	–	–	–	–	–	125.8	125.8	
Other comprehensive loss	–	–	–	–	(6.9)	(38.8)	–	(10.8)	(56.5)	
Total comprehensive (loss)/income	–	–	–	–	(6.9)	(38.8)	–	115.0	69.3	
Share buyback programme	(1.1)	–	2.7	1.1	–	–	–	(46.2)	(43.5)	
Own shares purchased for share schemes	–	–	(22.4)	–	–	–	–	–	(22.4)	
Own shares utilised for share schemes	–	–	17.7	–	–	–	–	(17.7)	–	
Proceeds from share schemes	–	–	–	–	–	–	–	6.0	6.0	
Movement in share-based schemes	–	–	–	–	–	–	–	15.0	15.0	
Current tax on share-based payments	–	–	–	–	–	–	–	0.4	0.4	
Deferred tax on share-based payments	–	–	–	–	–	–	–	4.2	4.2	
Transfer of cash flow hedge reserve to inventories	–	–	–	–	2.0	–	–	–	2.0	
Transfer of cash flow hedge to goodwill	–	–	–	–	(0.5)	–	–	–	(0.5)	
Payment of dividend	–	–	–	–	–	–	–	(79.1)	(79.1)	
At 30 September 2024	49.8	157.2	(23.4)	3.8	(2.8)	(52.6)	87.3	123.8	343.1	

CONSOLIDATED STATEMENT OF CASH FLOWS

Note	Year ended 30 September 2024 £m	Year ended 30 September 2023 £m
Cash flows from operating activities		
	173.2	156.8
Profit before tax		
	30.8	24.7
Net finance costs		
	14.5	(0.6)
Other financial instruments		
	48.4	44.8
Depreciation of property, plant and equipment		
	10.2	10.1
Depreciation of right-of-use assets		
	19.1	15.6
Amortisation		
	-	3.2
Loss on disposal of property, plant and equipment and intangible assets		
	(3.6)	-
Reversal of impairment of intangible assets		
	7.7	-
Impairments of assets held for resale		
	-	3.8
Impairment of property, plant and equipment		
	15.0	9.3
Share-based payments charge		
	(8.8)	9.4
Net pension (credit)/charge less contributions		
	(0.2)	0.1
Net foreign exchange (gain)/loss		
	-	(0.3)
Exchange differences reclassified to profit or loss from other comprehensive income		
	306.3	276.9
Operating cash flows before movements in working capital		
	(5.0)	(37.8)
Increase in inventories		
	(12.0)	16.3
(Increase)/decrease in trade and other receivables		
	(54.1)	19.5
(Decrease)/increase in trade, other payables		
	(10.0)	(13.7)
Decrease in commercial rebate liabilities		
	0.2	(0.9)
Increase/(decrease) in provisions		
	225.4	260.3
Income tax paid		
	(34.5)	(21.9)
Net cash flows from operating activities	190.9	238.4
Cash flows from investing activities		
	(63.4)	(69.8)
Purchases of property, plant and equipment		
	2.1	1.3
Government grants towards purchase of equipment		
	(7.3)	(8.1)
Purchases of intangible assets		
	(11.3)	(11.2)
Investments in interest-bearing deposits		
	10.9	11.8
Proceeds from interest-bearing deposits		
	1.9	0.5
Interest received		
	(24.1)	(24.8)
Acquisition of subsidiaries, net of cash acquired		
	(91.2)	(100.3)
Net cash flows used in investing activities		
Cash flows from financing activities		
	(25.9)	(21.1)
Interest paid, net of related derivative financial instruments		
	(35.4)	45.5
Net movement on revolving credit facility		
	-	(1.9)
Repayment of other loans		
	(8.8)	(9.0)
Payment of principal portion of lease liabilities		
	(2.1)	(1.9)
Payment of interest portion of lease liabilities		
	150.0	-
Proceeds from issue of private placement notes		
	(39.2)	(27.8)
Repayment of private placement notes, net of related derivative financial instruments		
	-	(0.2)
Other net derivative cashflows		
	(0.6)	-
Issue costs paid		
	6.0	2.3
Proceeds from employee share incentive schemes		
	(12.5)	(20.3)
Purchase of own shares related to share schemes		
	(45.8)	(73.7)
Share buyback programme		
	(79.1)	(75.5)
Dividends paid to equity shareholders		
	(93.4)	(183.6)
Net cash flows used in financing activities		
	6.3	(45.5)
Net increase/(decrease) in cash and cash equivalents		
	30.3	76.1
Cash and cash equivalents at the beginning of the year		
	(0.3)	(0.3)
Net foreign exchange differences on cash and cash equivalents		
	36.3	30.3
Cash and cash equivalents at the end of the year		

Presented in the balance sheet as:

Cash and cash equivalents	52.8	79.2
Overdrafts ¹	(16.5)	(48.9)
Cash and cash equivalents at the end of the year	36.3	30.3

- (1) Bank overdrafts are included in the cash and cash equivalents presented in the statement of cash flows because they form an integral part of the Group's cash management.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General information

The preliminary consolidated financial information was authorised for issue by the Board of Directors on 19 November 2024.

The preliminary consolidated financial information for the year ended 30 September 2024 has been prepared in accordance with the Companies Act 2006 and UK-adopted international accounting standards. The preliminary consolidated financial information does not constitute statutory consolidated financial statements as defined by section 434 of the Companies Act 2006.

The Annual Report and Accounts for the year ended 30 September 2024 was approved by the board on 19 November 2024. The report of the auditor on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498 of the Companies Act 2006. The Annual Report and Accounts for 2024 will be filed with the Registrar of Companies in due course.

The Annual Report and Accounts for the year ended 30 September 2023 was approved by the board on 21 November 2023 and has been delivered to the Registrar of Companies. The report of the auditor on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498 of the Companies Act 2006.

2. Accounting policies

The accounting policies applied by the Group for the year ended 30 September 2024 are consistent with those applied by the Group in its financial statements for the year ended 30 September 2023. There were no new amendments, standards or interpretations that had a material effect on the financial position or performance of the Group in the period.

The Group has not identified any changes to its key sources of accounting judgements or estimations of uncertainty compared with those disclosed in the 2023 Annual Report and Accounts.

3. Going concern

The Directors are satisfied that the Group has adequate resources to continue to operate as a going concern and that no material uncertainties exist which could cause significant doubt with respect to this assessment.

In making this assessment, the Directors have considered the Group's balance sheet position and forecast earnings and cash flows for the period from the date of approval of these financial statements to 30 September 2026. This period covers the upcoming maturity of £35m private placements notes in February 2025, and a further maturity of £46m private placement notes at hedged exchange rates in February 2026. The assessment period also covers the maturity in February 2025 of £33m of the Group's £400m revolving credit facility (of which £8.3m had been drawn at 30 September 2024).

As part of the going concern assessment, the Group has modelled both a base case scenario and a plausible downside scenario, to assess the extent to which mitigating actions would be required, all of which are within management's control. Mitigating actions can be initiated as they relate to discretionary and investment spend, without significantly impacting the ability to meet demand. The scenarios considered as part of the going concern assessment are consistent with those used in the longer-term viability statement.

At 30 September 2024, the Group was operating within the banking covenants related to its revolving credit facility and private placement notes. The consolidated balance sheet reflects a net asset position of £343.1m and the liquidity of the Group remains strong. Both the Group's revolving credit facility and private placement notes have a net debt/EBITDA covenant limit of 3.5x, excluding IFRS 16 impact. Based on adjusted net debt of £607.1m and adjusted EBITDA of £306.6m for the preceding 12 months, the adjusted net debt/adjusted EBITDA ratio at 30 September 2024 was 1.98x and well within the covenant limit.

Under all the scenarios modelled, the Group's forecasts did not indicate a covenant breach or any liquidity shortfall.

Consideration of the acquisition by Carlsberg UK Holdings Limited ('Carlsberg')

The shareholders of Britvic plc have approved the terms of a recommended cash offer by Carlsberg to acquire the entire issued and to be issued share capital of Britvic plc. Completion of the acquisition remains subject to the satisfaction or waiver of the remaining conditions set out in the Scheme Document, including, but not limited to, certain regulatory approvals. Subject to the satisfaction of those regulatory conditions and the scheme receiving the sanction of the court, the scheme is expected to become effective during the first quarter of 2025. The Directors have assessed the impact of this on the going concern basis of accounting below.

As stated in the Scheme Document, Carlsberg has entered into a Bridge Facility Agreement with BNP Paribas, Danske Bank A/S and Skandinaviska Enskilda Banken AB. The proceeds of loans drawn under the Bridge Facility are to be applied towards financing the aggregate cash consideration payable by Carlsberg in connection with the acquisition, certain fees and expenses in connection with the acquisition and/or refinancing of Britvic's existing indebtedness. The Group's existing financing arrangements include change of control clauses as detailed in note 21 to the 2024 Annual Report and Accounts, that may result in certain facilities becoming repayable upon a change of control. However, as a result of the Bridge Facility the Directors are confident that Carlsberg has the financing in place to acquire and operate the Group after the completion of the acquisition. Accordingly, the Directors believe that sufficient liquidity should be in place to allow the Group to continue as a going concern.

The Group's existing bottling arrangements with PepsiCo include clauses that could become effective upon a change of control of the Group. On 24 June 2024, Carlsberg announced it had reached agreement with PepsiCo to waive the change of control clause in these bottling arrangements, should an acquisition of Britvic by Carlsberg proceed to completion. The Directors have therefore concluded that the proposed acquisition would not result in the loss of the Group's agreements with PepsiCo when assessing the Group's ability to continue as a going concern.

On the basis of these reviews, the Directors consider it is appropriate for the going concern basis to be adopted in preparing the Annual Report and Accounts.

4. Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the plc Executive team and Board of Directors of the Company.

For management purposes, the Group is organised into business units and has five reportable segments:

- Great Britain (United Kingdom excluding Northern Ireland)
- Brazil
- Ireland (Republic of Ireland and Northern Ireland)
- France
- International

These business units sell soft drinks into their respective markets. Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on brand contribution. This is defined as revenue less material costs and all other marginal costs that management considers to be directly attributable to the sale of a given product. Such costs include brand specific advertising and promotion costs, raw materials and marginal production and distribution costs. All other costs, including net finance costs and income taxes, are managed on a centralised basis and are not allocated to reportable segments.

The 'Other International' subtotal comprising the Ireland, France and International reportable segments has been presented to provide linkage to the Chief Financial Officer's Review section of this preliminary results announcement.

Year ended 30 September 2024	GB £m	Brazil £m	Other International			Subtotal £m	Total £m
			Ireland £m	France £m	International £m		
Revenue from external customers	1,288.7	200.5	170.6	181.9	57.3	409.8	1,899.0
Brand contribution	541.2	61.2	60.1	43.5	7.0	110.6	713.0
Non-brand advertising and promotion ⁽ⁱ⁾							(18.0)
Fixed supply chain ⁽ⁱⁱ⁾							(170.6)
Selling costs ⁽ⁱⁱ⁾							(105.0)
Overheads and other costs ⁽ⁱ⁾							(168.5)
Adjusted EBIT⁽ⁱⁱⁱ⁾							250.9
Net finance costs pre-adjusting items							(29.7)
Adjusting items ⁽ⁱⁱⁱ⁾							(48.0)
Profit before tax							173.2

Year ended 30 September 2023	GB £m	Brazil £m	Other International			Subtotal £m	Total £m
			Ireland £m	France £m	International £m		
Revenue from external customers	1,187.7	156.2	160.3	185.0	59.4	404.7	1,748.6
Brand contribution	479.6	36.2	52.3	35.7	11.6	99.6	615.4
Non-brand advertising and promotion ⁽ⁱ⁾							(11.8)
Fixed supply chain ⁽ⁱⁱ⁾							(145.5)
Selling costs ⁽ⁱⁱ⁾							(96.7)
Overheads and other costs ⁽ⁱ⁾							(143.0)
Adjusted EBIT⁽ⁱⁱⁱ⁾							218.4
Net finance costs pre-adjusting items							(23.2)
Adjusting items ⁽ⁱⁱⁱ⁾							(38.4)
Profit before tax							156.8

- (i) Included within 'administration expenses' in the consolidated income statement. 'Overheads and other costs' relate to central expenses including salaries, IT maintenance, depreciation and amortisation (excluding acquisition-related amortisation).
- (ii) Included within 'selling and distribution costs' in the consolidated income statement.
- (iii) See non-GAAP reconciliations at the end of this announcement for further details on adjusting items.

5. Income tax

	2024 £m	2023 £m
Current income tax		
Current tax charge	(42.9)	(31.1)
Amounts over provided in previous years	2.3	2.5
Total current tax charge	(40.6)	(28.6)
Deferred income tax		
Origination and reversal of temporary differences	(3.9)	(3.3)
Impact of change in tax rates	-	(0.1)
Amounts under provided in previous years	(2.9)	(0.8)
Total deferred tax charge	(6.8)	(4.2)
Total tax charge in the income statement	(47.4)	(32.8)

6. Earnings per share

Basic earnings per share amounts are calculated by dividing the net profit for the year attributable to the equity shareholders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to the ordinary equity shareholders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflects the income and share data used in the basic and diluted earnings per share computations:

	2024	2023
Basic earnings per share		
Profit for the year attributable to equity shareholders (£m)	125.8	124.0
Weighted average number of ordinary shares in issue for basic earnings per share	247.8	256.9
Basic earnings per share (pence)	50.8p	48.3p
Diluted earnings per share		
Profit for the year attributable to equity shareholders (£m)	125.8	124.0
Effect of dilutive potential ordinary shares – share schemes	2.9	1.9
Weighted average number of ordinary shares in issue for diluted earnings per share	250.7	258.8
Diluted earnings per share (pence)	50.2p	47.9p

7. Dividends paid and proposed

	2024	2023
	£m	£m
Declared and paid during the year		
Equity dividends on ordinary shares		
Final dividend for 2023: 22.6p per share (2022: 21.2p per share)	55.8	54.5
Interim dividend for 2024: 9.5p per share (2023: 8.2p per share)	23.3	21.0
Dividends paid	79.1	75.5
Proposed		
Special dividend for 2024: 25.0p per share*	62.2	-
Final dividend for 2024: Nil per share (2023: 22.6p per share)	-	57.4

* Subject to the proposed takeover by the Carlsberg Group being successfully completed, shareholders would receive a special dividend payment of 25p per Britvic share, which is expected to be paid to shareholders within 14 days of the effective date. The Board has decided not to declare the normal final dividend as Carlsberg reserves the right to decrease the acquisition price for any dividend declared, made, paid or that becomes payable by Britvic on or prior to the effective date (other than the special dividend).

The special dividend combined with the interim dividend paid in July 2024 represents a total value of £85.5m, or 34.5p per share.

8. Interest-bearing loans and borrowings

	2024	2023
	£m	£m
Current		
Private placement notes	(43.6)	(51.1)
Less: unamortised issue costs	0.1	0.2
Total current	(43.5)	(50.9)
Non-current		
Bank loans	(8.3)	(44.7)
Private placement notes	(614.4)	(508.1)
Less: unamortised issue costs	2.0	1.8
Total non-current	(620.7)	(551.0)
Total interest-bearing loans and borrowings	(664.2)	(601.9)

Total interest-bearing loans and borrowings comprise the following:

	2024	2023
	£m	£m
2014 notes	(56.1)	(108.5)
2017 notes	(175.0)	(175.0)
2018 notes	(118.3)	(119.7)
2020 notes	(150.0)	(151.9)
2024 notes	(150.0)	-
Bank loans	(8.3)	(44.7)
Accrued interest	(8.6)	(4.1)
Unamortised issue costs	2.1	2.0
Total interest-bearing loans and borrowings	(664.2)	(601.9)

Analysis of changes in interest-bearing loans and borrowings:

	2024 £m	2023 £m
At the beginning of the year	(601.9)	(605.3)
Net movement on revolving credit facility	35.4	(45.5)
Other loans acquired	-	(1.9)
Other loans repaid	-	1.9
Repayment of private placement notes*	45.7	36.6
Issue of private placement notes	(150.0)	-
Issue costs	0.6	-
Amortisation of issue costs	(0.5)	(0.6)
Net translation gain and fair value adjustment	11.0	13.5
Accrued interest	(4.5)	(0.6)
At the end of the year	(664.2)	(601.9)
Derivatives hedging balance sheet debt**	9.5	22.6
Debt translated at contracted rate	(654.7)	(579.3)

* During the year ended 30 September 2024, the Group repaid £45.7m of the 2014 private placement notes. £6.5m was also received on maturity of derivatives hedging the 2014 Notes, resulting in net cash outflows presented in the consolidated statement of cash flows of £39.2m.

During the year ended 30 September 2023, the Group repaid £36.6m of the 2010 private placement notes. £7.8m was also received on maturity of derivatives hedging the 2010 notes and £1.0m was received in respect of the firm commitment for the 2010 notes, resulting in net cash outflows presented in the consolidated statement of cash flows of £27.8m.

** Represents the intrinsic value of interest rate currency swaps hedging the balance sheet value of the private placement notes. This amount has been disclosed separately to demonstrate the impact of foreign exchange movements which are included in interest-bearing loans and borrowings.

9. Derivatives and hedge relationships

	2024 £m	2023 £m
Non-current assets: derivative financial instruments		
USD GBP cross currency fixed interest rate swaps*	9.5	14.0
Forward currency contracts*	-	0.1
Commodity contracts*	0.2	1.2
Interest rate swaps*	-	0.7
	9.7	16.0
Current assets: derivative financial instruments		
USD GBP cross currency fixed interest rate swaps*	0.5	8.3
Forward currency contracts*	-	1.1
Forward currency contracts	-	0.2
Commodity contracts*	2.5	6.1
Interest rate swaps*	0.8	1.7
	3.8	17.4
Current liabilities: derivative financial instruments		
Forward currency contracts*	(3.4)	(1.2)
Forward currency contracts	(0.4)	-
Commodity contracts*	(2.2)	(7.1)
Power purchase agreement	(0.7)	-
	(6.7)	(8.3)
Non-current liabilities: derivative financial instruments		
Forward currency contracts*	(0.2)	-
Forward currency contracts	(0.1)	-
Commodity contracts*	(0.6)	(0.3)
Power purchase agreement	(0.8)	-
	(1.7)	(0.3)
Net derivative financial assets	5.1	24.8

* Instruments designated as part of a cash flow hedge relationship.

10. Share capital and own shares reserve

The movements in the Company's issued share capital were as follows:

		Nominal value
Issued, called up and fully paid ordinary shares	No. of shares	£m
At 1 October 2022	263,300,881	52.7
Shares cancelled pursuant to share buyback	(9,032,384)	(1.8)
At 30 September 2023	254,268,497	50.9
Shares cancelled pursuant to share buyback	(5,362,235)	(1.1)
At 30 September 2024	248,906,262	49.8

The issued share capital is wholly comprised of ordinary shares carrying one voting right each.

The nominal value of each ordinary share is £0.20. There are no restrictions placed on the distribution of dividends, or the return of capital on a winding up or otherwise.

The movements in the Company's own shares reserve were as follows:

	Value
	£m
At 1 October 2022	7.2
Shares issued/purchased for share schemes	20.1
Shares used to satisfy share schemes	(7.6)
Shares purchased pursuant to share buyback	74.8
Shares cancelled pursuant to share buyback	(73.1)
At 30 September 2023	21.4
Shares purchased for share schemes	22.4
Shares used to satisfy share schemes	(17.7)
Shares purchased pursuant to share buyback	43.1
Shares cancelled pursuant to share buyback	(45.8)
At 30 September 2024	23.4

The own shares reserve represents shares in the Company purchased from the market and held by an employee benefit trust to satisfy share awards under the Group's share schemes as well as shares purchased for cancellation as part of the share buyback programme (see below). Shares purchased for cancellation are included in the own shares reserve until cancellation, at which point the consideration paid is transferred to retained earnings and the nominal value of the shares is transferred from share capital to the capital redemption reserve.

Share buyback programme

On 24 May 2023, the Company commenced a share buyback programme to repurchase ordinary shares with a market value of up to £75.0m. The programme took place within the limitations of the authority granted to the Board at the Company's Annual General Meeting held on 26 January 2023, pursuant to which the maximum number of shares that could be bought back by the company was 26,081,857. During the year ended 30 September 2024 the Company completed the programme, purchasing 4,478,603 ordinary shares (2023: 4,327,964) at an average price of 838.9p per share (2023: 865.0p) and an aggregate cost of £37.8m including £0.3m of transaction costs (2023: £37.5m including £0.1m of transaction costs).

On 3 June 2024, the Company commenced a further share buy-back programme to repurchase ordinary shares with a market value of up to £75.0m, up to a maximum number of shares of 24,954,864. The programme was subsequently suspended on 25 June 2024, in light of the commencement of the offer period with respect to Carlsberg Group announced on 21 June 2024. During the year ended 30 September 2024 the Company purchased 572,702 ordinary shares at an average price of 968.3p per share and an aggregate cost of £5.7m including £0.1m of transaction costs.

A financial liability of £nil (2023: £2.8m) in respect of shares to be delivered under a share repurchase agreement with an external bank is included in other current liabilities. During the year ended 30 September 2024, the Company cancelled 5,362,235 ordinary shares that had been purchased pursuant to the buyback (2023: 9,032,384).

11. Assets held for sale

Norwich land and buildings

The Group classified property, plant and equipment related to the Norwich production site of £9.1m as assets held for sale at 30 September 2024 (30 September 2023: £16.8m). Assets held for sale are measured at the lower of carrying amount and fair value less costs to sell.

In October 2020, contracts were exchanged for the sale of the Norwich site (jointly owned with Unilever) and the land and buildings (forming part of the Group's GB operating segment) were classified as assets held for sale. This sale was subject to conditions precedent, including certain planning consents being obtained by the buyer.

In June 2024, Britvic terminated the existing contract to sell the site due to a breach of contract by the purchaser. In line with IFRS 5, management have revalued the asset held for sale based on the latest market conditions to reflect its estimated fair value. This has resulted in an impairment being recognised of £7.7m. Given this transaction does not form part of our underlying performance the charge has been recognised within adjusting items. Management remains committed to the sale of the site and have an active programme to locate a buyer. The assets are available for sale in their present condition and a future sale within one year is considered highly probable.

12. Acquisition in Brazil

On 4 October 2023, the Group acquired 100% of the issued share capital of GlobalBev Comércio de Bebidas Ltda (GCB). This comprised of all the voting equity interests and resulted in the Group obtaining control of GCB. The acquired entity owns the Extra Power energy drink brand as well as the energy brand Flying Horse, the juice brand Juxx and the acai smoothie brand Amazoo. Collectively, this acquisition in Brazil enables the Group to expand its brand portfolio and regional footprint. The acquisition marks an important extension of Britvic's Brazilian operations, consistent with the Group's strategy to accelerate and expand its presence across Brazil.

The consideration for the acquisition comprises initial cash consideration of BR\$151.1m (£24.1m), deferred consideration of BR\$70.0m (£11.4m, at exchange rate on acquisition), due in instalments on the first and second anniversary of completion, and contingent consideration of up to BR\$25.0m (£4.1m, at exchange rate on acquisition), subject to performance criteria.

GCB contributed £21.7m of revenue and a profit of £4.4m to the Group's profit after tax for the period between the date of acquisition and 30 September 2024.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are set out below:

	4 October 2023
	£m
Assets	
Property, plant and equipment	0.2
Right-of-use assets	0.4
Intangible assets	24.1
Inventories	1.8
Trade and other receivables	2.0
Total assets	28.5
Trade and other payables	(3.1)
Lease liabilities	(0.4)
Total liabilities	(3.5)
Total identifiable net assets	25.0
Goodwill	13.5
Total consideration	38.5
Satisfied by:	
Cash	24.1
Deferred consideration	11.1
Contingent consideration	3.3
Total consideration	38.5

The net cash outflow arising on acquisition was £24.1m.

The goodwill of £13.5m includes the value of the assembled workforce as well as expected synergies arising from the acquisition such as from integrating back-office arrangements with the Group's existing Brazilian operations and from the sale of the Group's existing brands in territories served by the acquiree. All of the goodwill has been allocated to the Group's Brazil operating segment. It is expected that the goodwill arising on acquisition will be tax deductible in Brazil.

Intangible assets identified separately from goodwill comprise trademarks of £18.7m related to the Extra Power, Flying Horse, Juxx and Amazoo brands and customer relationships of £5.4m.

Trade and other receivables with a fair value of £2.0m have been recognised on acquisition. The gross contractual amount of these receivables is £2.0m, all of which is expected to be collected.

The Group measured acquired lease liabilities using the present value of the remaining lease payments at the date of acquisition. The right-of-use assets were measured at an amount equal to the lease liabilities, reflecting that the lease rentals are comparable to market rates.

The contingent consideration arrangement is based on the sales volume growth of the acquired energy drinks brands compared to the energy drinks market in Brazil over the two years following acquisition, with potential payments after each of the two years. The potential undiscounted amount of all future payments that the Group could be required to make under the arrangement is between £nil and £4.1m. The fair value of the contingent consideration arrangement on acquisition of has been estimated at £3.3m and takes into consideration the likelihood of achieving the target performance and discounting to present value. A reconciliation of the fair value measurement of the contingent consideration liability is provided below:

	Year ended 30 September 2024
	£m
As at 1 October 2023	—
Liability arising on acquisition	3.3
Unrealised fair value changes recognised in profit or loss	0.2
Exchange differences	(0.5)
As at 30 September 2024	3.0

In addition to the consideration outlined above, acquisition and integration costs of £2.0m have been incurred during the year ended 30 September 2024. These are included within administrative expenses and are presented as adjusting items (see non-GAAP reconciliations at the end of this report).

13. Events after the reporting period

There were no material events after the reporting period requiring disclosure.

NON - GAAP RECONCILIATIONS

Adjusting items

In addition to statutory financial measures, the Group uses certain alternative performance measures (APMs) which are not defined by adopted IFRS and therefore may not be comparable to other companies' APMs. These APMs are intended to provide additional useful information on trading performance to the users of the Financial Statements and are not intended to be a substitute for IFRS measures.

These APMs are used by management to assess the operating performance and financial position of the Group, and exclude certain items, referred to as adjusting items, which are not incurred in the ordinary course of business due to their size, frequency and nature.

For the year ended 30 September 2024 these items primarily relate to the reversal of Ballygowan impairment charge, impairment charge of Norwich land and buildings, Carlsberg acquisition costs, strategic M&A activity and amortisation of acquisition related intangibles.

Adjusted KPIs are used to measure the underlying profitability of the Group and enable comparison of performance against peers. They are also used in the calculation of short and long-term reward schemes.

	Notes	Year ended 30 September 2024 £m	Year ended 30 September 2023 £m
Reversal of impairment of trademarks	(a)	3.6	-
Strategic restructuring – Norwich site	(b)	(8.4)	(0.9)
Strategic restructuring and M&A activity	(c)	(6.7)	(6.7)
Deposit Return Scheme set-up costs in Ireland	(d)	(3.0)	(0.5)
Carlsberg acquisition related costs	(e)	(21.3)	-
Pension scheme costs	(f)	-	(20.5)
Acquisition related amortisation	(g)	(11.1)	(8.3)
Total included in operating profit		(46.9)	(36.9)
Unwind of discount on consideration payable for acquisitions	(h)	(1.1)	-
Ineffectiveness on cash flow hedges related to debt	(i)	-	(1.5)
Total included in finance costs		(1.1)	(1.5)
Total adjusting items pre-tax		(48.0)	(38.4)
Tax on adjusting items included in profit before tax		1.6	5.7
Net adjusting items		(46.4)	(32.7)

- a) Reversal of impairments of £3.6m related to the Ballygowan trademark intangible following growth in sales and the successful launch of Ballygowan's Hint of Fruit range in the flavoured water category. This was originally impaired in 2010, with partial reversals in 2017 and 2018. Following the strong brand performance, the remaining impairment has been reversed.
- b) Strategic restructuring – Norwich site. Costs in the year total £8.4m (2023: £0.9m) of which £7.7m relates to the impairment of the land and buildings and £0.7m of site running costs.
- c) Strategic restructuring & M&A activity– £2.0m of the current year costs relate to legal and professional costs of acquiring GlobalBev Comércio de Bebidas Ltda and £4.7m of organisational transformation costs across the group. £4.3m of the prior year cost primarily relates to redundancy costs in relation to additional production capacity in Ireland and £2.4m of costs associated with acquiring Jimmy's Iced Coffee Ltd and GlobalBev Comércio de Bebidas Ltda (Extra Power) in 2023, as well as aborted M&A costs.
- d) Costs for the set-up of the Deposit Return Scheme (DRS) in Ireland.
- e) Costs incurred and accrued in relation to the Carlsberg acquisition including legal fees, broker fees and retention bonuses
- f) Prior year balance relates to pension scheme costs of £20.5m in the prior year comprise past service costs on the GB defined benefit pension scheme resulting from an amendment to the scheme rules related to pension increases.
- g) Acquisition-related amortisation relates to the amortisation of intangibles recognised on acquisitions in Britvic Ireland, Britvic France, Britvic Brazil, Aqua Libra Co, Plenish and Jimmy's Iced Coffee.
- h) Unwind of discount on consideration payable for acquisitions.
- i) Ineffectiveness on cash flow hedges in the prior year relate to hedge ineffectiveness on private placement loan hedging.

Adjusted profit

	Year ended 30 September 2024 £m	Year ended 30 September 2023 £m
Operating profit as reported	204.0	181.5
Add back: adjusting items in operating profit	46.9	36.9
Adjusted EBIT	250.9	218.4
Net finance costs	(30.8)	(24.7)
Add back: adjusting net finance costs	1.1	1.5
Adjusted profit before tax and acquisition-related amortisation	221.2	195.2
Acquisition-related amortisation	(11.1)	(8.3)
Adjusted profit before tax	210.1	186.9
Taxation	(47.4)	(32.8)
Less: adjusting tax credit	(1.6)	(5.7)
Adjusted tax	(49.0)	(38.5)
Adjusted profit after tax	161.1	148.4
Adjusted effective tax rate	23.3%	20.6%

Adjusted earnings per share

	2024	2023
Adjusted earnings per share		
Profit for the year attributable to equity shareholders (£m)	125.8	124.0
Add: net impact of adjusting items (£m)	46.4	32.7
Adjusted earnings (£m)	172.2	156.7
Weighted average number of ordinary shares in issue for basic earnings per share (m)	247.8	256.9
Adjusted earnings per share (pence)	69.5p	61.0p
Adjusted diluted earnings per share		
Adjusted earnings (£m)	172.2	156.7
Effect of dilutive potential ordinary shares – share schemes (m)	2.9	1.9
Weighted average number of ordinary shares in issue for diluted earnings per share (m)	250.7	258.8
Adjusted diluted earnings per share (pence)	68.7p	60.5p

Free cash flow

	Year ended 30 September 2024 £m	Year ended 30 September 2023 £m
Net cash flows from operating activities	190.9	238.4
Purchases of property, plant and equipment (net of government grants)	(61.3)	(68.5)
Purchases of intangible assets	(7.3)	(8.1)
Interest paid, net of derivative financial instruments	(25.9)	(21.1)
Repayment of principal portion of lease liabilities	(8.8)	(9.0)
Repayment of interest portion of lease liabilities	(2.1)	(1.9)
Free cash flow	85.5	129.8

Adjusted net debt/EBITDA and EBITDA/net interest ratios

	Year ended 30 September 2024 £m	Year ended 30 September 2023 £m
Operating profit as reported	204.0	181.5
Add back adjusting items in operating profit	46.9	36.9
Adjusted EBIT	250.9	218.4
Depreciation of property, plant and equipment	48.4	44.8
Depreciation of right-of-use assets	10.2	10.1
Amortisation (excluding acquisition-related amortisation)	8.0	7.3
Impairment of property, plant and equipment	-	3.8
Loss on disposal of property, plant and equipment and intangible assets	-	3.2
Adjusted EBITDA pre-IFRS 16 rental charges	317.5	287.6
Less: payment of lease liabilities as estimate for pre-IFRS16 rental charges	(10.9)	(10.9)
Adjusted EBITDA	306.6	276.7
Adjusted net debt	607.1	538.1
Adjusted EBITDA	306.6	276.7
Net debt/EBITDA ratio	1.98x	1.9x
Net interest as reported	(30.8)	(24.7)
Add back hedge ineffectiveness	-	1.5
Add back IFRS 16 interest on lease liabilities	2.1	1.9
Adjusted net interest	(28.7)	(21.3)
EBITDA/net interest ratio	10.7x	13.0x

Adjusted net debt

	30 September 2024 £m	30 September 2023 £m
Interest-bearing deposits	(11.3)	(10.9)
Cash and cash equivalents	(52.8)	(79.2)
Overdrafts	16.5	48.9
Derivatives hedging balance sheet debt	(9.5)	(22.6)
Interest-bearing loans and borrowings	664.2	601.9
Adjusted net debt	607.1	538.1

Return On Invested Capital (ROIC)

ROIC is a performance ratio that shows how efficiently a company is using investors' funds to generate profits. It is calculated by dividing the Group's adjusted net operating profit after tax by total invested capital:

	30 September 2024 £m	30 September 2023 £m
Equity	343.1	391.7
Adjusted net debt	607.1	538.1
Total invested capital	950.2	929.8
Adjusted EBIT	250.9	218.4
Less acquisition related amortisation	(11.1)	(8.3)
Adjusted net operating profit before tax	239.8	210.1
Adjusted effective tax rate	23.3%	20.6%
Tax	(55.8)	(43.3)
Adjusted net operating profit after tax	184.0	166.8
Adjusted ROIC	19.4%	17.9%

Glossary

A&P (Advertising and Promotions) is a measure of marketing spend including marketing, research and advertising.

Acquisition-related amortisation is the amortisation of intangibles recognised as part of a business combination.

Adjusted earnings per share (Adjusted EPS) is a non-GAAP measure calculated by dividing adjusted earnings by the average number of shares during the year. Adjusted earnings is defined as the profit/(loss) attributable to ordinary equity shareholders before adjusting items. Average number of shares during the year is defined as the weighted average number of ordinary shares outstanding during the period excluding any own shares held by Britvic that are used to satisfy various employee share-based incentive programmes.

Adjusted EBIT is a non-GAAP measure and is defined as operating profit before adjusting items.

Adjusted EBIT margin is a non-GAAP measure and is defined as Adjusted EBIT as a proportion of Revenue.

Adjusted EBITDA is a non-GAAP measure calculated by taking Adjusted EBIT and adding back depreciation, amortisation and loss on disposal of property, plant and equipment and deducting payments of lease liabilities as an estimate for pre-IFRS16 rental charges.

Adjusted effective tax rate is a non-GAAP measure and defined as the income tax charge/(credit), excluding the tax effect of Adjusting items, as a proportion of the Adjusted profit before tax.

Adjusted net debt is a non-GAAP measure and is defined as net debt, adding back the impact of derivatives hedging the balance sheet debt.

Adjusted net debt/EBITDA is a non-GAAP measure and is defined as the ratio of Adjusted net debt to Adjusted EBITDA (calculated for the preceding 12 months).

Adjusted profit before tax is a non-GAAP measure and is defined as profit before tax, excluding Adjusting items, with the exception of acquisition-related amortisation.

Adjusted profit after tax is a non-GAAP measure and is defined as profit after tax before adjusting items, with the exception of acquisition related amortisation.

Adjusting items are those items of income and expense set out in the non-GAAP reconciliations section that have been identified because of their size, frequency and nature to provide shareholders with management's view of the underlying financial performance in the period.

ARP is defined as average revenue per litre sold, excluding factored brands and concentrate sales.

BPS is basis points and is a measure used to describe the percentage change in a value. One basis point is equivalent to 0.01%.

Brand contribution is a non-GAAP measure and is defined as revenue, less material costs and all other marginal costs that management considers to be directly attributable to the sale of a given product. Such costs include brand specific advertising and promotion costs, raw materials and marginal production and distribution costs. Brand contribution is reconciled to profit before tax in note 4 of the financial statements.

Brand contribution margin is a non-GAAP measure and is a percentage measure calculated as brand contribution divided by revenue. Each business unit's performance is reported down to the brand contribution level.

Constant exchange rate is a non-GAAP measure of performance in the underlying currency to eliminate the impact of foreign exchange movements.

DRS is Deposit Return Scheme. Deposit return schemes are used to encourage more people to recycle packaging. The schemes work by charging anyone who buys a drink a small deposit per container. They get this money back when they return the container to a collection point to be recycled.

EBIT is earnings before interest and taxation.

EBIT margin is operating profit as a proportion of revenue, both as reported in the consolidated income statement.

EPS is Earnings Per Share.

Free cash flow is defined as cash generated from operating activities, plus proceeds from the sale of property, plant and equipment, less capital expenditure, interest and repayment of lease liabilities.

GB is Great Britain.

Group is Britvic plc, together with its subsidiaries.

Immediate Consumption is defined as pack formats to be consumed on purchase, rather than deferred packs which are purchased and consumed later.

Innovation is defined as new launches over the last five years, excluding new flavours and pack sizes of established brands.

M&A is mergers and acquisitions.

Net debt is the sum of interest-bearing loans and borrowings, overdrafts, cash and cash equivalents and interest-bearing deposits.

NI is Northern Ireland.

Non-GAAP measures are provided because they are closely tracked by management to evaluate Britvic's operating performance and to make financial, strategic and operating decisions.

PepsiCo is PepsiCo, Inc., a company incorporated under the laws of the State of North Carolina with company number 0198463, together with its subsidiaries.

RCF is revolving credit facility.

Revenue is defined as sales achieved by the Group net of price promotional investment and retailer discounts.

ROI is Republic of Ireland.

ROIC is Return On Invested Capital, a performance ratio that shows how efficiently a company is using investors' funds to generate profits. It is calculated as set out in the non-GAAP reconciliations section.

Scheme Document is the document dated 22 July 2024 addressed to Britvic shareholders in respect of the recommended cash acquisition of Britvic plc by Carlsberg UK Holdings Limited.

Volume is defined as number of litres sold. No volume is recorded in respect of international concentrate sales or Brazil fruit pulp sales.