31 July 2024

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KERRY GROUP
HALF YEAR RESULTS 2024

Strong H1 Performance & Guidance Upgrade

HIGHLIGHTS

- Group revenue of €3.9bn
- Taste & Nutrition volume growth of 3.1% *(Q2: +3.2%)* | Group volumes +1.7% *(Q2: +1.5%)*
- Taste & Nutrition EBITDA margin +130bps | Group +160bps
- Dairy Ireland EBITDA of €35m *(H1 2023: €29m)*
- Group EBITDA of €552m *(H1 2023: €518m)*
- Adjusted EPS of 194.1 cent, up 9.1% on a constant currency basis *(7.8% reported currency growth)*
- Free cash flow of €445m reflecting 131% cash conversion
- Interim dividend per share increase of 10.1% to 38.1 cent
- Share repurchases of €279m in H1 | Intention to initiate a further programme
- Full year constant currency adjusted EPS guidance range of 7% to 10%

Edmond Scanlon, Chief Executive Officer

"We are pleased to report a good performance across the first half of the year. Taste & Nutrition delivered good volume growth ahead of our end markets, with strong profit growth and margin expansion across the business, contributing to our earnings per share growth of 9.1% in the period.

Taste & Nutrition volume growth was led by strong performances in the foodservice channel across all three regions, as we continue to support established foodservice chains evolve and develop their businesses, while working with emerging leaders to upscale their operations and offerings. Volume growth in the retail channel was driven by good performances in the Americas and APMEA, led by very strong growth in Snack applications with Kerry's leading range of savoury taste profiles and Tastesense® salt-reduction technologies.

From a capital allocation perspective, we continued to invest to support the organic development of our business, while also completing the Lactase enzymes business acquisition and progressing our share repurchase activity through the period.

Given the strength of our financial performance and our innovation pipeline, today we are updating our full year constant currency adjusted earnings per share guidance to 7% to 10%."

Markets and Performance

The demand environment across food & beverage markets remained relatively muted through the first half of the year, given the recent inflation across many geographies. Customer innovation activity focused mainly on new taste profiles and relative value options, along with product renovation to enhance nutritional characteristics of food and beverage products, while many customers initiated measures to stimulate growth towards the end of the period through increased promotional and advertising activity.

Group revenue of €3.9 billion in the period comprised volume growth of 1.7%, pricing deflation of 4.0%, unfavourable translation currency of 0.9% and the effect from disposals net of acquisitions of 2.7% resulting in lower reported revenue for the period of 5.9%. Group EBITDA increased by 6.6% to €552m. Group EBITDA margin increased by 160bps to 14.2%, driven by benefits from the Accelerate Operational Excellence Programme, a positive impact from portfolio developments, operating leverage, product mix, and the net effect from pricing.

Constant currency adjusted earnings per share increased by 9.1% to 194.1 cent and an increase of 7.8% in reported currency. Basic earnings per share decreased to 166.7 cent (H1 2023: 201.7 cent) primarily reflecting the profit on disposal of businesses and assets in the prior year.

Free cash flow of €445m (H1 2023: €232m) represented cash conversion of 131%, driven by increased profit and an improvement in working capital on an average basis. The interim dividend of 38.1 cent per share reflects an increase of 10.1% over the 2023 interim dividend. During the period, the Group repurchased €279m of Kerry Group plc ‘A’ ordinary shares as part of its Share Buyback Programmes. Given good cash generation and current market conditions, the Group intends to initiate a further programme post the completion of the current programme.

Business Reviews

Taste & Nutrition

Volume growth led by strong foodservice performance

	H1 2024	Performance
Revenue	€3,419m	+3.1%[1]
EBITDA	€551m	+5.5%
EBITDA margin	16.1%	+130bps

[1] volume performance

- Volume growth of 3.1% (Q2: +3.2%) was ahead of end markets
- Growth led by Snacks, Meals and Beverage EUMs
- Pricing -3.0% (Q2: -2.2%) reflected some input cost deflation
- EBITDA margin expansion of 130bps driven by cost efficiencies, portfolio developments, operating leverage, product mix and the net effect of pricing

Taste & Nutrition delivered good volume growth ahead of its end markets, which remained relatively muted through the period. Foodservice continued to perform strongly with volume growth of 7.3%, supported by new menu innovations, seasonal products and solutions to reduce operational cost and complexity, while growth in the retail channel reflected good performances in the Americas and APMEA.

Growth in the period was led by innovations incorporating Kerry’s range of taste and proactive health technologies. This was supported by strong performance across savoury taste, botanicals and natural extracts, Tastesense® salt and sugar reduction technologies, as well as proactive health technologies for digestive and cognitive need states in particular. Volume growth in food protection and preservation was driven by new clean label launches in food applications.

Business volumes in emerging markets increased by 6.6% in the period, led by strong growth in the Middle East and Africa.

Within the global Pharma EUM, growth in excipients was more than offset by phasing of volumes in cell nutrition.

The previously announced carve-out acquisition of part of the global lactase enzyme business of Novonesis (formerly Chr. Hansen Holding A/S and Novozymes A/S) was completed during the period. This acquisition[2] is strongly aligned to Kerry’s recent strategic enhancement of its biotechnology capabilities, while extending Kerry’s enzyme manufacturing capabilities and footprint to three continents with its focus on food, beverage and pharma applications.

[2] See note 10 – Business Combinations in the Notes to the Condensed Interim Financial Statements for details.

Americas Region

> Volumes +3.4% (Q2: +3.2%)

> Growth led by Snacks, Meals and Bakery EUMs

> Retail achieved good growth with continued strong growth in Foodservice

> LATAM growth led by Mexico

Reported revenue in the Americas region of €1,890m reflected good broad-based volume growth across end markets.

Within North America, Snacks achieved excellent growth with new business wins incorporating Kerry's leading range of savoury taste profiles and Tastesense® salt-reduction technologies. Meals delivered good growth through a number of new culinary taste launches across both retail and foodservice channels. Growth in Bakery was supported by performance in preservation and taste systems. Beverage performed well across botanicals, coffee extracts and Tastesense® sugar reduction technologies, with growth in functional beverage driven by Kerry's proactive health technologies.

Foodservice delivered strong volume growth in the period, supported by innovations with quick service restaurants, fast-casual outlets and coffee chains, while good growth in the retail channel was achieved across both customer and retailer brands.

Within LATAM, good growth was achieved in Mexico across Beverage and Snacks, with Brazil delivering a solid performance.

Europe Region

> Volumes -1.0% (Q2: -0.5%) against strong comparatives

> Meals and Beverage achieved good growth

> Foodservice performed well while the retail channel reflected soft market dynamics

Reported revenue in the Europe region of €708m reflected strong comparatives and market conditions, particularly in the retail channel given recent inflation across the region.

Within the Food EUM, Meals delivered good growth through solutions incorporating Kerry's food protection, preservation and authentic taste technologies, while performance in Dairy and Snacks reflected strong prior year comparatives. Beverage performed well in functional and refreshing beverages supported by a number of new innovations with Kerry's proactive health portfolio.

Foodservice continued to deliver good growth supported by launches in meat and beverage applications with a number of customers, combined with increased seasonal and limited time offering activity across the region.

APMEA Region

> Volumes +5.5% (Q2: +6.2%)

> Snacks, Meat and Beverage delivered good growth

> Foodservice achieved strong growth with good growth in retail

Reported revenue in the APMEA region of €794m reflected strong growth in the Middle East and Africa, with volumes in China broadly similar to the prior year and Southeast Asia improving in the period.

Snacks delivered very strong growth across leading global and regional brands, through innovations and increased demand for Kerry's range of authentic local savoury taste profiles. Good growth was achieved in Meat through taste and preservation systems, while Beverage performed well with refreshing beverage innovations.

Foodservice delivered very strong volume growth with leading regional coffee chains and quick service restaurants. Growth in the retail channel was supported by strong demand for Kerry's range of local authentic taste solutions with regional leaders in particular.

Dairy Ireland

Good EBITDA Performance led by Dairy Consumer Products

	H1 2024	Performance
Revenue	€592m	-1.9%[1]
EBITDA	€35m	+19.9%
EBITDA margin	5.9%	+160bps

[1] volume performance

The segment achieved a good EBITDA performance of €35m with margin expansion of 160bps in the first half of the year. This was driven by Dairy Consumer Products' growth and mix development as well as recovery in Dairy Ingredients.

Revenue for the first half of the year of €592m included volumes of -1.9% and pricing of -6.9%. Dairy Consumer Products performed well, with volume growth led by Kerry's snacking and branded cheese ranges. Dairy Ingredients' volumes reflected softer overall supply across the period given local market conditions.

During the period, Dairy Consumer Products increased its *Cheestrings* manufacturing capacity with the commissioning of its extended plant in Charleville, Ireland and also launched the new *SMUG* hybrid range of oat and dairy-based milk, cheese and butter products.

Financial Review

	% change	H1 2024 €'m	H1 2023 €'m
Revenue	(5.9%)	**3,880.4**	4,121.6
EBITDA	6.6%	**552.2**	518.0
EBITDA margin		***14.2%***	*12.6%*
Depreciation (net)		**(113.0)**	(109.0)
Computer software amortisation		**(18.0)**	(15.6)
Finance costs (net)		**(27.8)**	(27.5)
Share of joint ventures' results after taxation		**(1.0)**	(0.7)
Adjusted earnings before taxation		**392.4**	365.2
Income taxes (excluding non-trading items)		**(53.1)**	(45.8)
Adjusted earnings after taxation		**339.3**	319.4
Brand related intangible asset amortisation		**(27.6)**	(26.5)
Non-trading items (net of related tax)		**(20.2)**	65.0
Profit after taxation		**291.5**	357.9
Attributable to:			
Equity holders of the parent		**291.5**	358.2
Non-controlling interests		**-**	(0.3)
		291.5	357.9
		EPS cent	EPS cent
Basic EPS	(17.4%)	**166.7**	201.7
Brand related intangible asset amortisation		**15.8**	14.9
Non-trading items (net of related tax)		**11.6**	(36.6)
Adjusted EPS	7.8%	**194.1**	180.0
Impact of exchange rate translation	1.3%		
Adjusted EPS growth in constant currency	**9.1%**		

See Financial Definitions section for definitions, calculations and reconciliations of Alternative Performance Measures.

Revenue

The table below presents the revenue performance components for the Group and reporting segments.

H1 2024	Volume	Price	Currency[3]	Acquisitions	Disposals	Reported Revenue
Taste & Nutrition	3.1%	(3.0%)	(1.1%)	0.7%	(3.1%)	(3.4%)
Dairy Ireland	(1.9%)	(6.9%)	0.4%	-	(3.8%)[4]	(12.2%)
Group	**1.7%**	**(4.0%)**	**(0.9%)**	**0.6%**	**(3.3%)**	**(5.9%)**

H1 2023	Volume	Price	Currency[3]	Acquisitions	Disposals	Reported Revenue
Taste & Nutrition	1.4%	5.4%	(0.1%)	1.3%	(5.3%)	2.7%
Dairy Ireland	(2.5%)	0.4%	(0.9%)	-	-	(3.0%)
Group	0.6%	4.5%	(0.1%)	1.1%	(4.5%)	1.6%

[3] This includes the impact of transaction and translation currency – see financial definitions for further breakdown.

[4] Reduction in revenue reflects changes in contractual arrangements implemented in the current year, where Dairy Ireland has become an agent, in accordance with IFRS 15 'Revenue from Contracts with Customers'. The related revenue in H1 2024 amounted to €1m (H1 2023: €26m).

EBITDA & Margin %

Group EBITDA increased by **6.6%** to **€552.2m** (H1 2023: €518.0m). Reported EBITDA margin of **14.2%** (H1 2023: 12.6%) increased by 160bps primarily driven by the benefits from the Accelerate Operational Excellence Programme, portfolio developments, operating leverage, product mix and the net effect of pricing. The EBITDA margin by business segment was 16.1% in Taste & Nutrition and 5.9% in Dairy Ireland in the period.

Finance Costs (net)

Finance costs (net) were **€27.8m** similar to the prior period (H1 2023: €27.5m). Interest income increased year on year due to interest on the vendor loan note and higher deposit interest rates, offset by increased borrowing rates on floating rate debt and overdrafts.

Taxation

The tax charge for the period before non-trading items was **€53.1m** (H1 2023: €45.8m) representing an effective tax rate of **14.5%** (H1 2023: 13.5%) and reflective of the geographical mix of earnings.

Non-Trading Items

During the period, the Group incurred an overall non-trading charge of **€20.2m** (H1 2023: €65.0m credit) net of tax. The charge in the period is primarily related to the Accelerate Operational Excellence Transformation Programme. The credit in the prior year related to the profit on sale of the business/assets primarily related to the Sweet Ingredients Portfolio divestment offset by a charge relating to the Accelerate Operational Excellence Transformation Programme.

Foreign Exchange Rates

Group results are impacted by year on year fluctuations in exchange rates versus the euro. The primary rates driving the currency impact in the figures above were USD and GBP which had average rates of **1.09** (2023: 1.05) and **0.86** (2023: 0.85) respectively.

Return on Average Capital Employed (ROACE)

Group ROACE at the period end was **10.3%** (H1 2023: 10.2%) reflective of the increase in profits in the period and the movement in average capital employed.

Free Cash Flow

The Group achieved free cash flow of **€445.4m** in H1 2024 (H1 2023: €231.9m) reflecting 131% cash conversion in the period primarily driven by increased profit and an improvement in average working capital in the first six months of 2024 compared to the average working capital during the first six months of 2023. Net cash from operating activities for the period was **€367.0m** (H1 2023: €309.7m) reflective of the increased profits partially offset by an investment in working capital of €87.6m since the year end, predominately related to the seasonal nature of the Dairy Ireland business.

Free Cash Flow	**H1 2024 €'m**	H1 2023 €'m
EBITDA	**552.2**	518.0
Movement in average working capital	**79.5**	(103.2)
Pension contributions paid less pension expense	**(2.4)**	(2.7)
Finance costs paid (net)	**(14.2)**	(19.5)
Income taxes paid	**(49.5)**	(55.0)
Capital expenditure (net)	**(120.2)**	(105.7)
Free cash flow	**445.4**	231.9
Cash conversion[5]	**131%**	73%

[5] Cash conversion is free cash flow expressed as a percentage of adjusted earnings after taxation.

Net Debt

Net debt at the end of the period was **€1,843.9m** (31 December 2023: €1,604.1m). The increase relative to December reflects strong business cash generation offset by acquisition spend, dividends and the Share Buyback Programme.

Liquidity Analysis

The Group's balance sheet is in a strong position with a Net debt to EBITDA ratio of **1.6** times.

	H1 2024 Times	H1 2023 Times
Net debt: EBITDA	**1.6**	1.6
EBITDA: Net interest	**23.2**	19.0

Principal Risks and Uncertainties

Details of the principal risks and uncertainties facing the Group can be found in the 2023 Annual Report on pages 97 to 103 and continue to be the principal risks and uncertainties facing the Group for the remaining six months of the financial year. These risks include but are not limited to; portfolio management, business acquisition and divestiture, climate change and environmental, people, business ethics and social responsibility, food safety, quality and regulatory, health & safety, margin management, cyber and information systems security, operational and supply chain resilience, intellectual property, taxation and treasury. The Group continues to manage the interdependency of these risks and actively manages all risks through its control and risk management process.

Share Buyback Programme

In May 2024, the Board approved a new Share Buyback Programme of up to €300 million. The Share Buyback Programme is underpinned by the Group's strong balance sheet and cash flow and is aligned to Kerry's Capital Allocation Framework. The programme commenced on 7 May 2024 and will end no later than 19 December 2024. In the period from 7 May 2024 to 30 June 2024 the Company purchased 1,035,583 shares at a total cost of €80.1m.

The €300 million Share Buyback Programme announced in October 2023, commenced on 1 November 2023 and was completed by 30 April 2024. In the period to 30 June 2024, the Company acquired 2,481,191 shares at a cost of €198.6m resulting in a total number of shares acquired as part of this programme of 3,854,452 at a total cost of €300.3m including transaction costs of €0.3m.

Dividend

The Board has declared an interim dividend of **38.1 cent** per share, compared to the prior year interim dividend of 34.6 cent, payable on 8 November 2024 to shareholders on the record date 11 October 2024.

Future Prospects

Kerry has a good innovation pipeline and remains well positioned for good volume growth and strong margin expansion, while recognising consumer market demand remains relatively subdued.

The Group will continue to develop its business and portfolio aligned to its strategic priorities.

Given financial performance in the first half of the year and Kerry's innovation pipeline, the Group is updating its full year constant currency adjusted earnings per share guidance to 7% to 10%[6] (previously 5.5% to 8.5%).

[6] Foreign currency translation expected to be a headwind of ~1% on earnings per share in the full year. Guidance based on average number of shares in issue of ~173m.

Responsibility Statement

The Directors are responsible for preparing the Half Yearly Financial Report in accordance with the Transparency (Directive 2004/109/EC) Regulations 2007 as amended ('the Regulations'), the Central Bank (Investment Market Conduct) Rules 2019, the Disclosure Guidance and Transparency Rules of the UK's Financial Conduct Authority and with IAS 34 'Interim Financial Reporting' as issued by IASB and as adopted by the European Union.

The Directors confirm that to the best of their knowledge:

> the Group Condensed Consolidated Interim Financial Statements for the half year ended 30 June 2024 have been prepared in accordance with the international accounting standard applicable to interim financial reporting adopted pursuant to the procedure provided for under Article 6 of the Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002;

> the Interim Management Report includes a fair review of the important events that have occurred during the first six months of the financial year, and their impact on the Group Condensed Consolidated Interim Financial Statements for the half year ended 30 June 2024, and a description of the principal risks and uncertainties for the remaining six months; and

> the Interim Management Report includes a fair review of the related party transactions that have occurred during the first six months of the current financial year and that have materially affected the financial position or the performance of the Group during that period, and any changes in the related parties' transactions described in the last Annual Report that could have a material effect on the financial position or performance of the Group in the first six months of the current financial year.

On behalf of the Board

Edmond Scanlon	**Marguerite Larkin**
Chief Executive Officer	Chief Financial Officer

30 July 2024

Disclaimer: Forward Looking Statements

This Announcement contains forward looking statements which reflect management expectations based on currently available data. However actual results may differ materially from those expressed or implied by these forward looking statements. These forward looking statements speak only as of the date they were made, and the Company undertakes no obligation to publicly update any forward looking statement, whether as a result of new information, future events or otherwise.

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Condensed Consolidated Income Statement

for the half year ended 30 June 2024

	Notes	Before Non-Trading Items 30 June 2024 Unaudited €'m	Non-Trading Items 30 June 2024 Unaudited €'m	Half year ended 30 June 2024 Unaudited €'m	Half year ended 30 June 2023 Unaudited €'m	Year ended 31 Dec. 2023 Audited €'m
Continuing operations						
Revenue	2	**3,880.4**	**-**	**3,880.4**	4,121.6	8,020.3
Earnings before interest, tax, depreciation and amortisation	2	**552.2**	**-**	**552.2**	518.0	1,165.1
Depreciation (net) and intangible asset amortisation	2	**(158.6)**	**-**	**(158.6)**	(151.1)	(299.1)
Non-trading items	3	**-**	**(24.3)**	**(24.3)**	40.5	8.8
Operating profit		**393.6**	**(24.3)**	**369.3**	407.4	874.8
Finance income	4	**11.4**	**-**	**11.4**	5.7	21.8
Finance costs	4	**(39.2)**	**-**	**(39.2)**	(33.2)	(72.1)
Share of joint ventures' results after taxation		**(1.0)**	**-**	**(1.0)**	(0.7)	(1.9)
Profit before taxation		**364.8**	**(24.3)**	**340.5**	379.2	822.6
Income taxes		**(53.1)**	**4.1**	**(49.0)**	(21.3)	(94.5)
Profit after taxation		**311.7**	**(20.2)**	**291.5**	357.9	728.1
Attributable to:						
Equity holders of the parent				**291.5**	358.2	728.3
Non-controlling interests				**-**	(0.3)	(0.2)
				291.5	357.9	728.1

Earnings per A ordinary share		**Cent**	Cent	Cent
- basic	5	**166.7**	201.7	410.4
- diluted	5	**166.5**	201.5	409.7

Condensed Consolidated Statement of Comprehensive Income

for the half year ended 30 June 2024

	Half year ended 30 June 2024 Unaudited €'m	Half year ended 30 June 2023 Unaudited €'m	Year ended 31 Dec. 2023 Audited €'m
Profit after taxation	**291.5**	357.9	728.1
Other comprehensive income:			
Items that are or may be reclassified subsequently to profit or loss:			
Fair value movements on cash flow hedges	**6.3**	1.5	(1.6)
Cash flow hedges - reclassified to profit or loss from equity	**(0.3)**	0.4	1.3
Net change in cost of hedging	**0.3**	0.5	0.1
Deferred tax effect of fair value movements on cash flow hedges	**(1.0)**	(0.4)	(0.4)
Exchange difference on translation of foreign operations	**90.9**	(89.4)	(129.0)
Cumulative exchange difference on translation recycled on disposal	**-**	(0.7)	(1.5)
Items that will not be reclassified subsequently to profit or loss:			
Re-measurement on retirement benefits obligation	**9.8**	(27.1)	(33.5)
Deferred tax effect of re-measurement on retirement benefits obligation	**(2.4)**	6.6	7.1
Net income/(expense) recognised directly in total other comprehensive income	**103.6**	(108.6)	(157.5)
Total comprehensive income	**395.1**	249.3	570.6
Attributable to:			
Equity holders of the parent	**395.1**	249.6	570.8
Non-controlling interests	**-**	(0.3)	(0.2)
	395.1	249.3	570.6

Condensed Consolidated Balance Sheet

as at 30 June 2024

	Notes	**30 June 2024 Unaudited €'m**	30 June 2023 Unaudited €'m	31 Dec. 2023 Audited €'m
Non-current assets				
Property, plant and equipment		**2,199.7**	2,068.8	2,133.0
Intangible assets		**5,859.4**	5,686.5	5,749.8
Financial asset investments		**52.4**	54.9	52.0
Investments in joint ventures		**38.8**	41.1	39.8
Other non-current financial instruments	7	**138.3**	125.7	125.0
Retirement benefits asset	8	**100.3**	96.2	98.0
Deferred tax assets		**82.9**	75.7	80.2
		8,471.8	8,148.9	8,277.8
Current assets				
Inventories		**1,185.0**	1,312.7	1,100.2
Trade and other receivables		**1,380.3**	1,329.6	1,279.0
Cash at bank and in hand	9	**659.5**	660.8	943.7
Other current financial instruments		**5.3**	19.3	13.7
Assets classified as held for sale		**1.1**	0.6	1.5
		3,231.2	3,323.0	3,338.1
Total assets		**11,703.0**	11,471.9	11,615.9
Current liabilities				
Trade and other payables		**1,904.6**	1,780.1	1,773.1
Borrowings and overdrafts	9	**0.4**	1.3	37.1
Other current financial instruments		**8.8**	8.5	7.5
Tax liabilities		**165.4**	172.3	173.0
Provisions		**13.0**	12.8	18.3
Deferred income		**4.3**	4.2	4.5
		2,096.5	1,979.2	2,013.5
Non-current liabilities				
Borrowings	9	**2,434.1**	2,426.5	2,432.6
Other non-current financial instruments	9	**13.6**	16.1	9.7
Retirement benefits obligation	8	**40.4**	53.1	49.7
Other non-current liabilities		**123.4**	135.1	132.4
Deferred tax liabilities		**410.5**	432.1	394.2
Provisions		**55.8**	57.8	46.4
Deferred income		**14.4**	14.1	14.6
		3,092.2	3,134.8	3,079.6
Total liabilities		**5,188.7**	5,114.0	5,093.1
Net assets		**6,514.3**	6,357.9	6,522.8
Equity				
Share capital	11	**21.5**	22.1	21.9
Share premium		**398.7**	398.7	398.7
Other reserves		**68.5**	(8.4)	(44.6)
Retained earnings		**6,024.1**	5,944.1	6,145.3
Equity attributable to equity holders of the parent		**6,512.8**	6,356.5	6,521.3
Non-controlling interests		**1.5**	1.4	1.5
Total equity		**6,514.3**	6,357.9	6,522.8

Condensed Consolidated Statement of Changes in Equity

for the half year ended 30 June 2024

		Attributable to equity holders of the parent						
	Note	Share Capital €'m	Share Premium €'m	Other Reserves €'m	Retained Earnings €'m	Total €'m	Non-Controlling Interests €'m	Total Equity €'m
At 1 January 2023		22.1	398.7	64.3	5,736.8	6,221.9	1.7	6,223.6
Profit after taxation		-	-	-	358.2	358.2	(0.3)	357.9
Other comprehensive expense		-	-	(87.7)	(20.9)	(108.6)	-	(108.6)
Total comprehensive (expense)/income		-	-	(87.7)	337.3	249.6	(0.3)	249.3
Dividends paid	6	-	-	-	(130.0)	(130.0)	-	(130.0)
Share-based payment expense		-	-	15.0	-	15.0	-	15.0
At 30 June 2023 - unaudited		22.1	398.7	(8.4)	5,944.1	6,356.5	1.4	6,357.9
Profit after taxation		-	-	-	370.1	370.1	0.1	370.2
Other comprehensive expense		-	-	(43.0)	(5.9)	(48.9)	-	(48.9)
Total comprehensive (expense)/income		-	-	(43.0)	364.2	321.2	0.1	321.3
Shares (purchased)/cancelled during the financial period		(0.2)	-	0.2	(101.7)	(101.7)	-	(101.7)
Dividends paid	6	-	-	-	(61.3)	(61.3)	-	(61.3)
Share-based payment expense		-	-	6.6	-	6.6	-	6.6
At 31 December 2023 - audited		21.9	398.7	(44.6)	6,145.3	6,521.3	1.5	6,522.8
Profit after taxation		**-**	**-**	**-**	**291.5**	**291.5**	**-**	**291.5**
Other comprehensive income		**-**	**-**	**97.2**	**6.4**	**103.6**	**-**	**103.6**
Total comprehensive income		**-**	**-**	**97.2**	**297.9**	**395.1**	**-**	**395.1**
Shares (purchased)/cancelled during the financial period		**(0.4)**	**-**	**0.4**	**(278.7)**	**(278.7)**	**-**	**(278.7)**
Dividends paid	6	**-**	**-**	**-**	**(140.4)**	**(140.4)**	**-**	**(140.4)**
Share-based payment expense		**-**	**-**	**15.5**	**-**	**15.5**	**-**	**15.5**
At 30 June 2024 - unaudited		**21.5**	**398.7**	**68.5**	**6,024.1**	**6,512.8**	**1.5**	**6,514.3**

Other Reserves comprise the following:

	Capital Redemption Reserve €'m	Other Undenominated Capital €'m	Share-Based Payment Reserve €'m	Translation Reserve €'m	Hedging Reserve €'m	Cost of Hedging Reserve €'m	Total €'m
At 1 January 2023	1.7	0.3	130.3	(71.0)	4.5	(1.5)	64.3
Other comprehensive (expense)/income	-	-	-	(90.1)	1.9	0.5	(87.7)
Share-based payment expense	-	-	15.0	-	-	-	15.0
At 30 June 2023 - unaudited	1.7	0.3	145.3	(161.1)	6.4	(1.0)	(8.4)
Other comprehensive expense	-	-	-	(40.4)	(2.2)	(0.4)	(43.0)
Share-based payment expense	-	-	6.6	-	-	-	6.6
Shares cancelled during the financial period	0.2	-	-	-	-	-	0.2
At 31 December 2023 - audited	1.9	0.3	151.9	(201.5)	4.2	(1.4)	(44.6)
Other comprehensive income	**-**	**-**	**-**	**90.9**	**6.0**	**0.3**	**97.2**
Share-based payment expense	**-**	**-**	**15.5**	**-**	**-**	**-**	**15.5**
Shares cancelled during the financial period	**0.4**	**-**	**-**	**-**	**-**	**-**	**0.4**
At 30 June 2024 - unaudited	**2.3**	**0.3**	**167.4**	**(110.6)**	**10.2**	**(1.1)**	**68.5**

Condensed Consolidated Statement of Cash Flows

for the half year ended 30 June 2024

	Notes	**Half year ended 30 June 2024 Unaudited €'m**	Half year ended 30 June 2023 Unaudited €'m	Year ended 31 Dec. 2023 Audited €'m
Cash flows from operating activities				
Profit before taxation		**340.5**	379.2	822.6
Adjustments for:				
Depreciation (net)		**113.0**	109.0	219.6
Intangible asset amortisation		**45.6**	42.1	79.5
Share of joint ventures' results after taxation		**1.0**	0.7	1.9
Non-trading items income statement charge/(income)	3	**24.3**	(40.5)	(8.8)
Finance costs (net)	4	**27.8**	27.5	50.3
Change in working capital		**(87.6)**	(89.7)	185.5
Pension contributions paid less pension expense		**(2.4)**	(2.7)	(13.5)
Payments on non-trading items		**(27.2)**	(39.5)	(99.8)
Exchange translation adjustment		**(4.3)**	(1.9)	(14.2)
Cash generated from operations		**430.7**	384.2	1,223.1
Income taxes paid		**(49.5)**	(55.0)	(119.5)
Finance income received		**6.6**	2.8	13.9
Finance costs paid		**(20.8)**	(22.3)	(79.7)
Net cash from operating activities		**367.0**	309.7	1,037.8
Investing activities				
Purchase of assets		**(103.4)**	(99.8)	(281.9)
Proceeds from the sale of assets (net of disposal expenses)	3	**-**	11.5	11.6
Capital grants received		**-**	-	3.3
Purchase of businesses (net of cash acquired)	10	**(78.4)**	(41.5)	(131.1)
Payments relating to previous acquisitions		**(0.1)**	(1.3)	(9.7)
Purchase of investments		**(1.8)**	(3.1)	(3.0)
Disposal of businesses (net of disposal expenses)	3	**(6.8)**	335.5	316.4
Net cash (used in)/from investing activities		**(190.5)**	201.3	(94.4)
Financing activities				
Dividends paid	6	**(140.4)**	(130.0)	(191.3)
Purchase of own shares		**(278.7)**	-	(101.7)
Payment of lease liabilities		**(16.8)**	(17.4)	(36.4)
Issue of share capital	11	**-**	-	-
Repayment of borrowings		**(2.4)**	(694.0)	(695.9)
Cash inflow from interest rate swaps on repayment of borrowings		**-**	34.4	34.4
Proceeds from borrowings		**-**	1.3	4.1
Net cash movement due to financing activities		**(438.3)**	(805.7)	(986.8)
Net decrease in cash and cash equivalents		**(261.8)**	(294.7)	(43.4)
Cash and cash equivalents at beginning of the period		909.0	969.8	969.8
Exchange translation adjustment on cash and cash equivalents		**11.9**	(14.3)	(17.4)
Cash and cash equivalents at end of the period	9	**659.1**	660.8	909.0

	Notes	**Half year ended 30 June 2024 Unaudited €'m**	Half year ended 30 June 2023 Unaudited €'m	Year ended 31 Dec. 2023 Audited €'m
Reconciliation of Net Cash Flow to Movement in Net Debt				
Net decrease in cash and cash equivalents		**(261.8)**	(294.7)	(43.4)
Cash flow from debt financing		**2.4**	658.3	657.4
Changes in net debt resulting from cash flows		**(259.4)**	363.6	614.0
Fair value movement on interest rate swaps (net of adjustment to borrowings)		**10.3**	2.0	1.0
Exchange translation adjustment on net debt		**6.2**	(0.3)	(2.3)
Movement in net debt in the period		**(242.9)**	365.3	612.7
Net debt at beginning of the period - pre lease liabilities		(1,535.5)	(2,148.2)	(2,148.2)
Net debt at end of the period - pre lease liabilities		**(1,778.4)**	(1,782.9)	(1,535.5)
Lease liabilities		**(65.5)**	(63.6)	(68.6)
Net debt at end of the period	9	**(1,843.9)**	(1,846.5)	(1,604.1)

1. Accounting policies

These Condensed Consolidated Interim Financial Statements for the half year ended 30 June 2024 have been prepared in accordance with International Financial Reporting Standards as issued by the IASB ('IFRS Accounting Standards'), the International Financial Reporting Interpretations Committee ('IFRIC') and in accordance with IAS 34 'Interim Financial Reporting'. The Group financial statements have also been prepared in accordance with International Financial Reporting Standards ('IFRS') adopted by the European Union ('EU') which comprise standards and interpretations approved by the International Accounting Standards Board ('IASB'). The Group financial statements comply with Article 4 of the EU IAS Regulation. IFRS adopted by the EU differs in certain respects from IFRS Accounting Standards issued by the IASB. References to IFRS refer to IFRS adopted by the EU. The accounting policies applied by the Group in these Condensed Consolidated Interim Financial Statements are the same as those detailed in the 2023 Annual Report.

In preparing the Group Condensed Consolidated Interim Financial Statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the Consolidated Financial Statements for the year ended 31 December 2023.

Going concern
The Group Condensed Consolidated Interim Financial Statements have been prepared on the going concern basis of accounting. The Directors have considered the Group's business activities and how it generates value, together with the main trends and factors likely to affect future development, business performance and position of the Group. Following these assessments, the Directors have concluded there are no material uncertainties that cast a significant doubt on the Group's ability to continue as a going concern over a period of at least 12 months from the date of these financial statements.

The Directors report that they have satisfied themselves that the Group is a going concern, having adequate resources to continue in operational existence for the foreseeable future. In forming this view, the Directors have reviewed the Group's forecast for a period not less than 12 months, the medium-term plan and its cashflow implications have been taken into account including proposed capital expenditure, and compared these with the Group's committed borrowing facilities and projected gearing ratios.

The following Standards and Interpretations are effective for the Group from 1 January 2024 but do not have a material effect on the results or financial position of the Group:		***Effective Date***
- IAS 1 (Amendments)	Presentation of Financial Statements	1 January 2024
- IFRS 16 (Amendments)	Leases	1 January 2024
- IAS 7 & IFRS 7 (Amendments)	Supplier Finance Arrangements	1 January 2024

The following Standards and Interpretations are not yet effective for the Group and are not expected to have a material effect on the results or financial position of the Group:		***Effective Date***
- IAS 21 (Amendments)	The Effects of Changes in Foreign Exchange Rates	1 January 2025
- IFRS 7 & IFRS 9 (Amendments)	Classification and Measurement of Financial Instruments	1 January 2026
- IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
- IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027

2. Analysis of results

The Group has determined it has two operating segments: Taste & Nutrition and Dairy Ireland. The Taste & Nutrition segment is a world leading provider of taste and nutrition solutions for the food, beverage and pharmaceutical markets. Utilising a broad range of ingredient solutions to innovate with our customers to create great tasting products, with improved nutrition and functionality, while ensuring a better impact for the planet. Kerry is driven to be our customers' most valued partner, creating a world of sustainable nutrition through solving our customers' most complex challenges with differentiated solutions. The Taste & Nutrition segment supplies industries across Europe, Americas and APMEA (Asia Pacific, Middle East and Africa). The Dairy Ireland segment is a leading Irish provider of value-add dairy ingredients and consumer products. Our dairy ingredients product portfolio includes functional proteins while our dairy consumer brands can be found predominantly in chilled cabinets in retailers across Ireland and the UK.

	Half year ended 30 June 2024 - Unaudited				Half year ended 30 June 2023 - Unaudited				Year ended 31 December 2023 - Audited			
	Taste & Nutrition €'m	**Dairy Ireland €'m**	**Group Eliminations and Unallocated €'m**	**Total €'m**	Taste & Nutrition €'m	Dairy Ireland €'m	Group Eliminations and Unallocated €'m	Total €'m	Taste & Nutrition €'m	Dairy Ireland €'m	Group Eliminations and Unallocated €'m	Total €'m
External revenue	**3,392.2**	**488.2**	**-**	**3,880.4**	3,521.0	600.6	-	4,121.6	6,936.7	1,083.6	-	8,020.3
Inter-segment revenue	**27.0**	**104.1**	**(131.1)**	**-**	18.3	73.9	(92.2)	-	38.2	199.8	(238.0)	-
Revenue	**3,419.2**	**592.3**	**(131.1)**	**3,880.4**	3,539.3	674.5	(92.2)	4,121.6	6,974.9	1,283.4	(238.0)	8,020.3
EBITDA*	**551.3**	**35.0**	**(34.1)**	**552.2**	522.8	29.2	(34.0)	518.0	1,185.9	53.4	(74.2)	1,165.1
Depreciation (net)				**(113.0)**				(109.0)				(219.6)
Intangible asset amortisation				**(45.6)**				(42.1)				(79.5)
Non-trading items				**(24.3)**				40.5				8.8
Operating profit				**369.3**				407.4				874.8
Finance income				**11.4**				5.7				21.8
Finance costs				**(39.2)**				(33.2)				(72.1)
Share of joint ventures' results after taxation				**(1.0)**				(0.7)				(1.9)
Profit before taxation				**340.5**				379.2				822.6
Income taxes				**(49.0)**				(21.3)				(94.5)
Profit after taxation				**291.5**				357.9				728.1
Attributable to:												
Equity holders of the parent				**291.5**				358.2				728.3
Non-controlling interests				**-**				(0.3)				(0.2)
				291.5				357.9				728.1

*EBITDA represents profit before finance income and costs, income taxes, depreciation (net of capital grant amortisation), intangible asset amortisation, non-trading items and share of joint ventures' results after taxation.

Revenue analysis

Disaggregation of revenue from external customers is analysed by End Use Market (EUM), which is the primary market in which Kerry's products are consumed and primary geographic market. An EUM is defined as the market in which the end consumer or customer of Kerry's product operates. The economic factors within the EUMs of Food, Beverage and Pharma & other and within the primary geographic markets which affect the nature, amount, timing and uncertainty of revenue and cash flows are similar.

Analysis by EUM

	Half year ended 30 June 2024 - Unaudited			Half year ended 30 June 2023 - Unaudited			Year ended 31 December 2023 - Audited		
	Taste & Nutrition €'m	**Dairy Ireland €'m**	**Total €'m**	Taste & Nutrition €'m	Dairy Ireland €'m	Total €'m	Taste & Nutrition €'m	Dairy Ireland €'m	Total €'m
Food	**2,224.7**	**479.8**	**2,704.5**	2,329.2	573.3	2,902.5	4,637.3	1,051.9	5,689.2
Beverage	**918.4**	**8.4**	**926.8**	928.9	27.3	956.2	1,798.6	31.7	1,830.3
Pharma & other	**249.1**	**-**	**249.1**	262.9	-	262.9	500.8	-	500.8
External revenue	**3,392.2**	**488.2**	**3,880.4**	3,521.0	600.6	4,121.6	6,936.7	1,083.6	8,020.3

Analysis by primary geographic market

Disaggregation of revenue from external customers is analysed by geographical split:

	Half year ended 30 June 2024 - Unaudited			Half year ended 30 June 2023 - Unaudited			Year ended 31 December 2023 - Audited		
	Taste & Nutrition €'m	**Dairy Ireland €'m**	**Total €'m**	Taste & Nutrition €'m	Dairy Ireland €'m	Total €'m	Taste & Nutrition €'m	Dairy Ireland €'m	Total €'m
Republic of Ireland	**34.8**	**176.0**	**210.8**	56.9	233.3	290.2	134.7	405.3	540.0
Rest of Europe	**673.4**	**278.6**	**952.0**	714.5	322.4	1,036.9	1,382.5	600.3	1,982.8
Americas	**1,890.2**	**13.8**	**1,904.0**	1,936.4	17.7	1,954.1	3,772.5	32.5	3,805.0
APMEA	**793.8**	**19.8**	**813.6**	813.2	27.2	840.4	1,647.0	45.5	1,692.5
External revenue	**3,392.2**	**488.2**	**3,880.4**	3,521.0	600.6	4,121.6	6,936.7	1,083.6	8,020.3

The accounting policies of the operating segments are the same as those detailed in the Statement of accounting policies in the 2023 Annual Report. Under IFRS 15 'Revenue from Contracts with Customers' revenue is primarily recognised at a point in time. Revenue recorded over time during the period was not material to the Group.

3. Non-trading items

	Notes	**Half year ended 30 June 2024 Unaudited €'m**	Half year ended 30 June 2023 Unaudited €'m	Year ended 31 Dec. 2023 Audited €'m
Global Business Services expansion	(ii)	**-**	(2.8)	(4.1)
Acquisition integration costs	(iii)	**(2.9)**	(1.1)	(16.5)
Accelerate Operational Excellence	(iv)	**(22.3)**	(25.1)	(53.5)
		(25.2)	(29.0)	(74.1)
Profit/(loss) on disposal of businesses and assets	(i)	**0.9**	69.5	82.9
Tax on above		**4.1**	24.5	8.6
Non-trading items (net of related tax)		**(20.2)**	65.0	17.4

(i) Profit/(loss) on disposal of businesses and assets
The Group disposed of property, plant and equipment primarily in North America and Europe for a consideration of **€2.2m** resulting in a profit of **€0.9m** during the period ended 30 June 2024. A tax charge of **€0.4m** arose on the disposal of assets for the period.

In the period ended 30 June 2023 the Group disposed of property, plant and equipment primarily in North America and Europe for a consideration of €11.5m resulting in a profit of €6.0m. This profit on disposal of property, plant and equipment was offset by the further impairment of certain assets classified as held for sale based in North America to their fair value less costs to sell by €15.0m, consisting of property, plant and equipment of €10.5m and €4.5m of estimated costs to sell. A tax credit of €1.5m arose on the disposal of assets for the period.

In the year ended 31 December 2023 the Group disposed of property, plant and equipment primarily in North America and Europe for a consideration of €13.9m resulting in a profit of €2.6m. This profit on disposal of property, plant and equipment was offset by an impairment charge of €15.3m in North America and a €13.5m charge with respect to related disposal costs. In addition to these charges, a number of additional assets were disposed across the Group and a €3.9m loss on disposal was recognised. A tax credit of €6.0m arose on the disposal of assets for the period.

In 2023 the Group completed the sale of the trade and assets of its Sweet Ingredients Portfolio and also disposed of small operations in South Africa and South Korea for a combined final consideration of €481.8m resulting in a gain of €113.0m for the year ended 31 December 2023 (30 June 2023: €78.5m gain), with the related tax charge of €9.8m. The profit on disposal of these businesses includes the associated costs in relation to these divestments.

(ii) Global Business Services expansion
In 2020, the Group commenced a programme to evolve, migrate and expand its Global Business Services model to better enable the business and support further growth. This phase of the programme completed at the end of 2023 and the Group has incurred no costs in the period ended 30 June 2024 (30 June 2023: €2.8m; 31 December 2023: €4.1m). The costs in the prior year reflected relocation of resources, advisory fees, redundancies and the streamlining of operations. The associated tax credit was **€nil** (30 June 2023: €0.3m; 31 December 2023: €0.5m).

(iii) Acquisition integration costs
These costs of **€2.9m** (30 June 2023: €1.1m; 31 December 2023: €16.5m) reflect the restructuring of operations in order to integrate the acquired businesses into the existing Kerry operating model and external costs associated with deal preparation, integration planning and due diligence. A tax credit of **€0.4m** (30 June 2023: €0.1m; 31 December 2023: €2.8m) arose due to tax deductions available on acquisition related costs.

(iv) Accelerate Operational Excellence
These costs of **€22.3m** (30 June 2023: €25.1m; 31 December 2023: €53.5m) predominantly reflect consultancy fees, project management costs and costs of streamlining operations incurred in the period relating to our Accelerate Operational Excellence Transformation Programme, which will run until the end of 2024. This material transformation project deploying next generation manufacturing processes, including advanced process controls, is combined with building capabilities within the Group to enhance continuous improvement in manufacturing processes which will deliver step change manufacturing excellence across the organisation. This project is also focused on supply chain excellence, optimising the Group's warehousing and distribution network. A tax credit of **€4.1m** (30 June 2023: €5.8m; 31 December 2023: €9.1m) arose due to tax deductions available on accelerate operational excellence costs.

4. Finance income and costs

	Half year ended 30 June 2024 Unaudited €'m	Half year ended 30 June 2023 Unaudited €'m	Year ended 31 Dec. 2023 Audited €'m
Finance income:			
Interest income on deposits	**6.4**	3.4	14.5
Interest income on vendor loan note	**5.0**	2.3	7.3
Finance income	**11.4**	5.7	21.8
Finance costs:			
Interest payable and finance charges	**(37.7)**	(34.1)	(72.8)
Interest on lease liabilities	**(1.5)**	(0.9)	(2.6)
Interest rate derivative	**(0.7)**	0.2	0.2
	(39.9)	(34.8)	(75.2)
Net interest income on retirement benefits obligation	**0.7**	1.6	3.1
Finance costs	**(39.2)**	(33.2)	(72.1)
Net finance costs	**(27.8)**	(27.5)	(50.3)

5. Earnings per A ordinary share

	Half year ended 30 June 2024 Unaudited EPS cent	**€'m**	Half year ended 30 June 2023 Unaudited EPS cent	€'m	Year ended 31 Dec. 2023 Audited EPS cent	€'m
Basic earnings per share						
Profit after taxation attributable to equity holders of the parent	**166.7**	**291.5**	201.7	358.2	410.4	728.3
Diluted earnings per share						
Profit after taxation attributable to equity holders of the parent	**166.5**	**291.5**	201.5	358.2	409.7	728.3

Number of Shares	**30 June 2024 Unaudited m's**	30 June 2023 Unaudited m's	31 Dec. 2023 Audited m's
Basic weighted average number of shares	**174.8**	177.6	177.4
Impact of share options outstanding	**0.3**	0.2	0.3
Diluted weighted average number of shares	**175.1**	177.8	177.7

6. Dividends

	Half year ended 30 June 2024 Unaudited €'m	Half year ended 30 June 2023 Unaudited €'m	Year ended 31 Dec. 2023 Audited €'m
Amounts recognised as distributions to equity shareholders in the period			
Final 2023 dividend of **80.80 cent** per A ordinary share paid 10 May 2024 (Final 2022 dividend of 73.40 cent per A ordinary share paid 12 May 2023)	**140.4**	130.0	130.0
Interim 2023 dividend of 34.60 cent per A ordinary share paid 10 November 2023	**-**	-	61.3
	140.4	130.0	191.3

Since the end of the period, the Board has declared an interim dividend of **38.1 cent** per A ordinary share which amounts to €65.7m based on ordinary shares in issue at 30 June 2024. The payment date for the interim dividend will be 8 November 2024 to shareholders registered on the record date as at 11 October 2024. The Condensed Consolidated Interim Financial Statements do not reflect this dividend.

7. Other non-current financial instruments

	Half year ended 30 June 2024 Unaudited €'m	Half year ended 30 June 2023 Unaudited €'m	Year ended 31 Dec. 2023 Audited €'m
Vendor loan note	**128.0**	125.0	124.3
Forward foreign exchange contracts	**0.1**	0.7	0.7
Interest rate swaps	**10.2**	-	-
Total other non-current financial instruments	**138.3**	125.7	125.0

As of 30 June 2024, the Group holds an interest bearing vendor loan note which was entered into as part of the consideration for the sale of the trade and assets of the Sweet Ingredients Portfolio from the Taste & Nutrition segment (note 3). The carrying amount of the debt receivable is **€128.0m,** this represents the amount due from third parties, and is initially recognised at fair value of €125.0m and interest capitalised on a bi-annual basis. As the Group objective for the vendor loan note is to collect the contractual cash flows when due, the Group measures at amortised cost using the effective interest method subsequent to initial recognition adjusted for any expected credit loss assessment.

8. Retirement benefits obligation

The net surplus/(deficit) recognised in the Condensed Consolidated Balance Sheet for the Group's defined benefit post-retirement schemes was as follows:

	Schemes in Surplus Half year ended 30 June 2024 Unaudited €'m	**Schemes in Deficit Half year ended 30 June 2024 Unaudited €'m**	**Total Half year ended 30 June 2024 Unaudited €'m**
Net recognised surplus/(deficit) before deferred tax	**100.3**	**(40.4)**	**59.9**
Net related deferred tax (liability)/asset	**(12.5)**	**9.9**	**(2.6)**
Net recognised surplus/(deficit) after deferred tax	**87.8**	**(30.5)**	**57.3**

At 30 June 2024, the net surplus before deferred tax for defined benefit post-retirement schemes was **€59.9m** (30 June 2023: €43.1m; 31 December 2023: €48.3m). This was calculated by rolling forward the defined benefit post-retirement schemes' liabilities at 31 December 2023 to reflect material movements in underlying assumptions over the period while the defined benefit post-retirement schemes' assets at 30 June 2024 are measured at market value. The increase in the net surplus before deferred tax of €11.6m was driven by favourable movements in financial assumptions which were partially offset by lower asset values.

The surplus at 30 June 2024, 31 December 2023 and 30 June 2023 relates to the Irish scheme. The surplus has been recognised in accordance with IFRIC 14 'The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction' as it has been determined that the Group has an unconditional right to a refund of the surplus.

	Schemes in Surplus Half year ended 30 June 2023 Unaudited €'m	Schemes in Deficit Half year ended 30 June 2023 Unaudited €'m	Total Half year ended 30 June 2023 Unaudited €'m
Net recognised surplus/(deficit) before deferred tax	96.2	(53.1)	43.1
Net related deferred tax (liability)/asset	(12.0)	13.0	1.0
Net recognised surplus/(deficit) after deferred tax	84.2	(40.1)	44.1

	Schemes in Surplus year ended 31 Dec. 2023 Audited €'m	Schemes in Deficit year ended 31 Dec. 2023 Audited €'m	Total year ended 31 Dec. 2023 Audited €'m
Net recognised surplus/(deficit) before deferred tax	98.0	(49.7)	48.3
Net related deferred tax (liability)/asset	(12.3)	12.2	(0.1)
Net recognised surplus/(deficit) after deferred tax	85.7	(37.5)	48.2

9. Financial instruments

i) The following table outlines the financial assets and liabilities in relation to net debt held by the Group at the Balance Sheet date:

	Financial Assets/(Liabilities) at Amortised Cost €'m	Assets/(Liabilities) at Fair Value through Profit or Loss €'m	Derivatives Designated as Hedging Instruments €'m	Assets/ (Liabilities) at FVOCI €'m	Total €'m
Assets:					
Interest rate swaps	**-**	**-**	**10.2**	**-**	**10.2**
Cash at bank and in hand	**659.5**	**-**	**-**	**-**	**659.5**
	659.5	**-**	**10.2**	**-**	**669.7**
Liabilities:					
Interest rate swaps	**-**	**-**	**(13.6)**	**-**	**(13.6)**
Bank overdrafts	**(0.4)**	**-**	**-**	**-**	**(0.4)**
Bank loans	**2.3**	**-**	**-**	**-**	**2.3**
Senior Notes	**(2,441.8)**	**5.4**	**-**	**-**	**(2,436.4)**
Borrowings and overdrafts	**(2,439.9)**	**5.4**	**-**	**-**	**(2,434.5)**
Net debt - pre lease liabilities	**(1,780.4)**	**5.4**	**(3.4)**	**-**	**(1,778.4)**
Lease liabilities	**(65.5)**	**-**	**-**	**-**	**(65.5)**
Net debt at 30 June 2024 - unaudited	**(1,845.9)**	**5.4**	**(3.4)**	**-**	**(1,843.9)**
Assets:					
Interest rate swaps	-	-	-	-	-
Cash at bank and in hand	660.8	-	-	-	660.8
	660.8	-	-	-	660.8
Liabilities:					
Interest rate swaps	-	-	(15.9)	-	(15.9)
Bank overdrafts	-	-	-	-	-
Bank loans	1.5	-	-	-	1.5
Senior Notes	(2,441.8)	12.5	-	-	(2,429.3)
Borrowings and overdrafts	(2,440.3)	12.5	-	-	(2,427.8)
Net debt - pre lease liabilities	(1,779.5)	12.5	(15.9)	-	(1,782.9)
Lease liabilities	(63.6)	-	-	-	(63.6)
Net debt at 30 June 2023 - unaudited	(1,843.1)	12.5	(15.9)	-	(1,846.5)
Assets:					
Interest rate swaps	-	-	-	-	-
Cash at bank and in hand	943.7	-	-	-	943.7
	943.7	-	-	-	943.7
Liabilities:					
Interest rate swaps	-	-	(9.5)	-	(9.5)
Bank overdrafts	(34.7)	-	-	-	(34.7)
Bank loans	0.2	-	-	-	0.2
Senior Notes	(2,441.8)	6.6	-	-	(2,435.2)
Borrowings and overdrafts	(2,476.3)	6.6	-	-	(2,469.7)
Net debt - pre lease liabilities	(1,532.6)	6.6	(9.5)	-	(1,535.5)
Lease liabilities	(68.6)	-	-	-	(68.6)
Net debt at 31 December 2023 - audited	(1,601.2)	6.6	(9.5)	-	(1,604.1)

All Group borrowings and overdrafts and interest rate swaps are guaranteed by Kerry Group plc. No assets of the Group have been pledged to secure these items.

In May 2024 the Group exercised the first of two "plus one" extension options on its €1,500m revolving credit facility to extend the maturity date of this facility to June 2029.

As at 30 June 2024, the Group's debt portfolio included:
- €750m of Senior Notes issued in 2015 and €200m issued in April 2020 as a tap onto the original issuance (the 2025 Senior Notes). €175m of the issuance in 2015 were swapped, using cross currency swaps, to US dollar;
- €750m of Senior Notes issued in 2019 (the 2029 Senior Notes). No interest rate derivatives were entered into for this issuance;
- €750m of sustainability-linked bond notes issued in 2021 (the 2031 SLB Senior Notes). No interest rate derivatives were entered into for this issuance;
- €375m of a forward starting interest rate swap, with a trade date of December 2023. Effective from H1 2025, the Group will pay an annual fixed rate of 2.43% and receive 6 month EURIBOR up until the termination date in H1 2035. The swap is accounted for as a cashflow hedge of a highly probable future debt issuance replacing the 2025 Senior Notes.

The adjustment to Senior Notes classified under liabilities at fair value through profit or loss of €5.4m (30 June 2023: €12.5m; 31 December 2023: €6.6m) represents the part adjustment to the carrying value of debt from applying fair value hedge accounting for interest rate risk. This amount is primarily offset by the fair value adjustment on the corresponding hedge items being the underlying cross currency interest rate swaps.

9. Financial instruments (continued)

ii) The Group's exposure to interest rates on financial assets and liabilities are detailed in the table below including the impact of cross currency swaps ('CCS') on the currency profile of net debt:

	Total Pre CCS Half year ended 30 June 2024 Unaudited €'m	**Impact of CCS Half year ended 30 June 2024 Unaudited €'m**	**Total after CCS Half year ended 30 June 2024 Unaudited €'m**	Half year ended 30 June 2023 Unaudited €'m	Year ended 31 Dec. 2023 Audited €'m
Euro	**(2,338.6)**	**175.0**	**(2,163.6)**	(2,103.1)	(2,039.0)
Sterling	**88.6**	**-**	**88.6**	88.5	93.0
US Dollar	**269.8**	**(175.0)**	**94.8**	20.5	139.3
Other	**134.3**	**-**	**134.3**	151.0	205.5
	(1,845.9)	**-**	**(1,845.9)**	(1,843.1)	(1,601.2)

iii) The following table details the maturity profile of the Group's net debt:

	On demand & up to 1 year €'m	**Up to 2 years €'m**	**2 - 5 years €'m**	**> 5 years €'m**	**Total €'m**
Cash at bank and in hand	**659.5**	**-**	**-**	**-**	**659.5**
Interest rate swaps	**-**	**(13.6)**	**-**	**10.2**	**(3.4)**
Bank overdrafts	**(0.4)**	**-**	**-**	**-**	**(0.4)**
Bank loans	**-**	**-**	**2.3**	**-**	**2.3**
Senior Notes	**-**	**(946.7)**	**-**	**(1,489.7)**	**(2,436.4)**
Net debt - pre lease liabilities	**659.1**	**(960.3)**	**2.3**	**(1,479.5)**	**(1,778.4)**
Lease liabilities (discounted)	**(25.1)**	**(18.9)**	**(14.9)**	**(6.6)**	**(65.5)**
At 30 June 2024 - unaudited	**634.0**	**(979.2)**	**(12.6)**	**(1,486.1)**	**(1,843.9)**
Cash at bank and in hand	660.8	-	-	-	660.8
Interest rate swaps	-	-	(15.9)	-	(15.9)
Bank overdrafts	-	-	-	-	-
Bank loans	(1.3)	-	2.8	-	1.5
Senior Notes	-	-	(941.3)	(1,488.0)	(2,429.3)
Net debt - pre lease liabilities	659.5	-	(954.4)	(1,488.0)	(1,782.9)
Lease liabilities (discounted)	(31.8)	(11.8)	(13.0)	(7.0)	(63.6)
At 30 June 2023 - unaudited	627.7	(11.8)	(967.4)	(1,495.0)	(1,846.5)
Cash at bank and in hand	943.7	-	-	-	943.7
Interest rate swaps	-	(9.4)	-	(0.1)	(9.5)
Bank overdrafts	(37.1)	-	-	-	(37.1)
Bank loans	-	-	2.6	-	2.6
Senior Notes	-	(946.3)	-	(1,488.9)	(2,435.2)
Net debt - pre lease liabilities	906.6	(955.7)	2.6	(1,489.0)	(1,535.5)
Lease liabilities (discounted)	(26.2)	(16.9)	(18.2)	(7.3)	(68.6)
At 31 December 2023 - audited	880.4	(972.6)	(15.6)	(1,496.3)	(1,604.1)

At 30 June 2024, the Group had cash on hand of €659.5m. At the period end, the Group had an undrawn committed Syndicate revolving credit facility of €1,500m. Cash at bank and in hand includes an amount of €56.1m held on short-term deposit.

9. Financial instruments (continued)

iv) Fair value of financial instruments:
a) Fair value of financial instruments carried at fair value
The following table sets out the fair value of financial instruments carried at fair value:

		Fair Value Hierarchy	30 June 2024 Unaudited €'m	30 June 2023 Unaudited €'m	31 Dec. 2023 Audited €'m
Financial assets					
Interest rate swaps:	Non-current	Level 2	**10.2**	-	-
	Current	Level 2	**-**	-	-
Forward foreign exchange contracts:	Non-current	Level 2	**0.1**	0.7	0.7
	Current	Level 2	**5.3**	19.3	13.7
Financial asset investments:	Fair value through profit or loss	Level 1	**38.2**	42.8	39.9
	Fair value through other comprehensive income	Level 3	**14.2**	12.1	12.1
Financial liabilities					
Interest rate swaps:	Non-current	Level 2	**(13.6)**	(15.9)	(9.5)
	Current	Level 2	**-**	-	-
Forward foreign exchange contracts:	Non-current	Level 2	**-**	(0.2)	(0.2)
	Current	Level 2	**(8.8)**	(8.5)	(7.5)
Deferred payments on acquisition of businesses:	Non-current	Level 3	**(15.3)**	(4.2)	(98.6)
	Current	Level 3	**(75.0)**	(28.4)	(2.1)

There have been no transfers between levels during the current or prior financial period.

Financial instruments recognised at fair value are analysed between those based on:
- quoted prices in active markets for identical assets or liabilities (Level 1);
- those involving inputs other than quoted prices included in Level 1 that are observable for the assets or liabilities, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- those involving inputs for the assets or liabilities that are not based on observable market data (unobservable inputs) (Level 3).

b) Fair value of financial instruments carried at amortised cost

Except as defined in the following table, it is considered that the carrying amounts of financial assets and financial liabilities recognised at amortised cost in the Condensed Consolidated Interim Financial Statements approximate their fair values.

	Fair Value Hierarchy	Carrying Amount 30 June 2024 Unaudited €'m	Fair Value 30 June 2024 Unaudited €'m	Carrying Amount 30 June 2023 Unaudited €'m	Fair Value 30 June 2023 Unaudited €'m	Carrying Amount 31 Dec. 2023 Audited €'m	Fair Value 31 Dec. 2023 Audited €'m
Financial liabilities							
Senior Notes - Public	Level 2	**(2,441.8)**	**(2,185.2)**	(2,441.8)	(2,104.9)	(2,441.8)	(2,204.5)

c) Valuation principles

The fair value of financial assets and liabilities are determined as follows:

- assets and liabilities with standard terms and conditions which are traded on active liquid markets are determined with reference to quoted market prices. This includes equity investments;
- other financial assets and liabilities (excluding derivatives) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments. This includes interest rate swaps and forward foreign exchange contracts which are determined by discounting the estimated future cash flows;
- the fair values of financial instruments that are not based on observable market data (unobservable inputs) requires entity specific valuation techniques; and
- derivative financial instruments are calculated using quoted prices. Where such prices are not available, a discounted cash flow analysis is performed using the applicable yield curve for the duration of the instruments. Forward foreign exchange contracts are measured using quoted forward exchange rates and yield curves derived from quoted interest rates adjusted for counterparty credit risk, which is calculated based on credit default swaps of the respective counterparties. Interest rate swaps are measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates adjusted for counterparty credit risk, which is calculated based on credit default swaps of the respective counterparties.

Net debt reconciliation

	Cash at bank and in hand €'m	Interest Rate Swaps €'m	Overdrafts due within 1 year* €'m	Borrowings due within 1 year* €'m	Borrowings due after 1 year* €'m	Net Debt - pre lease liabilities €'m	Lease liabilities* €'m	Net Debt €'m
At 31 December 2022 - audited	970.0	15.5	(0.2)	(700.9)	(2,432.6)	(2,148.2)	(69.2)	(2,217.4)
Cash flows	(294.9)	(34.5)	0.2	688.3	4.5	363.6	17.4	381.0
Foreign exchange adjustments	(14.3)	1.4	-	12.9	(0.3)	(0.3)	1.3	1.0
Other non-cash movements	-	1.7	-	(1.6)	1.9	2.0	(13.1)	(11.1)
At 30 June 2023 - unaudited	660.8	(15.9)	-	(1.3)	(2,426.5)	(1,782.9)	(63.6)	(1,846.5)
Cash flows	286.0	0.1	(34.7)	(1.0)	-	250.4	19.0	269.4
Foreign exchange adjustments	(3.1)	1.1	-	-	-	(2.0)	-	(2.0)
Other non-cash movements	-	5.2	-	(0.1)	(6.1)	(1.0)	(24.0)	(25.0)
At 31 December 2023 - audited	943.7	(9.5)	(34.7)	(2.4)	(2,432.6)	(1,535.5)	(68.6)	(1,604.1)
Cash flows	**(296.1)**	**-**	**34.3**	**2.4**	**-**	**(259.4)**	**16.8**	**(242.6)**
Foreign exchange adjustments	**11.9**	**(5.7)**	**-**	**-**	**-**	**6.2**	**(0.6)**	**5.6**
Other non-cash movements	**-**	**11.8**	**-**	**-**	**(1.5)**	**10.3**	**(13.1)**	**(2.8)**
At 30 June 2024 - unaudited	**659.5**	**(3.4)**	**(0.4)**	**-**	**(2,434.1)**	**(1,778.4)**	**(65.5)**	**(1,843.9)**

*Liabilities from financing activities.

10. Business combinations

The following acquisition was completed by the Group during the period to 30 June 2024:

Acquisition	Type	Completion date	Percentage acquired	Segment	Principal activity	Strategic rationale
Part of the global lactase enzymes business of Novonesis (formerly Chr. Hansen Holding A/S ("Chr. Hansen") and Novozymes A/S ("Novozymes")).	Asset & Equity	April 2024	Certain trade and assets of Chr. Hansen's global lactase enzyme business on a carve-out basis and 100% of the share capital of Nuocheng Trillion Food (Tianjin) Co., Ltd., a Chinese subsidiary of Novozymes.	Taste & Nutrition	The Lactase Enzymes Business which includes NOLA® Products, further enhances Kerry's biotechnology solutions capability.	This acquisition adds enzyme technology which helps create lactose-free and sugar reduced dairy products, while preserving their authentic clean taste. Global demand for lactase is being driven by increased awareness of lactose intolerance, while many consumers are also choosing lactose-free for lifestyle and health reasons.

The table below provides details of the identifiable net assets, including adjustments to provisional fair values, in respect of the acquisition completed during the period to 30 June 2024:

	Half year ended 30 June 2024 Unaudited €'m
Recognised amounts of identifiable assets acquired and liabilities assumed:	
Non-current assets	
Property, plant and equipment	**51.6**
Brand related intangibles	**81.7**
Current assets	
Cash at bank and in hand	**0.8**
Inventories	**6.1**
Trade and other receivables	**1.5**
Current liabilities	
Trade and other payables	**(2.7)**
Total identifiable assets	**139.0**
Goodwill	**6.0**
Total consideration	**145.0**
Satisfied by:	
Cash	**79.2**
Deferred consideration*	**65.8**
	145.0

*The deferred consideration consists of two additional payments totalling €65.8m (DKK 491.5m) payable in the second half of 2024 based on contractual arrangements. The €65.8m represents the fair value of the expected deferred consideration. Since the period end one payment of €25.4m (DKK 189.6m) has been paid for the acquisition with the second payment payable in Q4 2024.

Net cash outflow on acquisition:

	Half year ended 30 June 2024 Unaudited €'m
Cash	**79.2**
Less: cash and cash equivalents acquired	**(0.8)**
	78.4

10. Business combinations (continued)

The acquisition method of accounting has been used to consolidate the business acquired in the Group's Condensed Consolidated Interim Financial Statements. Given that the valuation of the fair value of assets and liabilities recently acquired is still in progress, some of the values in the previous table are determined provisionally. For the acquisitions completed in 2023, there have been material revisions of the provisional fair value adjustments since the initial values were established as outlined in the table below. The Group performs quantitative and qualitative assessments of each acquisition in order to determine whether it is material for the purposes of separate disclosure under IFRS 3 'Business Combinations'. The acquisition completed during the period was not considered material to warrant separate disclosure under these assessments.

The goodwill is attributable to the expected profitability, revenue growth, future market development and assembled workforce of the acquired business and the synergies expected to arise within the Group after the acquisition. The goodwill recognised is expected to be deductible for income tax purposes.

Transaction expenses related to this acquisition of **€1.8m** were charged in the Group's Condensed Consolidated Income Statement during the financial period. The fair value of the financial assets includes trade and other receivables with a fair value of **€1.4m** and a gross contractual value of **€1.5m**.

The revenue and profit after taxation attributable to owners of the parent to the Group contributed from date of acquisition for all business combinations effected during the period is as follows:

	Half year ended 30 June 2024 Unaudited €'m
Revenue	**9.3**
Profit after taxation attributable to equity holders of the parent	**1.1**

The revenue and profit after taxation attributable to equity holders of the parent to the Group determined in accordance with IFRS as though the acquisition date for all business combinations effected during the period had been the beginning of that period would be as follows:

	2024 acquisition Unaudited €'m	**Kerry Group excluding 2024 acquisition Unaudited €'m**	**Consolidated Group including acquisition Unaudited €'m**
Revenue	**28.0**	**3,871.1**	**3,899.1**
Profit after taxation attributable to equity holders of the parent	**3.3**	**290.4**	**293.7**

2023 Acquisitions

During 2023, the Group completed a total of two acquisitions both of which are 100% owned by the Group. The initial assessment of fair values to identifiable net assets acquired was performed on a provisional basis. As part of the finalisation of the expected contingent consideration and the fair value exercise in respect of the 2023 acquisitions, the Group considered the valuations applied to intangible and tangible assets acquired. The outcome of this exercise resulted in a reduction of goodwill arising on acquisition by €67.0m and a reduction in contingent consideration of €75.1m. The amendments to these fair values were made to the comparative figures during the subsequent reporting window within the measurement period imposed by IFRS 3 'Business Combinations'. The provisional fair value of these assets recorded, together with the adjustments made to those carrying values to arrive at the final fair values were as follows:

	Provisional fair values of 2023 acquisitions 2023 €'m	Measurement period adjustments 2023 €'m	Total 2023 €'m
Property, plant and equipment	9.7	-	9.7
Goodwill arising on acquisition	176.9	(67.0)	109.9
Other brand-related intangibles	41.6	(9.5)	32.1
Non-current assets	228.2	(76.5)	151.7
Current assets	14.2	-	14.2
Non-current liabilities	(13.5)	1.4	(12.1)
Current liabilities	(18.8)	-	(18.8)
Total identifiable assets	210.1	(75.1)	135.0
Total consideration	**210.1**	**(75.1)**	**135.0**

11. Share capital

	Half year ended 30 June 2024 Unaudited €'m	Half year ended 30 June 2023 Unaudited €'m	Year ended 31 Dec. 2023 Audited €'m
Authorised			
280,000,000 A ordinary shares of 12.50 cent each	**35.0**	35.0	35.0
Allotted, called-up and fully paid (A ordinary shares of 12.50 cent each)			
At beginning of the financial period	21.9	22.1	22.1
Shares issued during the financial period	**-**	-	-
Shares cancelled during the financial period	**(0.4)**	-	(0.2)
At end of the financial period	**21.5**	22.1	21.9

Kerry Group plc has one class of ordinary share which carries no right to fixed income.

Shares issued during the period

During the period a total of **181,929** A ordinary shares, each with a nominal value of 12.50 cent, were issued at nominal value per share under the Long-Term and Short-Term Incentive Plans. The total number of shares in issue at 30 June 2024 was **172,457,816** (30 June 2023: 177,098,561; 31 December 2023: 175,792,661).

Share Buyback Programme

In May 2024, the Board approved a new Share Buyback Programme of up to €300 million. The Share Buyback Programme is underpinned by the Group's strong balance sheet and cash flow and is aligned to Kerry's Capital Allocation Framework. The programme commenced on 7 May 2024 and will end no later than 19 December 2024. In the period from 7 May 2024 to 30 June 2024 the Company purchased **1,035,583** shares at a total cost of **€80.1m**. At 30 June 2024 there was no financial liability recorded in relation to the Share Buyback Programme. Since the period end, and up to 26 July 2024, the Company has announced the purchase of an additional 1,109,438 shares at a total cost of €86.6m.

The previous Share Buyback Programme announced in October 2023, commenced on 1 November 2023 and was completed by 30 April 2024. The total number of shares acquired during 2023 was 1,373,261 at a cost of €101.7m. During the period 1 January 2024 to 30 April 2024, an additional **2,481,191** shares were acquired at a cost of **€198.6m**, resulting in a total number of shares acquired as part of this programme of 3,854,452 at a total cost of €300.3m including transaction costs of €0.3m. All shares acquired were A ordinary shares with a nominal value of 12.50 cent. The shares acquired were cancelled immediately following their repurchase.

12. Events after the Balance Sheet date

Since the period end, the Group has:

- declared an interim dividend of **38.1 cent** per A ordinary share (see note 6); and
- the Company announced the repurchase of 1,109,438 shares at a cost of €86.6m up to 26 July 2024.

There have been no other significant events, outside of the ordinary course of business, affecting the Group since 30 June 2024.

13. General information

These unaudited Condensed Consolidated Interim Financial Statements for the half year ended 30 June 2024 are not full financial statements and were not reviewed or audited by the Group's auditors, PricewaterhouseCoopers (PwC). These Condensed Consolidated Interim Financial Statements were approved by the Board of Directors and authorised for issue on 30 July 2024. The figures disclosed relating to 31 December 2023 have been derived from the Consolidated Financial Statements which were audited, received an unqualified audit report and have been filed with the Registrar of Companies. This report should be read in conjunction with the 2023 Annual Report which was prepared in accordance with IFRS adopted by the European Union ('EU') which comprise standards and interpretations approved by the International Accounting Standards Board ('IASB'). The Group financial statements comply with Article 4 of the EU IAS Regulation. IFRS adopted by the EU differs in certain respects from IFRS Accounting Standards issued by the IASB. References to IFRS refer to IFRS adopted by the EU. The accounting policies applied by the Group in these Condensed Consolidated Interim Financial Statements are the same as those detailed in the 2023 Annual Report.

These unaudited Condensed Consolidated Interim Financial Statements have been prepared on the going concern basis of accounting as set out in Note 1. The Directors report that they have satisfied themselves that the Group is a going concern, having adequate resources to continue in operational existence for the foreseeable future. In forming this view, the Directors have reviewed the Group’s budget for a period not less than 12 months, the five year medium-term plan and have taken into account the cash flow implications of the plans, including proposed capital expenditure, and compared these with the Group’s committed borrowing facilities and projected gearing ratios.

Intangible assets increased by €109.6m to €5,859.4m (31 December 2023: €5,749.8m; 30 June 2023: €5,686.5m) due to business acquisitions, computer software additions and the positive impact of foreign exchange translation, offset by the measurement period adjustments relating to previous years acquisition (Note 10) and the amortisation charge for the period.

In relation to seasonality, EBITDA is lower in the first half of the year due to the nature of the food business and stronger trading in the second half. While revenue is relatively evenly spread, margin has traditionally been higher in the second half of the year due to product mix and the timing of promotional activity. There is also a material change to the levels of working capital between December and June mainly due to the seasonal nature of the dairy and crop-based businesses.

As permitted by the Transparency (Directive 2004/109/EC) Regulations 2007 this Interim Report is available on www.kerry.com. However, if a physical copy is required, please contact the Corporate Affairs department.

FINANCIAL DEFINITIONS

1. Revenue

Volume growth

This represents the sales growth period-on-period, excluding pass-through pricing on input costs, currency impacts, acquisitions, disposals and rationalisation volumes.

Volume growth is an important metric as it is seen as the key driver of organic top-line business improvement. Pricing impacts revenue growth positively or negatively depending on whether inputs move up or down. A full reconciliation to reported revenue performance is detailed in the revenue reconciliation below.

Revenue Reconciliation

H1 2024	**Volume performance**	**Price**	**Transaction currency**	**Acquisitions**	**Disposals**	**Translation currency**	**Reported performance**
Taste & Nutrition	**3.1%**	**(3.0%)**	**-**	**0.7%**	**(3.1%)**	**(1.1%)**	**(3.4%)**
Dairy Ireland	**(1.9%)**	**(6.9%)**	**-**	**-**	**(3.8%)***	**0.4%**	**(12.2%)**
Group	**1.7%**	**(4.0%)**	**-**	**0.6%**	**(3.3%)**	**(0.9%)**	**(5.9%)**
H1 2023							
Taste & Nutrition	1.4%	5.4%	-	1.3%	(5.3%)	(0.1%)	2.7%
Dairy Ireland	(2.5%)	0.4%	(0.1%)	-	-	(0.8%)	(3.0%)
Group	0.6%	4.5%	-	1.1%	(4.5%)	(0.1%)	1.6%

*Reduction in revenue reflects changes in contractual arrangements implemented in the current year, where Dairy Ireland has become an agent, in accordance with IFRS 15 'Revenue from Contracts with Customers'. The related revenue in H1 2024 amounted to €1m (H1 2023: €26m).

2. EBITDA

EBITDA represents profit before finance income and costs, income taxes, depreciation (net of capital grant amortisation), intangible asset amortisation, non-trading items and share of joint ventures' results after taxation. EBITDA is reflective of underlying trading performance and allows comparison of the trading performance of the Group's businesses, either period-on-period or with other businesses.

	H1 2024 €'m	H1 2023 €'m
Profit after taxation	**291.5**	357.9
Share of joint ventures' results after taxation	**1.0**	0.7
Finance income	**(11.4)**	(5.7)
Finance costs	**39.2**	33.2
Income taxes	**49.0**	21.3
Non-trading items	**24.3**	(40.5)
Intangible asset amortisation	**45.6**	42.1
Depreciation (net)	**113.0**	109.0
EBITDA	**552.2**	518.0

3. EBITDA Margin

EBITDA margin represents EBITDA expressed as a percentage of revenue.

	H1 2024 €'m	H1 2023 €'m
EBITDA	**552.2**	518.0
Revenue	**3,880.4**	4,121.6
EBITDA margin	**14.2%**	12.6%

4. Operating Profit

Operating profit is profit before income taxes, finance income, finance costs and share of joint ventures' results after taxation.

	H1 2024 €'m	H1 2023 €'m
Profit before taxation	**340.5**	379.2
Finance income	**(11.4)**	(5.7)
Finance costs	**39.2**	33.2
Share of joint ventures' results after taxation	**1.0**	0.7
Operating profit	**369.3**	407.4

FINANCIAL DEFINITIONS (continued)

5. Adjusted Earnings Per Share and Performance in Adjusted Earnings Per Share on a Constant Currency Basis

The performance in adjusted earnings per share on a constant currency basis is provided as it is considered more reflective of the Group's underlying trading performance. Adjusted earnings is profit after taxation attributable to equity holders of the parent before brand related intangible asset amortisation and non-trading items (net of related tax). These items are excluded in order to assist in the understanding of underlying earnings. A full reconciliation of adjusted earnings per share to basic earnings per share is provided below. Constant currency eliminates the translational effect that arises from changes in foreign currency period-on-period. The performance in adjusted earnings per share on a constant currency basis is calculated by comparing current period adjusted earnings per share to the prior period adjusted earnings per share retranslated at current period average exchange rates.

	H1 2024 EPS cent	**Performance %**	H1 2023 EPS cent	Performance %
Basic earnings per share	**166.7**	**(17.4%)**	201.7	57.1%
Brand related intangible asset amortisation	**15.8**	**-**	14.9	-
Non-trading items (net of related tax)	**11.6**	**-**	(36.6)	-
Adjusted earnings per share	**194.1**	**7.8%**	180.0	2.0%
Impact of retranslating prior period adjusted earnings per share at current period average exchange rates*		**1.3%**		0.1%
Growth in adjusted earnings per share on a constant currency basis		**9.1%**		2.1%

*Impact of H1 2024 translation was 2.3/180 cent = 1.3% (H1 2023: 0.1%).

6. Free Cash Flow

Free cash flow is EBITDA plus movement in average working capital, capital expenditure net (purchase of assets, payment of lease liabilities, proceeds from the sale of assets (net of disposal expenses) and capital grants received), pensions contributions paid less pension expense, finance costs paid (net) and income taxes paid.

Free cash flow is seen as an important indicator of the strength and quality of the business and of the availability to the Group of funds for reinvestment or for return to shareholders. Movement in average working capital is used when calculating free cash flow as management believes this provides a more accurate measure of the increase or decrease in working capital needed to support the business over the course of the period rather than at two distinct points in time and more accurately reflects fluctuations caused by seasonality and other timing factors. Average working capital is the sum of each month's working capital over 6 months adjusted for the impact of acquisitions and disposals. Below is a reconciliation of free cash flow to the nearest IFRS measure, which is 'Net cash from operating activities'.

	H1 2024 €'m	H1 2023 €'m
Net cash from operating activities	**367.0**	309.7
Difference between movement in monthly average working capital and movement in the period end working capital	**167.1**	(13.5)
Payments on non-trading items	**27.2**	39.5
Purchase of assets	**(103.4)**	(99.8)
Payment of lease liabilities	**(16.8)**	(17.4)
Proceeds from the sale of assets (net of disposal expenses)	**-**	11.5
Exchange translation adjustment	**4.3**	1.9
Free cash flow	**445.4**	231.9

7. Cash Conversion

Cash conversion is defined as free cash flow, expressed as a percentage of adjusted earnings after taxation. Cash conversion is an important metric as it measures how much of the Group's adjusted earnings is converted into cash.

	H1 2024 €'m	H1 2023 €'m
Free cash flow	**445.4**	231.9
Profit after taxation attributable to equity holders of the parent	**291.5**	358.2
Brand related intangible asset amortisation	**27.6**	26.5
Non-trading items (net of related tax)	**20.2**	(65.0)
Adjusted earnings after taxation	**339.3**	319.7
Cash conversion	**131%**	73%

FINANCIAL DEFINITIONS (continued)

8. Liquidity Analysis

The Net debt: EBITDA and EBITDA: Net interest ratios disclosed are calculated using an adjusted EBITDA, adjusted finance costs (net of finance income) and an adjusted net debt value to adjust for the impact of non-trading items, acquisitions net of disposals and deferred payments in relation to acquisitions.

	H1 2024 Times	H1 2023 Times
Net debt: EBITDA	**1.6**	1.6
EBITDA: Net interest	**23.2**	19.0

9. Average Capital Employed

Average capital employed is calculated by taking an average of the shareholder's equity less vendor loan note and net debt over the last three reported balance sheets.

	H1 2024 €'m	2023 €'m	H1 2023 €'m	2022 €'m	H1 2022 €'m
Equity attributable to equity holders of the parent	**6,512.8**	6,521.3	6,356.5	6,221.9	6,088.7
Vendor loan note	**(128.0)**	(124.3)	(125.0)	-	-
Net debt	**1,843.9**	1,604.1	1,846.5	2,217.4	2,456.3
Total capital employed	**8,228.7**	8,001.1	8,078.0	8,439.3	8,545.0
Average capital employed	**8,102.6**	8,172.8	8,354.1		

10. Return on Average Capital Employed (ROACE)

This measure is defined as profit after taxation attributable to equity holders of the parent before non-trading items (net of related tax), brand related intangible asset amortisation and finance income and costs expressed as a percentage of average capital employed. ROACE is a key measure of the return the Group achieves on its investment in capital expenditure projects, acquisitions and other strategic investments.

	12 months to H1 2024 €'m	12 months to H1 2023 €'m	FY 2023 €'m
Profit after taxation attributable to equity holders of the parent	**661.6**	737.0	728.3
Non-trading items (net of related tax)	**67.8**	(2.9)	(17.4)
Brand related intangible asset amortisation	**53.4**	54.3	52.3
Net finance costs	**50.6**	59.6	50.3
Adjusted profit	**833.4**	848.0	813.5
Average capital employed	**8,102.6**	8,354.1	8,172.8
Return on average capital employed	**10.3%**	10.2%	10.0%

11. Net Debt

Net debt comprises borrowings and overdrafts, interest rate derivative financial instruments, lease liabilities and cash at bank and in hand. See full reconciliation of net debt in note 9 of these Condensed Consolidated Interim Financial Statements.

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