Glanbia plc
2023 Half Year Results

Half year results for the six month period ended
1 July 2023

16 August 2023

Delivering better nutrition.

Glanbia half year 2023 results

First half ahead of expectations,

full year guidance upgraded to 12% to 15% growth in adjusted EPS[1]

16 August 2023 - Glanbia plc ("Glanbia", the "Group", the "Company", the "plc"), the better nutrition company, announces its financial results for the six month period ended 1 July 2023 ("Half Year 2023", or "HY 2023").

As announced on 1 March 2023, the Group has changed its presentation currency from Euro to US Dollar. All figures presented are in US Dollar unless stated otherwise, with comparative figures also restated in US Dollar.

Key highlights from HY 2023:

- Earnings growth in the first half, positive outlook for the remainder of 2023; full year guidance upgraded to between 12% and 15% growth in adjusted EPS reflecting improved outlook for GPN;
- Group revenues of $2.8 billion (HY 2022: $3.1 billion) representing a decrease of 10.0% constant currency (down 10.3% reported);
- Group EBITA pre-exceptional of $198.6 million (HY 2022: $187.6 million), an increase of 6.1% constant currency (up 5.9% reported);
- Group EBITA pre-exceptional margins of 7.2% (HY 2022: 6.1%) with margin growth across all business segments;
- Adjusted earnings per share of 60.78 $cent (HY 2022: 57.17 $cent) representing growth of 6.6% constant currency (up 6.3% reported);
- Basic EPS from continuing operations of 71.90 $cent (HY 2022: 50.40 $cent);
- Glanbia Performance Nutrition ("GPN"):
    - Like-for-like ("LFL") branded revenue +3.7% with pricing +10.9% and volume -7.2%;
    - Optimum Nutrition ("ON") brand delivered LFL revenue growth of +16.2% with volume and price momentum; ON sustained US consumption growth[2] of 14.3%;
    - EBITA margin 12.1% (HY 2022: 10.4%), an increase of 170bps;
- Glanbia Nutritionals - Nutritional Solutions ("GN NS"):
    - LFL revenue -15.2% with pricing -4.8% and volume -10.4%;
    - EBITA margin 12.9% (HY 2022: 12.2%), an increase of 70bps;
    - Sequential improvement in volumes through the period;
- Capital allocation:
    - Interim dividend increased by 10% to 14.22 €cent per share;
    - Returned €64.5 million to shareholders in the period via share buyback activity;
    - Completed the sale of Glanbia Cheese joint ventures for initial proceeds of €178.9 million (including the repayment of shareholder loans);
- Strong balance sheet with net debt to adjusted EBITDA ratio of 0.99 times (HY 2022: 1.75 times); and
- Siobhán Talbot to retire as Group Managing Director on 31 December 2023, Hugh McGuire to be appointed CEO on 1 January 2024.

Commenting today Siobhán Talbot, Group Managing Director, said:

"I am pleased to report that Glanbia's performance in the first half of the year was ahead of our expectations as the Group successfully navigated some continuing volatility in global market conditions. This was driven by a strong operating performance, continued demand for our better nutrition brands and ingredients and the exceptional commitment of our people. We are upgrading our guidance for FY 2023, with adjusted Earnings Per Share now expected to grow by between 12% and 15% on a constant currency basis.

Our earnings momentum in the first half of 2023 was driven by a good performance in GPN as growth in revenue, earnings and margin reflected a strong global performance for our flagship Optimum Nutrition brand. GN's first half performance was in line with expectations, as customer supply chain rebalancing trends reduced volumes, with

[1] Adjusted Earnings Per Share ("EPS") growth on a constant currency basis
[2] Consumption growth is US measured in channels and includes Online, FDMC (Food, Drug, Mass, Club) and Specialty channels. Data compiled from published external sources and Glanbia estimates for the 12 week period to 16 July 2023

progressive improvements in demand trends as the period progressed which we expect to continue into the second half of the year.

Our strategy is on track as we continue to reshape and simplify our portfolio, invest to sustain consumer and customer relevance, drive margin improvement and deliver strong operating returns and cash conversion. In terms of returns to shareholders, the interim dividend is raised by 10% and €64.5 million was returned in the period via share buybacks. As we look to the second half of the year, we believe that the combination of market opportunity and our strong operating capabilities set us up for sustained delivery of future growth.

Today I have announced my plans to retire as Group Managing Director of Glanbia at the end of this year. My colleague, Hugh McGuire will be appointed CEO of Glanbia on 1 January 2024. I want to thank my colleagues right across the Group for their hard work, commitment and friendship during my career with the Company. I would like to wish Hugh well as he takes the helm in 2024 and I look forward to working with him on the leadership transition over the coming months."

Summary financials[1]– continuing operations[2]

2023 half year results **$m**	**HY 2023**	**HY 2022**	**Reported Change**	**Constant Currency Change[3]**
Wholly-owned business (pre-exceptional)				
Revenue	2,771.4	3,091.3	-10.3%	-10.0%
EBITA[4]	198.6	187.6	5.9%	6.1%
EBITA margin	7.2%	6.1%		
Joint Ventures (pre-exceptional)				
Share of profit after tax	6.5	12.5		
Profit after tax	193.4	140.4		
$				
Adjusted earnings per share	60.78c	57.17c	6.3%	6.6%
Basic earnings per share	71.90c	50.40c		

1. This release contains certain alternative performance measures. Detailed explanation of the key performance indicators and non-IFRS performance measures can be found in the glossary on pages 37 to 45.
2. There was no profit or loss from discontinued operations in the period. In HY 2022, an exceptional profit after tax from discontinued operations of $61.1m arose, relating to the once-off profit on disposal of the Group's interest in Tirlán Limited (formerly known as Glanbia Ireland DAC).
3. To arrive at the constant currency change, the average exchange rate for the current period is applied to the relevant reported result from the same period in the prior year. The average US dollar euro exchange rate for HY 2023 was $1 = €0.9253 (HY 2022: $1 = €0.9151). Reported and constant currency movements are on a pre-exceptional basis.
4. EBITA (pre-exceptional) is defined as earnings before interest, tax and amortisation.

HY 2023 results summary (pre-exceptional)

Revenue progression	**HY 2023 versus HY 2022**					
	Constant currency movement					**Reported movement**
	Volume	**Price**	**Like-for-like**	**Acquisition / (Disposals)**	**Total constant currency**	**Total reported**
Glanbia Performance Nutrition	(7.5%)	10.9%	3.4%	-	3.4%	2.4%
Glanbia Nutritionals	(2.8%)	(11.7%)	(14.5%)	(0.7%)	(15.2%)	(15.3%)
Nutritional Solutions	*(10.4%)*	*(4.8%)*	*(15.2%)*	*(2.6%)*	*(17.8%)*	*(18.3%)*
US Cheese	*0.4%*	*(14.5%)*	*(14.1%)*	-	*(14.1%)*	*(14.1%)*
Total wholly-owned businesses	**(4.1%)**	**(5.4%)**	**(9.5%)**	**(0.5%)**	**(10.0%)**	**(10.3%)**

Revenue, EBITA and margin						
	HY 2023			**HY 2022**		
$m	**Revenue**	**EBITA**	**Margin %**	**Revenue**	**EBITA**	**Margin %**
Glanbia Performance Nutrition	**888.9**	**107.8**	**12.1%**	**867.8**	**89.9**	**10.4%**
Glanbia Nutritionals	**1,882.5**	**90.8**	**4.8%**	**2,223.5**	**97.7**	**4.4%**
Nutritional Solutions	*525.5*	*67.8*	*12.9%*	*643.4*	*78.4*	*12.2%*
US Cheese	*1,357.0*	*23.0*	*1.7%*	*1,580.1*	*19.3*	*1.2%*
Total wholly-owned businesses	**2,771.4**	**198.6**	**7.2%**	**3,091.3**	**187.6**	**6.1%**

2023 half year overview

Glanbia delivered a strong financial and operating performance in HY 2023. Group revenue was $2,771.4 million (HY 2022: $3,091.3 million), down 10.0% constant currency (down 10.3% reported). Group EBITA (before exceptional items) was $198.6 million (HY 2022: $187.6 million) up 6.1% constant currency (up 5.9% reported). Group profit after tax from continuing operations for the period was $193.4 million (HY 2022: $140.4 million) up $53.6 million constant currency (up $53.0 million reported).

Adjusted earnings per share ("EPS") was 60.78 $cent (HY 2022: 57.17 $cent) up 6.6% constant currency (up 6.3% reported).

Balance sheet and financing

Glanbia's net debt at 1 July 2023 was $450.8 million (HY 2022: $675.6 million) which represents a decrease of $224.8 million driven by strong cash generation, the sale of the Group's interest in the Glanbia Cheese mozzarella joint ventures and a disciplined approach to capital allocation. Net debt to adjusted EBITDA was 0.99 times (HY 2022: 1.75 times). At the end of the period the Group had committed debt facilities of $1.3 billion. Glanbia's ability to generate cash and its available debt facilities ensure the Group has considerable capacity to finance future investments.

Capital investment

Glanbia's total investment in capital expenditure (strategic and maintenance) was $36.8 million in the first half of 2023 (HY 2022: $32.0 million). Strategic investment totalled $27.3 million. Key strategic projects include IT investments and new process technologies in GN NS. Total capital expenditure for the year is expected to be $75 to $85 million.

Dividend per share

The Board is recommending an interim dividend of 14.22 €cent per share (HY 2022: 12.93 €cent per share) representing a 10% increase on prior year interim dividend. Glanbia's overall dividend policy remains unchanged at a target annual dividend payout ratio of between 25% and 35% of adjusted EPS. The interim dividend will be paid on 6 October 2023 to shareholders on the register of members as at 25 August 2023. Irish withholding tax will be deducted at the standard rate where appropriate. The Company's primary dividend payment currency remains Euro.

Share buyback

Glanbia maintained share buyback activity through the first half of 2023, deploying €64.5 million in the period (HY 2022: €127.1 million). On 4 May 2023, the Group announced a €50 million increase and extension of the March 2023 share buyback programme, bringing the total programme amount to €100 million.

Sale of share of Joint Ventures

On 28 April 2023, Glanbia completed the sale of its shareholdings in its Glanbia Cheese Limited and Glanbia Cheese EU Limited (collectively "Glanbia Cheese") mozzarella joint ventures to its joint venture partner Leprino Foods Company. On completion, Glanbia received initial proceeds of €178.9 million, which included repayment of shareholder loans.

Board and management update

Today, the Glanbia plc board (the "Glanbia Board") announces that Siobhán Talbot has notified it of her intention to retire from Glanbia plc following ten successful years as Group Managing Director. Siobhán will step down from her position and from the Glanbia Board on 31 December 2023 and will retire from the Group in January 2024. Hugh McGuire, currently Chief Executive Officer ("CEO") of Glanbia Performance Nutrition, will be appointed CEO of Glanbia plc and join the Glanbia Board as an Executive Director effective 1 January 2024.

In line with the relationship agreement with Tirlán Co-operative Society Limited (the "Society") Patsy Ahern and John Murphy retired at the AGM held on 4 May 2023, reducing the Society's representation on the Board to three directors.

On the same date, the Group announced the appointment of Ms Gabriella Parisse to its Board as an Independent Non-Executive Director effective 1 June 2023.

Following Ms Parisse's appointment, the Board is comprised of 13 members including, the Chairman, two Executive Directors, three representatives from Tirlán Co-operative Society Limited and seven Independent Non-Executive Directors.

2023 Outlook

The Group is today upgrading its full year guidance to 12% to 15% growth in adjusted EPS constant currency, based on delivery of the first half results and the continued momentum in GPN. The Group outlines the following guidance for FY 2023:

- GPN expects revenue to be at the lower end of the previously guided 5% to 7% growth on a constant currency basis and has upgraded full year EBITA margin expectations to be between 13.5% and 14.5%.
- GN NS expects a low double digit decline in like-for-like revenue driven by lower dairy market pricing and a mid-single digit volume decline. GN NS EBITA margins are expected to be between 12% and 13%.
- Group EBITA growth is expected to be driven largely by strong growth in GPN.
- The performance in joint ventures is expected to be reduced due to the disposal of the Glanbia Cheese joint ventures.
- The Group continues to target an operating cash flow conversion rate of 80%+ for FY 2023.

Change in US Joint Venture Commercial Arrangements

Glanbia is in the process of amending the commercial agreements associated with its US joint venture. Subject to the successful completion of these amendments, under the new commercial terms, which are expected to come into effect from 2024, Glanbia will only recognise commissions earned on the sale of joint venture products. Under existing commercial terms, Glanbia records the gross value of revenues and corresponding cost of sales on joint venture products sold. The change in commercial terms will only impact the recognition and presentation of revenues and cost of sales from 2024 onwards, and will not have any material impact on profit.

For illustrative purposes, Group revenues will reduce by approximately $2 billion and Group EBITA margins will increase by approximately 300+ basis points.

Inside Information

This announcement contains inside information. The person responsible for arranging for the release of this announcement on behalf of Glanbia plc is Liam Hennigan, Group Secretary and Head of Investor Relations. The time and date of this announcement is, at 7am BST, 16 August 2023.

Half year 2023 operations review

(Commentary on percentage movements is on a constant currency basis throughout)

Glanbia Performance Nutrition

$m – pre-exceptional	HY 2023	HY 2022	Reported change	Constant currency change
Revenue	888.9	867.8	2.4%	3.4%
EBITA	107.8	89.9	19.9%	20.4%
EBITA margin	12.1%	10.4%		

- Like-for-like ("LFL") branded revenue growth of +3.7% with volume -7.2% and pricing +10.9%.
- ON, the leading brand in the sports nutrition sector globally, delivered LFL revenue growth of 16.2%.
- EBITA margin of 12.1%, an increase of 170bps versus HY 2022.

GPN revenue increased by 3.4% in HY 2023 versus prior year. This was driven by price increases of 10.9% offset by a volume decline of 7.5%. Pricing was positive across all brands following the execution of strategic price increases in 2022. The implemented price increases have largely been maintained across the portfolio with consumer elasticity within the performance nutrition category better than expected. The volume decline was largely driven by the SlimFast brand, with the previously highlighted challenges in the diet category impacting brand performance. ON, which represents 60% of the GPN portfolio, delivered both volume and price growth in the period as the brand continues to drive global distribution and velocities, supported by increased marketing activation and brand investment.

GPN EBITA increased by 20.4% versus prior year to $107.8 million and EBITA margin increased by 170 basis points to 12.1%. This was driven by strong continued focus on revenue growth management initiatives, operating efficiencies and margin optimisation. The positive phasing of input costs in the second half of 2023 will support both further brand investment and margin improvement.

Americas

GPN Americas revenue for HY 2023 was broadly in line with the prior year, with strong growth in the ON and Isopure brands offsetting the anticipated declines in the SlimFast brand. Pricing was positive across all brands.

The ON brand continues its strong performance and delivered US consumption growth in the 12 weeks to mid-July of 14.3% building on a strong comparative period. Trends in the healthy lifestyle portfolio remained robust, with US consumption growth in the 12 weeks to mid-July of 11.7% across the think!, Isopure and Amazing Grass brands. The strong growth in the ON and Isopure brands in the period was driven largely by the powders format, which continues to resonate as a value offering with consumers.

The SlimFast brand, which now represents 11% of the GPN global portfolio, continues to decline as ongoing challenges within the diet and weight management category have resulted in reduced shelf space and velocities. US consumption in the 12 weeks to mid-July was down 33.0%. Pending a recovery of the diet and weight management categories, GPN plans to prioritise investment and resources behind the performance nutrition and healthy lifestyle brands.

International

GPN International grew like-for-like revenues by 11.6% in HY 2023. This was driven by volume growth of the ON brand in key priority markets which was supported by increased brand investment. Pricing was positive across all regions due to the execution of the 2022 price increases.

Glanbia Nutritionals

$m – pre-exceptional	HY 2023			HY 2022		
	Revenue	EBITA	Margin %	Revenue	EBITA	Margin %
Nutritional Solutions	525.5	67.8	12.9%	643.4	78.4	12.2%
US Cheese	1,357.0	23.0	1.7%	1,580.1	19.3	1.2%
Total Glanbia Nutritionals	**1,882.5**	**90.8**	**4.8%**	**2,223.5**	**97.7**	**4.4%**

Nutritional Solutions

$m – pre-exceptional	HY 2023	HY 2022	Reported change	Constant currency change
Revenue	525.5	643.4	(18.3%)	(17.8%)
EBITA	67.8	78.4	(13.5%)	(13.3%)
EBITA margin	12.9%	12.2%		

- LFL revenue decline of 15.2% with volumes -10.4% and pricing -4.8%.
- EBITA margin of 12.9%, an increase of 70 basis points versus HY 2022.
- Sequential volume improvement as the period progressed.

GN NS revenue decreased by 17.8% in HY 2023. This was driven by a 10.4% decrease in volume, 4.8% decrease in price and a decrease of 2.6% driven by the net impact of acquisitions and disposals. The volume decline was driven largely by the expected customer supply chain rebalancing in the custom premix solutions business. The price decline was driven by the decline in dairy market pricing, with positive pricing in the custom premix solutions business.

Protein volumes were stable in the period and while customer supply chain rebalancing reduced revenue in the custom premix solutions business, overall GN NS saw a sequential improvement in volumes as the period progressed. Based on customer engagements, this improving volume trend is expected to continue with year-on-year volume growth expected in the second half of the year leading to an expectation of a mid-single digit decline in overall GN NS volumes for FY 2023.

GN NS EBITA was $67.8 million, a 13.3% decline versus prior year primarily as a result of the volume decline in the first half of 2023. EBITA margins increased by 70 basis points versus prior year to 12.9% as a result of both operating efficiencies and the accretive impact of lower dairy pricing.

US Cheese

$m – pre-exceptional	HY 2023	HY 2022	Reported change	Constant currency change
Revenue	1,357.0	1,580.1	(14.1%)	(14.1%)
EBITA	23.0	19.3	19.2%	18.6%
EBITA margin	1.7%	1.2%		

US Cheese revenue declined by 14.1% in HY 2023. This was driven by a 0.4% increase in volume and a 14.5% decline in price, with the pricing decline aligned to the lower year-on-year market pricing.

US Cheese EBITA increased by 18.6% to $23.0 million as a result of strong operating efficiencies. US Cheese operates a robust pass through pricing model which protects earnings from changes in market pricing.

Joint Ventures (Glanbia share)

$m – pre-exceptional	HY 2023	HY 2022	Change
Share of joint ventures' profit after tax	6.5	12.5	(6.0)

The Group's share of joint ventures' profit after tax pre-exceptional items for continuing operations decreased by $6.0 million to $6.5 million.

Glanbia's only joint venture at the period end is MWC-Southwest Holdings in the US.

The Group completed the sale of its shareholdings in Glanbia Cheese Limited and Glanbia Cheese EU Limited (collectively "Glanbia Cheese") joint ventures on 28 April 2023. On completion, the Group received initial proceeds of €178.9 million, which included repayment of shareholder loans. The memorandum of understanding for the sale was signed on 14 February 2023 and the Group ceased to apply the equity method of accounting for its interest in these joint ventures from this date.

HALF YEAR 2023 FINANCE REVIEW

As announced on 1 March 2023, the Group has changed the currency in which it presents its financial results from euro to US Dollar. Unless stated otherwise, the figures in this finance review are stated in US Dollar. Comparative figures have been restated in US Dollar.

Half year 2023 Group Income Statement

	HY 2023			HY 2022		
$m	**Pre-exceptional**	**Exceptional**	**Total**	**Pre-exceptional**	**Exceptional**	**Total**
Revenue	**2,771.4**	**-**	**2,771.4**	3,091.3	-	3,091.3
Earnings before interest, tax and amortisation (EBITA)	**198.6**	**55.9**	**254.5**	187.6	(0.6)	187.0
EBITA margin	**7.2%**	**-**	**9.2%**	6.1%	-	6.1%
Intangible asset amortisation	**(40.0)**	**-**	**(40.0)**	(39.5)	-	(39.5)
Operating profit	**158.6**	**55.9**	**214.5**	148.1	(0.6)	147.5
Finance income	**5.7**	**-**	**5.7**	0.5	8.0	8.5
Finance costs	**(12.7)**	**-**	**(12.7)**	(11.1)	-	(11.1)
Share of results of joint ventures	**6.5**	**-**	**6.5**	12.5	0.2	12.7
Profit before taxation	**158.1**	**55.9**	**214.0**	150.0	7.6	157.6
Income taxes	**(21.2)**	**0.6**	**(20.6)**	(17.2)	-	(17.2)
Profit from continuing operations	**136.9**	**56.5**	**193.4**	132.8	7.6	140.4
Discontinued operations						
Profit after tax from discontinued operations	**-**	**-**	**-**	-	61.1	61.1
Profit for the half year	**136.9**	**56.5**	**193.4**	132.8	68.7	201.5

Revenue

Revenue decreased by 10% versus prior half year on a constant currency basis to $2.8 billion, a decrease of 10.3% on a reported basis. GPN revenues grew by 3.4% constant currency (2.4% reported) on prior period driven by positive pricing of 10.9%, net of volume decline of 7.5%. GN revenues declined 15.2% constant currency (15.3% reported) on prior period driven by volume decreases of 2.8%, price decreases of 11.7% and M&A related reductions of 0.7% as the positive impact of recent acquisitions was more than offset by divestment activity.

EBITA

EBITA before exceptional items increased by 6.1% constant currency (5.9% reported) to $198.6 million (HY 2022: $187.6 million), with EBITA margin growth of 110 basis points to 7.2% (HY 2022: 6.1%).

GPN pre-exceptional EBITA increased by 20.4% constant currency (19.9% reported) to $107.8 million (HY 2022: $89.9 million). GPN pre-exceptional EBITA margin increased by 170 basis points to 12.1% (HY 2022: 10.4%).

GN pre-exceptional EBITA decreased by 7.0% constant currency (7.1% reported) to $90.8 million (HY 2022: $97.7 million). GN pre-exceptional EBITA margin increased by 40 basis points to 4.8% (HY 2022: 4.4%).

Net finance costs

Net finance costs before exceptional items decreased by $3.6 million to $7.0 million (HY 2022: $10.6 million). The decrease was driven primarily by a reduction in the Group's average net financial indebtedness during HY 2023 vs HY 2022. The Group's average interest rate in HY 2023 was 2.1% (HY 2022: 2.2%). Glanbia operates a policy of fixing a significant amount of its interest exposure, with 95% of projected 2023 debt currently contracted at fixed rates.

Share of results of Joint Ventures

The Group's pre-exceptional share of joint venture (continuing operations) profits decreased by $6.0 million to $6.5 million (HY 2022: $12.5 million). The share of results of joint ventures is stated after tax.

Following the agreement reached to sell the Group's share of its investment in the Glanbia Cheese UK and Glanbia Cheese EU joint venture operations on 14 February 2023, equity accounting ceased to apply from this date and the investments were considered held-for-sale. This sales transaction was completed on 28 April 2023.

Prior year discontinued operations relate to the Tirlán Limited (formerly known as Glanbia Ireland DAC) joint venture operation which was classified as an asset 'held-for-sale' in 2021. Following the receipt of all shareholder approvals and regulatory clearances, the disposal was completed in April 2022, with the related once off gain on disposal treated as an exceptional item in the prior period.

Income taxes

The half year 2023 pre-exceptional tax charge increased by $4.0 million to $21.2 million (HY 2022: $17.2 million). This represents an effective tax rate, excluding joint ventures, of 14.0% (HY 2022: 12.5%) and is in line with expectation. The Group currently expects that its effective tax rate for FY 2023 will be in the range of 13.5% to 14.5%.

Exceptional items

Exceptional items incurred in the first half of 2023 resulted in a net post-tax exceptional gain of $56.5m (HY 2022: $68.7m). Details of the exceptional items incurred in the period are as follows:

$m – continuing operations	**HY 2023**	**HY 2022**
Net exceptional gain on disposal of operations (note 1)	**57.8**	-
Pension related costs (note 2)	**(1.2)**	(0.6)
Portfolio related reorganisation costs (note 3)	**(0.7)**	-
Changes in fair value of contingent consideration (note 4)	**-**	8.0
Wholly-owned exceptional gain before tax	**55.9**	7.4
Share of results of equity accounted investees, net of tax (note 2)	**-**	0.2
Exceptional tax credit	**0.6**	-
Exceptional gain after tax	**56.5**	7.6
$m – discontinued operations		
Exceptional gain from discontinued operations (note 5)	**-**	61.1
Exceptional gain after tax – discontinued operations	**-**	61.1
Total exceptional gain in the period	**56.5**	68.7

1. ***Net exceptional gain on disposal of operations*** relates to the gain on disposal of the UK and Ireland Glanbia Cheese joint venture operations and a small US based bottling facility (Aseptic Solutions) which was designated as held-for-sale at 31 December 2022. Both transactions concluded during H1, 2023 and the gain represents the difference between proceeds received (and contingent consideration anticipated), net of costs associated with the divestment and exit of these non-core businesses and the carrying value of the investments.
2. ***Pension related costs*** relate to the restructure of legacy defined benefit pension schemes associated with the Group and joint ventures, which included initiating a process for the ultimate buy out and wind up of these schemes and a further simplification of the schemes that remain. Costs incurred relate to the cost of the settlement loss as a result of acquiring bulk purchase annuity policies to mirror and offset movements in known liabilities of the schemes ('buy-in' transaction), as well as related advisory and execution costs net of gains arising from risk reduction activities. This restructuring effort involves the careful navigation of external market factors, with final wind up of schemes targeted by the end of 2023.
3. ***Portfolio related reorganisation costs*** relate to the one-off costs as a result of recent portfolio changes. Following divestment decisions related to non-core businesses, the Group launched a programme to realign Group-wide support functions and optimise structures of the remaining portfolio, to more efficiently support business operations and growth. This programme continues into 2023, with realisation of benefits from 2024 onwards. Costs incurred to date relate to advisory fees and people related costs.
4. Prior year ***changes in fair value of contingent consideration*** relate to contingent payments associated with the 2021 LevlUp acquisition that reduced following an assessment of conditions that gave rise to the additional payments.
5. Prior year ***exceptional gain from discontinued operations*** relates to the gain arising on the completion of the disposal of the Group's 40% interest in Tirlán Limited (formerly known as Glanbia Ireland DAC) ("Tirlán") to Tirlán

Co-operative Society Limited (formerly known as Glanbia Co-operative Society Limited). The gain represents the difference between proceeds received, net of transaction related costs, and the carrying value of the Group's investment in Tirlán. The transaction completed on 1 April 2022.

Profit after tax

Profit after tax for the half year was $193.4 million compared to $201.5 million in HY 2022, comprising continuing operations of $193.4 million (HY 2022: $140.4 million) and discontinued operations of $nil (HY 2022: $61.1 million). Profit after tax from continuing operations comprises pre-exceptional profit of $136.9 million (HY 2021: $132.8 million) and exceptional gains of $56.5 million (HY 2022: gain of $7.6 million). Pre-exceptional profitability is relatively consistent period on period.

Profit after tax from discontinued operations in the prior period relates entirely to the Group's share of Tirlán Limited (formerly known as Glanbia Ireland DAC) which was disposed of in April 2022, with the resulting gain on disposal being recognised as an exceptional gain.

Earnings per share (EPS)

	HY 2023	HY 2022	Reported change	Constant currency change
Basic EPS	**71.90c**	**72.29c**	**(0.5%)**	**0.0%**
- continuing operations	71.90c	50.40c	42.7%	43.1%
- discontinued operations	-	21.89c	-	-
Adjusted EPS	**60.78c**	**57.17c**	**+6.3%**	**+6.6%**
- continuing operations	60.78c	57.17c	+6.3%	+6.6%
- discontinued operations	-	-	-	-

Basic EPS remained consistent with the prior period, with the reduction in profits from discontinued operations largely offset by increased profitability from continuing operations.

Adjusted EPS is a key performance indicator ("KPI") of the Group and a key metric guided to the market and a key element of Executive Director and senior management remuneration. Adjusted EPS increased by 6.6% constant currency (+6.3% reported), all from continuing operations. Full year 2023 adjusted EPS is expected to be in the range of 12% to 15% growth on a constant currency basis versus prior year.

Cash flow

The principal cash flow KPIs of the Group and business segments are Operating Cash Flow ("OCF") and Free Cash Flow ("FCF"). OCF represents EBITDA of the wholly-owned businesses net of business-sustaining capital expenditure and working capital movements, excluding exceptional cash flows. FCF is calculated as the cash flow in the period before the following items: strategic capital expenditure, equity dividends paid, expenditure on share buyback, acquisition spend, proceeds received on disposal, exceptional costs paid, loans/equity invested in joint ventures, and foreign exchange movements. These metrics are used to monitor the cash conversion performance of the Group and Business Units and identify available cash for strategic investment. OCF conversion, which is OCF as a percentage of EBITDA, is a key element of the Executive Directors and senior management remuneration. OCF and FCF half year results for the Group are outlined below.

$m	HY 2023	HY 2022
EBITDA pre-exceptional	**232.2**	222.9
Movement in working capital (pre-exceptional)	**(181.4)**	(246.2)
Business-sustaining capital expenditure	**(9.5)**	(8.0)
Operating cash flow	**41.3**	(31.3)
Net interest and tax paid	**(37.0)**	(34.8)
Dividends from joint ventures	**19.5**	2.9
Payment of lease liabilities	**(10.8)**	(8.1)
Other outflows	**(5.0)**	(2.1)
Free cash flow	**8.0**	(73.4)
Strategic capital expenditure	**(27.3)**	(24.0)
Dividend paid to Company shareholders	**(57.3)**	(53.5)
Share buyback (purchase of own shares)	**(69.3)**	(138.9)
Payment for acquisition of subsidiaries	**-**	(59.8)
Exceptional costs paid	**(8.5)**	(16.2)
Repayment of loans from joint ventures	**67.8**	27.6
Proceeds on disposal of non-core businesses	**130.8**	339.3
Net cash flow	**44.2**	1.1
Exchange translation	**(5.0)**	4.9
Cash acquired on acquisition	**-**	1.0
Net debt movement	**39.2**	7.0
Net debt at the beginning of the period	**(490.0)**	(682.6)
Net debt at the end of the period	**(450.8)**	(675.6)

OCF was an inflow of $41.3 million (HY 2022: outflow of $31.3 million) and represents a cash conversion on EBITDA of 17.8% (HY 2022: -14%) in the period. The increase in OCF versus prior period was due primarily to a reduced investment in working capital as pricing and inventory volumes returned to more normalised levels following a period of significant inflation and supply chain disruption throughout 2022. Full year OCF cash conversion expected to be in line with the 80%+ target.

FCF was an inflow of $8.0 million (HY 2022: outflow of $73.4 million), with the movement since prior period primarily as a result of movements in OCF outlined above, as well as an increase in dividend income from Joint Ventures.

Capital allocated for the benefit of shareholders includes regular dividend payments of $57.3 million (HY 2022: $53.5 million) and the execution of share buyback programmes of $69.3 million (HY 2022: $138.9 million), with the most recent buyback programme that launched in March 2023 and extended in May 2023 ongoing at HY 2023.

The prior year acquisition relates to the acquisition of Sterling Technology, with no further acquisitions in the current period. Divestment proceeds primarily related to the disposal of the Group's interest in the UK and Ireland Glanbia Cheese joint ventures and the prior year relates to the completion of the disposal of the Group's 40% holding in Tirlán Limited (formerly known as Glanbia Ireland DAC).

Group financing

Financing key performance indicators	HY 2023	HY 2022
Net debt: adjusted EBITDA	0.99 times	1.75 times
Adjusted EBIT: net finance cost	23.1 times	16.0 times

The Group's financial position remains strong. Net debt at the 2023 half year was $450.8 million. This represents a decrease of $224.8 million from the prior half year net debt of $675.6 million. At half year 2023, Glanbia had committed debt facilities of $1.31 billion (HY 2022: $1.27 billion) with a weighted average maturity of 5.2 years. Glanbia's ability to generate cash as outlined above and available debt facilities ensures the Group has considerable capacity to finance future investments. Net debt to adjusted EBITDA was 0.99 times and interest cover was 23.1 times, with both metrics remaining well within financing covenants.

Use of capital

Capital expenditure
The cash outflow relating to capital expenditure for half year 2023 amounted to $36.8 million (HY 2022: $32.0 million) which includes $9.5 million of business-sustaining capital expenditure and $27.3 million of strategic capital expenditure.

Investments in equity accounted investees
During half year 2023, a further $3.5 million was advanced to Glanbia Cheese EU which was subsequently divested in the period. In advance of the divestment of both Glanbia Cheese joint venture operations in the UK and Ireland which completed in April 2023, outstanding loans of $71.3 million were repaid in full.

Pension
The Group's net pension position under IAS 19 (revised) 'Employee Benefits', before deferred tax, improved by $5.0 million since 1 January 2023, resulting in a net pension asset of $6.7 million at 1 July 2023. The defined benefit pension position is calculated by discounting the estimated future cash outflows using appropriate corporate bond rates. Restructuring of legacy defined pension schemes which began in 2021 is ongoing. Favourable market conditions resulted in actuarial gains in the period, which reduced the net pension liability resulting in an increase in the net asset position at period end.

Dividends
Glanbia's overall dividend policy remains unchanged at a target annual dividend payout ratio of between 25% and 35% of adjusted EPS. In line with this policy, the Board is recommending an interim dividend of 14.22 €cent per share (HY 2022: 12.93 €cent per share). The dividend will be paid on 6 October 2023 to shareholders on the register of members as at 25 August 2023. Irish withholding tax will be deducted at the standard rate where appropriate.

Share buyback
In March 2023, the Group commenced a share buyback programme of €50 million, which was subsequently extended by a further €50 million in May 2023, and which was ongoing at half year 2023. A total of $69.3 million (HY 2022: $138.9 million) was deployed under this programme in the period, with the completion of this programme expected over the second half of 2023.

Foreign exchange
Glanbia generates over 90% of its earnings in US Dollar currency and has significant assets and liabilities denominated in US Dollars. As a result, Glanbia has recently changed the currency in which it presents its financial results from euro to US Dollar to reduce (but not eliminate) the impact to reported numbers arising from currency movements year-on-year and on retranslation of non-monetary assets and liabilities in the preparation of the half year consolidated financial statements. Commentary continues to be provided within the income statement on a constant currency basis to provide a better reflection of the underlying operating results in the year, as this removes the translational currency impact. To arrive at the constant currency change, the average foreign exchange rate for the current period is applied to the relevant reported result from the same period in the prior year. Key non-US Dollar currencies for the Group over the period were euro and pound sterling, for which period end exchange rates were as follows:

	HY 2023	FY 2022	HY 2022
1 US Dollar converted to euro	**0.9203**	0.9376	0.9592
1 US Dollar converted to pound sterling	**0.7899**	0.8315	0.8312

Financial strategy

Glanbia's financial strategy is very much aligned with its overall strategy of ensuring the Group delivers on its key financial goals. Specific financial goals to enable this strategy include:

- Assessing both external and organic investment opportunities against a target benchmark of 12% return after tax by end of year three;
- Focusing the organisation on cash conversion through improved working capital management and disciplined business-sustaining capital expenditure, with a goal of greater than 80% cash conversion as a percentage of EBITDA;
- Leveraging the Group's activities to enable improved cost structures utilising shared services, procurement, IT and a continuous improvement mindset;
- Maintaining the capital structure of the Group within an implicit investment-grade credit profile; and
- Capital allocation policy to return capital to shareholders which includes a dividend policy with a payout ratio of between 25% and 35% and the authorisation to implement a share buyback programme.

Principal risks and uncertainties

The Board of Glanbia plc has the ultimate responsibility for the Group's systems of risk management and internal control. The Group's risk management framework outlines the key stakeholder risk management responsibilities. It is strategically designed to foster risk awareness and ensure active participation across all levels of the business to the management of risk. A primary objective is to enable the Group to remain responsive to the dynamic environment in which it operates. This framework, together with the processes to identify, manage and mitigate potential material key risks to the achievement of the Group's strategic objectives are set out in detail on pages 67-77 of Glanbia plc's 2022 Annual Report.

The Group's principal risks and uncertainties, which are summarised in the risk profile table below, continue to remain relevant and unchanged from the risks reported for the year ended 31 December 2022. While no new principal risks were identified during the period, the underlying risk trend and potential impacts of some of these risks has evolved including:

- Supply Chain risks have stabilised during the period, primarily due to the strategic purchasing of whey and where required, the alternative sourcing of ingredients to ensure that sufficient quantities are on hand to fulfil orders. While continued inflationary pressures exist on non-whey ingredients there has been a notable improvement in global supply chain performance and significantly improved whey pricing.
- Talent Management risks have also stabilised during the first half of the year. While labour market remains strong, despite several interest rate increases in our core operating regions, the Group is seeing an improvement in the employee turnover trend versus 2022 which is supported by improved employee engagement scores, particularly for hourly employees. Given the potential for a combination of external factors to influence this position, the Group will remain cautious and continue to closely monitor employment trends and adjust our recruitment and retention practices as required.
- Economic, Industry and Political risk, Market Disruption risk, Climate Change risk and Cyber Security and Data Protection risk continue to remain elevated risks.

There may be other risks and uncertainties that are not yet considered material or not yet known to the Group and this list will change if these risks assume greater importance in the future.

	Strategic/External	Financial	Technological	Operational/Regulatory
Risk where trend is stable	• Customer concentration	• Taxation changes	• Digital transformation	• Health and safety • Product safety and compliance • Acquisition/Integration • Supply chain • Talent management
Risk where trend is increasing	• Economic, Industry and Political • Market disruption • Climate change		• Cyber security and data protection	

The Board is closely monitoring the key risks that could materially and adversely affect the Group's ability to achieve its strategic objectives, particularly those whose probability of occurrence/extent of impact are elevated by the consequences of the ongoing war in Ukraine, the global economic outlook and the continued inflationary, energy and interest rate pressures. Similar, to our previous disclosures, these risks have wide-ranging consequences on our principal risks and uncertainties with the consequences being captured in the relevant principal risks rather than shown as stand-alone items. The key risk factors and uncertainties with the potential to impact on the Group's financial performance in the second half of 2023 include:

- **Economic, industry and political risk** – the global macroeconomic and market consequences of the war in Ukraine continue to create volatility. The Board is also closely monitoring tensions in other key trading regions, particularly between China and Taiwan, where any potential conflict, economic sanctions or trade rulings would impact Glanbia's growth objectives.
- **Market disruption risk** – adverse changes in economic conditions, persistent inflationary, energy rate and interest rate pressures have continued to increase the cost of living and could result in reduced consumer spending which may disrupt demand and increase operational and financial costs.
- **Supply chain risk** – while supply chain volatility has reduced in the period, the ongoing geopolitical tensions and inflation headwinds could potentially impact the importation of key raw materials and/or negatively impact on the Group's international sales channels. The Group is holding appropriate safety stocks of core raw materials,

however a prolonged impact to supply chains due to a pandemic or geopolitical event in a key trading region would have negative consequences from both a supply and pricing perspective.

- **Customer concentration risk** – while strategically the Group aims to build strong customer relationships with major customers, material disruption with, or loss of, one or more of these customers, or a significant deterioration in commercial terms, could materially impact profitability. This risk can also expose the Group to credit exposure and other balance sheet risks. The Board is focused on utilising available mitigation to limit such exposures where possible.
- **Health and safety risk** – a failure to maintain good health and safety practices or the risk of a global pandemic, such as Covid-19, in Glanbia's core markets, may adversely impact performance. A wide range of additional measures and mitigations have been introduced as a result of the Covid-19 pandemic and remain in place which build on the existing strong controls across the Group.

Management continues to identify, monitor, assess and embed our climate related risks and opportunities (CROs). The CROs as outlined in the 2022 Annual Report on pages 62 to 65 continue to apply to the Group and are expected to remain the same for the remainder of 2023. The key focus for 2023 is the completion of the required scoping and feasibility assessment to fulfil the transition plan, in order to remain on track to comply with the Group's commitments. This is currently in progress together with the plan to accelerate the modelling work to develop a comprehensive roadmap to reduce Scope 3 emissions to meet the Group's stated target.

The Group actively manages these and all other risks, inclusive of emerging risks, through its risk management and internal control processes.

Cautionary statement

Glanbia plc has made forward-looking statements in this document that are based on management's beliefs and assumptions and on information currently available to management. Forward-looking statements include, but are not limited to, information concerning the Group's possible or assumed future results of operations, business strategies, financing plans, competitive position, potential growth opportunities, potential operating performance improvements, the effects of competition and the effects of future legislation or regulations. Forward-looking statements include all statements that are not historical facts and can be identified by the use of forward-looking terminology such as the words 'believe', 'develop', 'expect', 'ensure', 'arrive', 'achieve', 'anticipate', 'maintain', 'grow', 'aim', 'deliver', 'sustain', 'should' or the negative of these terms or similar expressions. Forward-looking statements involve risks, uncertainties and assumptions. Actual results may differ materially from those expressed in these forward-looking statements. You should not place undue reliance on any forward-looking statements. The risk factors included on pages 72 to 77 of the Group's 2022 Annual Report, could cause the Group's results to differ materially from those expressed in forward-looking statements. There may be other risks and uncertainties that the Group is unable to predict at this time or that the Group currently does not expect to have a material adverse effect on its business. These forward-looking statements are made as of the date of this document. The Group expressly disclaims any obligation to update these forward-looking statements other than as required by law. The forward-looking statements in this release do not constitute reports or statements published in compliance with any of Regulations 6 to 8 of the Transparency (Directive 2004/109/EC) Regulations 2007.

Results webcast and dial-in details

There will be a webcast and presentation to accompany this results announcement at 8.30 a.m. BST today. Please access the webcast from the Glanbia website at https://www.glanbia.com/investors/results-reports-and-presentations, where the presentation can also be viewed or downloaded. In addition, a dial-in facility is available using the following numbers:

Ireland	+353 (0)1 691 7842
United Kingdom	+44 (0) 203 936 2999
United States	+1 646 787 9445
Rest of the world	+44 (0) 203 936 2999

The access code for all participants is: 767571
A replay of the call will be available for 30 days approximately two hours after the call ends.

For further information contact

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Responsibility statement

Each of the Directors of Glanbia plc, whose names and functions are listed on the Group's website (www.glanbia.com), confirms that to the best of each person's knowledge and belief:

- the 2023 Half Year Financial Report is in accordance with International Accounting Standard (IAS) 34, 'Interim Financial Reporting', as adopted by the European Union and the Transparency (Directive 2004/109/EC) Regulations 2007, as amended, and the Central Bank (Investment Market Conduct) Rules 2019; and

- the 2023 Half Year Financial Report includes a fair review of:
    - important events that have occurred during the first six months of the year, and their impact on the condensed consolidated interim financial statements;
    - a description of the principal risks and uncertainties for the remaining six months of the financial year;
    - details of any related party transactions that have materially affected the Group's financial position or performance in the six months ended 1 July 2023, and material changes to related party transactions described in the Annual Report for the year ended 31 December 2022; 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

Siobhán Talbot Group Managing Director	Mark Garvey Group Finance Director

15 August 2023

CONDENSED GROUP INCOME STATEMENT
FOR THE HALF YEAR ENDED 1 JULY 2023

	Notes	Half year 2023 Pre-exceptional $m	Half year 2023 Exceptional $m (note 7)	Half year 2023 Total $m	Restated* Half year 2022 Pre-Exceptional $m	Restated* Half year 2022 Exceptional $m (note 7)	Restated* Half year 2022 Total $m
CONTINUING OPERATIONS							
Revenue	4	**2,771.4**	**-**	**2,771.4**	3,091.3	-	3,091.3
Operating profit before intangible asset amortisation (earnings before interest, tax and amortisation (EBITA))	6	**198.6**	**55.9**	**254.5**	187.6	(0.6)	187.0
Intangible asset amortisation	6	**(40.0)**	**-**	**(40.0)**	(39.5)	-	(39.5)
Operating profit	6	**158.6**	**55.9**	**214.5**	148.1	(0.6)	147.5
Finance income	9	**5.7**	**-**	**5.7**	0.5	8.0	8.5
Finance costs	9	**(12.7)**	**-**	**(12.7)**	(11.1)	-	(11.1)
Share of results of joint ventures accounted for using the equity method	4	**6.5**	**-**	**6.5**	12.5	0.2	12.7
Profit before taxation		**158.1**	**55.9**	**214.0**	150.0	7.6	157.6
Income taxes	10	**(21.2)**	**0.6**	**(20.6)**	(17.2)	-	(17.2)
Profit from continuing operations		**136.9**	**56.5**	**193.4**	132.8	7.6	140.4
DISCONTINUED OPERATIONS							
Profit after tax from discontinued operations		**-**	**-**	**-**	-	61.1	61.1
Profit for the period		**136.9**	**56.5**	**193.4**	132.8	68.7	201.5
Attributable to:							
Equity holders of the Company	12			**193.6**			201.8
Non-controlling interests				**(0.2)**			(0.3)
				193.4			201.5
Earnings Per Share from continuing operations attributable to the equity holders of the Company							
Basic Earnings Per Share (cent)	12			**71.90**			50.40
Diluted Earnings Per Share (cent)	12			**70.91**			49.90
Earnings Per Share attributable to the equity holders of the Company							
Basic Earnings Per Share (cent)	12			**71.90**			72.29
Diluted Earnings Per Share (cent)	12			**70.91**			71.57

* Restated throughout for presentation in US Dollar. See note 2 for further details.

CONDENSED GROUP STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 1 JULY 2023

	Notes	Half year 2023 $m	Restated* Half year 2022 $m
Profit for the period		**193.4**	201.5
Other comprehensive income			
Items that will not be reclassified subsequently to the Group income statement			
Remeasurements on defined benefit plans, net of deferred tax		**2.3**	15.0
Share of other comprehensive income of joint ventures, net of deferred tax	19.2	**0.1**	0.7
Revaluation of equity instruments at FVOCI, net of deferred tax	19.1	**0.1**	0.3
Items that may be reclassified subsequently to the Group income statement			
Currency translation differences	19.1	**2.4**	(14.0)
Currency translation difference arising on net investment hedge	19.1	**1.8**	(8.2)
(Loss)/gain on cash flow hedges, net of deferred tax		**(2.0)**	2.4
Share of other comprehensive income of joint ventures, net of deferred tax		**0.1**	10.6
Other comprehensive income for the period, net of tax		**4.8**	6.8
Total comprehensive income for the period		**198.2**	208.3
Total comprehensive income attributable to:			
Equity holders of the Company		**198.4**	208.6
Non-controlling interests		**(0.2)**	(0.3)
Total comprehensive income for the period		**198.2**	208.3

* Restated throughout for presentation in US Dollar. See note 2 for further details.

CONDENSED GROUP BALANCE SHEET
AS AT 1 JULY 2023

	Notes	1 July 2023 $m	Restated* 31 December 2022 $m
ASSETS			
Non-current assets			
Property, plant and equipment		**509.4**	510.8
Right-of-use assets		**94.4**	100.7
Intangible assets		**1,530.9**	1,549.0
Interests in joint ventures	14	**162.3**	225.3
Other financial assets		**2.4**	2.3
Loans to joint ventures		**-**	65.6
Deferred tax assets		**4.3**	5.0
Other receivables		**0.2**	0.3
Retirement benefit assets	8	**7.4**	3.2
		2,311.3	2,462.2
Current assets			
Inventories		**582.5**	750.5
Trade and other receivables		**524.3**	404.7
Current tax receivables		**17.2**	13.7
Derivative financial instruments		**2.0**	3.1
Cash and cash equivalents (excluding bank overdrafts)		**251.0**	467.9
		1,377.0	1,639.9
Assets held for sale		**-**	15.2
		1,377.0	1,655.1
Total assets		**3,688.3**	4,117.3
EQUITY			
Issued capital and reserves attributable to equity holders of the Company			
Share capital and share premium	18	**129.9**	130.2
Other reserves	19.1	**180.1**	168.0
Retained earnings	19.2	**1,751.7**	1,686.2
		2,061.7	1,984.4
Non-controlling interests		**8.2**	8.4
Total equity		**2,069.9**	1,992.8
LIABILITIES			
Non-current liabilities			
Borrowings	15	**578.9**	682.5
Lease liabilities		**96.4**	103.5
Retirement benefit obligations	8	**0.7**	1.5
Deferred tax liabilities		**119.8**	138.3
Provisions	17	**4.2**	4.0
		800.0	929.8
Current liabilities			
Trade and other payables		**595.5**	826.5
Borrowings	15	**122.9**	275.4
Lease liabilities		**18.1**	19.0
Current tax liabilities		**67.7**	54.1
Derivative financial instruments		**0.4**	1.0
Provisions	17	**13.8**	12.0
		818.4	1,188.0
Liabilities held for sale		**-**	6.7
		818.4	1,194.7
Total liabilities		**1,618.4**	2,124.5
Total equity and liabilities		**3,688.3**	4,117.3

* Restated throughout for presentation in US Dollar. See note 2 for further details.

CONDENSED GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 1 JULY 2023

	Attributable to equity holders of the Company					
	Share capital and share premium $m (note 18)	Other reserves $m (note 19.1)	Retained earnings $m (note 19.2)	Total $m	Non-controlling interests $m	Total $m
Half year 2023						
Balance at 1 January 2023	**130.2**	**168.0**	**1,686.2**	**1,984.4**	**8.4**	**1,992.8**
Profit for the period	**-**	**-**	**193.6**	**193.6**	**(0.2)**	**193.4**
Other comprehensive income	**-**	**2.4**	**2.4**	**4.8**	**-**	**4.8**
Total comprehensive income for the period	**-**	**2.4**	**196.0**	**198.4**	**(0.2)**	**198.2**
Dividends	**-**	**-**	**(57.3)**	**(57.3)**	**-**	**(57.3)**
Purchase of own shares	**-**	**(82.7)**	**-**	**(82.7)**	**-**	**(82.7)**
Cancellation of own shares	**(0.3)**	**68.4**	**(68.1)**	**-**	**-**	**-**
Cost of share-based payments	**-**	**10.0**	**-**	**10.0**	**-**	**10.0**
Transfer on exercise, vesting or expiry of share-based payments	**-**	**5.9**	**(5.9)**	**-**	**-**	**-**
Deferred tax on share-based payments	**-**	**-**	**0.8**	**0.8**	**-**	**0.8**
Transfer to Group income statement	**-**	**8.1**	**-**	**8.1**	**-**	**8.1**
Balance at 1 July 2023	**129.9**	**180.1**	**1,751.7**	**2,061.7**	**8.2**	**2,069.9**
Restated* **Half year 2022**						
Balance at 2 January 2022	131.1	161.8	1,669.0	1,961.9	9.2	1,971.1
Profit for the period	-	-	201.8	201.8	(0.3)	201.5
Other comprehensive income	-	(8.9)	15.7	6.8	-	6.8
Total comprehensive income for the period	-	(8.9)	217.5	208.6	(0.3)	208.3
Dividends	-	-	(53.5)	(53.5)	-	(53.5)
Purchase of own shares	-	(149.3)	-	(149.3)	-	(149.3)
Cancellation of own shares	(0.7)	138.6	(137.9)	-	-	-
Cost of share-based payments	-	8.3	-	8.3	-	8.3
Transfer on exercise, vesting or expiry of share-based payments	-	(2.4)	2.4	-	-	-
Deferred tax on share-based payments	-	-	1.0	1.0	-	1.0
Changes in fair value of put option liability	-	6.8	-	6.8	-	6.8
Transfer to Group income statement	-	1.7	-	1.7	-	1.7
Balance at 2 July 2022	130.4	156.6	1,698.5	1,985.5	8.9	1,994.4

* Restated throughout for presentation in US Dollar. See note 2 for further details.

CONDENSED GROUP STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 1 JULY 2023

	Notes	**Half year 2023 $m**	Restated* Half year 2022 $m
Cash flows from operating activities			
Net cash flows from operating activities before exceptional items	21	**59.2**	(15.3)
Cash outflow related to exceptional items		**(8.5)**	(7.4)
Interest received		**5.2**	1.1
Interest paid (including interest expense on lease liabilities)		**(13.5)**	(10.3)
Tax paid		**(28.7)**	(25.6)
Net cash inflow/(outflow) from operating activities		**13.7**	(57.5)
Cash flows from investing activities			
Payment for acquisition of subsidiaries		**-**	(59.8)
Purchase of property, plant and equipment		**(18.3)**	(13.9)
Purchase of intangible assets		**(18.5)**	(18.1)
Dividends received from joint ventures	20	**19.5**	2.9
Proceeds from disposal/redemption from FVOCI financial assets		**-**	0.3
Proceeds from disposal of Glanbia Cheese (exceptional)		**123.4**	-
Proceeds on repayment of loans advanced to Glanbia Cheese	3	**71.3**	-
Loans advanced to Glanbia Cheese	20	**(3.5)**	(3.9)
Proceeds from disposal of assets and liabilities held for sale (exceptional)		**7.4**	-
Net cash inflow from discontinued operations**		**-**	362.0
Net cash inflow from investing activities		**181.3**	269.5
Cash flows from financing activities			
Purchase of own shares	19.1	**(82.7)**	(149.3)
Drawdown of borrowings	15	**140.8**	464.1
Repayment of borrowings	15	**(245.6)**	(424.6)
Payment of lease liabilities		**(10.8)**	(8.1)
Dividends paid to Company shareholders	19.2	**(57.3)**	(53.5)
Net cash outflow from financing activities		**(255.6)**	(171.4)
Net (decrease)/increase in cash and cash equivalents	15	**(60.6)**	40.6
Cash and cash equivalents at the beginning of the period		**192.5**	107.1
Cash and cash equivalents acquired on acquisition	15	**-**	1.0
Effects of exchange rate changes on cash and cash equivalents		**(3.8)**	(3.5)
Cash and cash equivalents at the end of the period	15	**128.1**	145.2

Cash and cash equivalents at the end of the period include:

		1 July 2023	2 July 2022
Cash and cash equivalents (excluding bank overdrafts)		**251.0**	241.9
Bank overdrafts		**(122.9)**	(96.7)
	15	**128.1**	145.2

* Restated throughout for presentation in US Dollar. See note 2 for further details.
** Relates to disposal of Tirlán Limited (formerly known as Glanbia Ireland DAC). Comprised proceeds from disposal of $339.3 million (exceptional), proceeds on repayment of loans of $31.5 million (note 20), and cash outflow related to exceptional items of $8.8 million.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 1 JULY 2023

1. General information

Glanbia plc (the "Company") and its subsidiaries (together the "Group") is a leading global nutrition group with geographical presence in regions that include North America, Europe and Asia Pacific. The Company is a public limited company incorporated and domiciled in Ireland, the number under which it is registered is 129933. The address of its registered office is Glanbia House, Kilkenny, Ireland, R95 E866. The Company is the ultimate parent company of the Group and its shares are quoted on the Euronext Dublin and London Stock Exchange.

These condensed consolidated interim financial statements as at, and for the period commencing 1 January 2023 and ended 1 July 2023 (half year/six months) ("interim financial statements") were approved for issue by the Board of Directors on 15 August 2023.

2. Basis of preparation

The interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union, the Transparency (Directive 2004/109/EC) Regulations 2007 as amended, and the Central Bank (Investment Market Conduct) Rules 2019. The interim financial statements should be read in conjunction with the financial statements as at, and for the year ended 31 December 2022 ("2022 Annual Report"). The interim financial statements do not include all of the information required for a complete set of IFRS financial statements and have not been audited or reviewed by the Group's auditor.

The methods of computation, presentation and accounting policies adopted in the preparation of the interim financial statements are consistent with those applied in the 2022 Annual Report other than those noted below. The Group's accounting policies are set out in note 2 to the financial statements in the 2022 Annual Report.

Change of presentation currency

Glanbia generates the majority of its revenue and earnings, and has significant assets and liabilities denominated in US Dollar. To reduce the potential for foreign exchange volatility in current and future reported earnings, the Group has decided to change its presentation currency from euro to US Dollar effective from 1 January 2023.

A change of presentation currency represents a change in accounting policy under IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors which is accounted for retrospectively. The reported results for the six months ended 2 July 2022 and for the year ended 31 December 2022 have been translated from euro to US Dollar using the following procedures:

- Assets and liabilities denominated in non-US Dollar currencies were translated into US Dollar at the relevant closing rates of exchange;
- Non-US Dollar trading results were translated into US Dollar at the relevant average rates of exchange;
- Share capital, share premium, own shares, dividends and movements in capital and merger account were translated at the historic rates prevailing on the date of each transaction. Movements in other equity accounts were translated into US Dollar at the relevant average rates of exchange; and
- The cumulative translation reserve was set to nil at 4 January 2004, the date of transition to IFRS, and has been restated as if the Group has reported in US Dollar since that date.

The principal exchange rates used for the translation of results and balance sheets into US Dollar are as follows:

	Average			**Period end**		
1 US Dollar =	**Half year 2023**	Half year 2022	Year 2022	**1 July 2023**	2 July 2022	31 December 2022
euro	**0.9253**	0.9151	0.9493	**0.9203**	0.9592	0.9376
Pound sterling	**0.8110**	0.7707	0.8095	**0.7899**	0.8312	0.8315

Critical accounting judgements and estimates

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty in preparing the interim financial statements were the same as those that applied to the 2022 Annual Report other than the judgement relating to the interest in Glanbia Cheese Limited which is no longer applicable as the joint venture was disposed of during the first half of 2023.

New and amended standards adopted in the current period

The following changes to IFRS became effective for the Group for the current year but did not result in a material impact on the Group's results.

- IFRS 17 Insurance Contracts
- Definition of Accounting Estimates – Amendments to IAS 8
- Disclosure of Accounting Policies – Amendments to IAS 1
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

Going concern

The time period that the Directors have considered in evaluating the appropriateness of the going concern basis in preparing the interim financial statements is a period of at least 12 months from the date of approval of these interim financial statements (the "period of assessment").

The Directors have given due regard to the Group's available cash resources, borrowing facilities and related covenant requirements which taken together, provide confidence that the Group will be able to meet its obligations as they fall due; and the Group's financial risk management policies as described in the 2022 Annual Report, the nature of business activities and the factors likely to impact operating performance and future growth.

Having assessed the relevant business risks identified and discussed in the Principal risks and uncertainties on pages 14 to 15, the Directors believe that the Group is well placed to manage these risks successfully and they have a reasonable expectation that the Group has adequate resources to continue in operational existence for the period of assessment. The Group therefore considers it appropriate to adopt the going concern basis in preparing its interim financial statements.

3. Assets and liabilities held for sale

The Group signed a memorandum of understanding for the sale of its shareholding in the Glanbia Cheese EU and Glanbia Cheese UK joint ventures ("Glanbia Cheese") to Leprino Foods Company on 14 February 2023. The Group treated the joint venture arrangements in Glanbia Cheese as an asset held for sale and ceased to apply the equity method of accounting to its interest in Glanbia Cheese from this date (note 14). The transaction allowed the Group to focus on its core better nutrition strategy and to allocate further capital to its global growth businesses.

The sale was completed on 28 April 2023 for an initial cash consideration of $125.2 million (€114.0 million) and repayment of $71.3 million (€64.9 million) of shareholder loans, with further contingent consideration of up to $27.2 million (€25.0 million), dependent on the performance of Glanbia Cheese over the next three years (see note 16). The gain of $59.9 million on disposal of Glanbia Cheese (included in net exceptional gain on disposal of operations (note 7)) is based on the $125.2 million received less working capital adjustments of $1.8 million, carrying amount of the asset held for sale at 28 April 2023 of $52.2 million, estimated costs of $3.2 million, and associated cumulative debit amounts recognised in other comprehensive income of $8.1 million (note 19.1) that were reclassified to the Group income statement.

The assets and liabilities held for sale at 31 December 2022 related to the non-core assets of a small US based bottling facility (Aseptic Solutions USA Ventures, LLC). Following the completion of a strategic portfolio review, these assets and related liabilities which were part of the Glanbia Nutritionals segment were determined to be non-core and a decision was made to divest of them, resulting in the designation as held for sale at 2022 year end. The divestment was completed on 6 March 2023. The gain on disposal of $0.4 million (included in net exceptional gain on disposal of operations (note 7)) is based on $11.2 million received, less the carrying amount of the net assets held for sale of $9.3 million on the date of the transaction and costs associated with the transaction of $1.5 million.

The above divestments are not regarded as discontinued operations as they were not considered to be either separate major lines of business or geographical areas of operations.

4. Segment information

	Half year 2023				Half year 2022			
	Glanbia Performance Nutrition $m	**Glanbia Nutritionals $m**	**All other segments and unallocated $m**	**Total $m**	Glanbia Performance Nutrition $m	Glanbia Nutritionals $m	All other segments and unallocated $m	Total $m
Segment results (pre-exceptional)								
Total gross segment revenue	**889.0**	**1,929.3**	**-**	**2,818.3**	867.9	2,276.7	-	3,144.6
Inter-segment revenue	**(0.1)**	**(46.8)**	**-**	**(46.9)**	(0.1)	(53.2)	-	(53.3)
Revenue	**888.9**	**1,882.5**	**-**	**2,771.4**	867.8	2,223.5	-	3,091.3
Operating profit before intangible asset amortisation (EBITA)	**107.8**	**90.8**	**-**	**198.6**	89.9	97.7	-	187.6
Shares of results of joint ventures accounted for using the equity method	**-**	**-**	**6.5**	**6.5**	-	-	12.5	12.5

	1 July 2023				31 December 2022			
	Glanbia Performance Nutrition $m	**Glanbia Nutritionals $m**	**All other segments and unallocated $m**	**Total $m**	Glanbia Performance Nutrition $m	Glanbia Nutritionals $m	All other segments and unallocated $m	Total $m
Segment assets and liabilities								
Segment assets	**1,875.8**	**1,320.7**	**491.8**	**3,688.3**	1,939.3	1,348.5	829.5	4,117.3
Segment liabilities	**357.6**	**359.1**	**901.7**	**1,618.4**	461.9	503.3	1,159.3	2,124.5

Segment earnings before interest, tax, amortisation and exceptional items are reconciled to reported profit before tax and profit after tax in the Group income statement.

Geographical information

Revenue from external customers, and non-current assets, other than financial instruments, deferred tax assets, and retirement benefit assets attributable to the country of domicile and all foreign countries of operation for which revenue/non-current assets exceed 10% of total Group revenue/non-current assets are set out below.

Revenue from external customers in the table below and in the disaggregation of revenue by primary geographical markets table is allocated to geographical areas based on the place of delivery or collection of the products sold as agreed with customers as opposed to the end use market where the product may be consumed.

	Revenue		**Non-current assets**	
	Half year 2023 $m	Half year 2022 $m	**1 July 2023 $m**	31 December 2022 $m
Ireland (country of domicile)	**10.6**	5.9	**806.0**	818.4
US	**2,192.9**	2,532.6	**1,290.1**	1,316.8
Other				
– North America (excluding US)	**52.0**	53.7	**6.3**	6.4
– Europe (excluding Ireland)	**238.3**	250.1	**183.5**	232.6
– Asia Pacific	**200.6**	188.4	**11.2**	11.9
– LATAM	**52.5**	37.9	**0.1**	-
– Rest of World	**24.5**	22.7	**-**	-
	2,771.4	3,091.3	**2,297.2**	2,386.1

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
FOR THE HALF YEAR ENDED 1 JULY 2023

Disaggregation of revenue

Revenue is disaggregated based on the Group's internal reporting structures, the primary geographical markets in which the Group operates, the timing of revenue recognition, and channel mix as set out in the following tables:

	Half year 2023			Half year 2022		
	Glanbia Performance Nutrition $m	**Glanbia Nutritionals $m**	**Total $m**	Glanbia Performance Nutrition $m	Glanbia Nutritionals $m	Total $m
Internal reporting structures						
Nutritional Solutions	**-**	**525.5**	**525.5**	-	643.4	643.4
US Cheese	**-**	**1,357.0**	**1,357.0**	-	1,580.1	1,580.1
GPN Americas	**585.5**	**-**	**585.5**	588.7	-	588.7
GPN International (including Direct-to-Consumer)	**303.4**	**-**	**303.4**	279.1	-	279.1
Total	**888.9**	**1,882.5**	**2,771.4**	867.8	2,223.5	3,091.3
Primary geographical markets						
North America	**593.2**	**1,651.7**	**2,244.9**	589.0	1,997.3	2,586.3
Europe	**180.9**	**68.0**	**248.9**	175.4	80.6	256.0
Asia Pacific	**90.5**	**110.1**	**200.6**	78.8	109.6	188.4
LATAM	**7.7**	**44.8**	**52.5**	9.1	28.8	37.9
Rest of World	**16.6**	**7.9**	**24.5**	15.5	7.2	22.7
Total	**888.9**	**1,882.5**	**2,771.4**	867.8	2,223.5	3,091.3
Timing of revenue recognition						
Products transferred at point in time	**888.9**	**1,882.5**	**2,771.4**	867.8	2,223.5	3,091.3
Products transferred over time	**-**	**-**	**-**	-	-	-
Total	**888.9**	**1,882.5**	**2,771.4**	867.8	2,223.5	3,091.3

Channel mix for Glanbia Performance Nutrition	**Half year 2023 $m**	Half year 2022 $m
Distributor	**176.7**	192.4
Food, Drug, Mass, Club (FDMC)	**311.5**	294.1
Online	**281.8**	274.4
Specialty	**118.9**	106.9
Total	**888.9**	867.8

The disaggregation of revenue by channel mix is most relevant for Glanbia Performance Nutrition.

5. Seasonality

Due to the somewhat seasonal nature of the retail segment into which the Glanbia Performance Nutrition segment sells, higher revenues and operating profits are expected in the second half of the year than in the first six months. Glanbia Nutritionals revenues and operating profits, although impacted by dairy markets, are typically more evenly spread throughout the year.

6. Operating profit

	Notes	Half year 2023 Pre–exceptional $m	Half year 2023 Exceptional $m (note 7)	Half year 2023 Total $m	Half year 2022 Pre–exceptional $m	Half year 2022 Exceptional $m (note 7)	Half year 2022 Total $m
Revenue	4	**2,771.4**	**-**	**2,771.4**	3,091.3	-	3,091.3
Cost of goods sold		**(2,246.6)**	**-**	**(2,246.6)**	(2,549.6)	-	(2,549.6)
Gross profit		**524.8**	**-**	**524.8**	541.7	-	541.7
Selling and distribution expenses		**(226.8)**	**(0.6)**	**(227.4)**	(241.9)	-	(241.9)
Administration expenses		**(100.7)**	**56.5**	**(44.2)**	(110.4)	(0.6)	(111.0)
Net impairment reversal/(losses) on financial assets		**1.3**	**-**	**1.3**	(1.8)	-	(1.8)
Operating profit before intangible asset amortisation (EBITA)	4	**198.6**	**55.9**	**254.5**	187.6	(0.6)	187.0
Intangible asset amortisation	13	**(40.0)**	**-**	**(40.0)**	(39.5)	-	(39.5)
Operating profit		**158.6**	**55.9**	**214.5**	148.1	(0.6)	147.5

7. Exceptional items

	Notes	**Half year 2023 $m**	Half year 2022 $m
Net exceptional gain on disposal of operations	(a)	**(57.8)**	-
Pension related costs	(b)	**1.2**	0.6
Portfolio related reorganisation costs	(c)	**0.7**	-
Changes in fair value of contingent consideration	(d)	**-**	(8.0)
Share of results of joint ventures accounted for using the equity method	(b)	**-**	(0.2)
Total		**(55.9)**	(7.6)
Exceptional tax credit	10	**(0.6)**	-
Total exceptional gain from continuing operations		**(56.5)**	(7.6)
Exceptional gain after tax from discontinued operations	(e)	**-**	(61.1)
Total exceptional gain for the period	21	**(56.5)**	(68.7)

(a) **Net exceptional gain on disposal of operations** relates to the gain on disposal of the UK and Ireland Glanbia Cheese joint venture operations and a small US based bottling facility (Aseptic Solutions) which was designated as held-for-sale at 31 December 2022. Both transactions concluded during H1, 2023 and the gain represents the difference between proceeds received (and contingent consideration anticipated), net of costs associated with the divestment and exit of these non-core businesses and the carrying value of the investments.

(b) **Pension related costs** relate to the restructure of legacy defined benefit pension schemes associated with the Group and joint ventures, which included initiating a process for the ultimate buy out and wind up of these schemes and a further simplification of the schemes that remain. Costs incurred relate to the cost of the settlement loss as a result of acquiring bulk purchase annuity policies to mirror and offset movements in known liabilities of the schemes ('buy-in' transaction), as well as related advisory and execution costs net of gains arising from risk reduction activities. This restructuring effort involves the careful navigation of external market factors, with final wind up of schemes targeted by the end of 2023.

(c) **Portfolio related reorganisation costs** relate to the one off costs as a result of recent portfolio changes. Following divestment decisions related to non-core businesses, the Group launched a programme to realign Group-wide support functions and optimise structures of the remaining portfolio, to more efficiently support business operations and growth. This programme continues into 2023, with realisation of benefits from 2024 onwards. Costs incurred to date relate to advisory fees and people related costs.

(d) Prior year **changes in fair value of contingent consideration** relate to contingent payments associated with the 2021 LevlUp acquisition that reduced following an assessment of conditions that gave rise to the additional payments.

(e) Prior year **exceptional gain from discontinued operations** relates to the gain arising on the completion of the disposal of the Group's 40% interest in Tirlán Limited (formerly known as Glanbia Ireland DAC) ("Tirlán") to Tirlán Co-operative Society Limited (formerly known as Glanbia Co-operative Society Limited). The gain represents the difference between proceeds received, net of transaction related costs, and the carrying value of the Group's investment in Tirlán. The transaction completed on 1 April 2022.

8. Retirement benefit obligations

The Group has a number of defined benefit pension plans in the Republic of Ireland ("Ireland") and the United Kingdom ("UK"). The defined benefit pension plans in Ireland and the UK are administered by independent Boards of Trustees through separate trustee controlled funds.

During 2021, the Trustee Boards of the UK pension plans completed a buy-in transaction whereby the assets of the plans were invested in a bulk purchase annuity policy with a UK pension insurance specialist. It is the intention of the Trustee Boards that the plans will move to a full buy-out as soon as practical, following which the insurance company will become responsible for the UK pension plan obligations. On completion of the buy-out, the defined benefit assets (comprising the annuity policy) and matching defined benefit obligations will be derecognised from the (condensed) Group balance sheet.

The majority of the net UK pension liabilities at 1 July 2023 and 31 December 2022 relates primarily to Guaranteed Minimum Pension equalisation ("GMPe") of the UK pension plans. During the first half of 2023, there was an additional contribution from the Group of $1.6 million in respect of these GMPe liabilities which resulted in a charge to the income statement of $0.7 million.

Reconciliation of the amounts recognised on the condensed Group balance sheet to net defined benefit pension plans asset/(liability):

	1 July 2023 $m	31 December 2022 $m
Non-current assets – Surplus on defined benefit pension plan	**7.4**	3.2
Non-current liabilities – Deficit on defined benefit pension plan	**(0.7)**	(1.5)
Net defined benefit pension plans asset	**6.7**	1.7

The net asset disclosed above relates to funded plans. The movement in the net defined benefit pension plans asset is as follows:

	1 July 2023 $m	31 December 2022 $m
At the beginning of the period	**1.7**	(16.1)
Current service cost	**(0.5)**	(1.9)
Interest income/(expense)	**0.1**	(0.2)
Settlement loss*	**(0.7)**	(0.2)
Total amount recognised in profit or loss	**(1.1)**	(2.3)
Remeasurements		
– Return of plan assets excluding interest income	**-**	(69.3)
– Gain/(loss) from experience adjustments	**1.8**	(4.9)
– Gain from demographic adjustments	**0.4**	-
– Gain from changes in financial assumptions	**1.6**	90.4
Effect of irrevocable plan surplus	**(1.2)**	(1.8)
Total amount recognised in other comprehensive income	**2.6**	14.4
Exchange differences	**0.1**	1.2
Contributions paid/payable by the employer	**3.4**	4.5
At the end of the period	**6.7**	1.7

During the current period the Group recognised an amount of the total surplus on one of the plans based on the economic benefits that the Group could gain from a reduction in future contributions.

* Included in pension related costs (note 7).

The principal assumptions used for the purposes of the actuarial valuations were as follows:

	Half year 2023		Half year 2022		Year 2022	
	ROI	**UK**	ROI	UK	ROI	UK
Discount rate	**3.60%**	**5.40%**	3.40%	3.85%	3.70%	5.00%
Inflation rate	**2.40%**	**2.75%-3.35%**	2.40%	2.65%-3.25%	2.50%	2.65%-3.30%
Future salary increases*	**3.40%**	**0.00%**	3.40%	0.00%	3.50%	0.00%
Future pension increases	**0.00%**	**2.75%-3.30%**	0.00%	2.65%-3.10%	0.00%	2.65%-3.15%
Mortality rates (years):						
– Male – reaching 65 years of age in 20 years' time	**24.2**	**22.3**	24.2	22.3	24.2	22.2
– Female – reaching 65 years of age in 20 years' time	**26.3**	**24.6**	26.3	24.6	26.3	24.5
– Male – currently aged 65 years old	**21.9**	**21.3**	21.9	21.2	21.9	21.2
– Female – currently aged 65 years old	**24.3**	**23.4**	24.3	23.4	24.3	23.3

*The ROI defined benefit pension plans are on a career average structure therefore this assumption does not have a material impact. The UK defined benefit pension plans comprise solely pensioners and deferred pensioners.

9. Finance income and costs

	Notes	**Half year 2023 $m**	Half year 2022 $m
Finance income			
Interest income on loans to joint ventures		**1.0**	0.5
Interest income on cash and deposits		**1.6**	-
Interest income on swaps		**3.1**	-
Remeasurements of contingent consideration	7	**-**	8.0
Total finance income		**5.7**	8.5
Finance costs			
Bank borrowing costs		**(4.3)**	(2.7)
Facility fees		**(1.4)**	(0.9)
Finance cost of private placement debt		**(5.1)**	(5.3)
Interest expense on lease liabilities		**(1.4)**	(1.4)
Interest expense on swaps		**-**	(0.2)
Remeasurements of contingent consideration		**(0.5)**	(0.6)
Total finance costs		**(12.7)**	(11.1)
Net finance costs		**(7.0)**	(2.6)

10. Income taxes

The Group's income tax charge of $20.6 million (HY 2022: $17.2 million) net of an exceptional tax credit of $0.6 million (HY 2022: nil) (note 7) has been prepared based on the Group's best estimate of the weighted average tax rate that is expected for the full financial year.

11. Dividends

	Half year 2023 $m	Half year 2022 $m
Equity dividends to shareholders		
Final – EUR 19.28c per ordinary share, paid on 5 May 2023 (FY 2022: EUR 17.53c, paid on 6 May 2022)	**57.6**	53.7
Interim – EUR 14.22c per ordinary share, payable on 6 October 2023 (HY 2022: EUR 12.93c, paid on 7 October 2022)	**41.4**	37.2

Of the $57.6 million (HY 2022: $53.7 million) dividends paid during the half year ended 1 July 2023, $0.3 million (HY 2022: $0.2 million) are waived in relation to own shares.

These interim financial statements do not reflect the interim dividends recommended for 2023. The amount of interim dividends recommended is based on the number of issued shares at period end (note 18). The actual amount will be based on the number of issued shares on the record date. There are no income tax consequences for the Company in respect of dividends proposed prior to issuance of the interim financial statements.

12. Earnings per share

Basic

Basic Earnings Per Share is calculated by dividing profit after tax attributable to the equity holders of the Company by the weighted average number of ordinary shares in issue during the period, excluding ordinary shares purchased by the Group and held as own shares. The weighted average number of ordinary shares in issue used in the calculation of Basic Earnings Per Share is 269,254,932 (HY 2022: 279,154,299).

Diluted

Diluted Earnings Per Share is calculated by adjusting the weighted average number of ordinary shares in issue to assume conversion of all potential dilutive ordinary shares. Share awards are the Company's only potential dilutive ordinary shares.

The share awards, which are performance based, are treated as contingently issuable shares because their issue is contingent upon satisfaction of specified performance conditions as well as the passage of time. Contingently issuable shares are included in the calculation of Diluted Earnings Per Share to the extent that conditions governing exercisability have been satisfied, as if the end of the reporting period were the end of the vesting period.

	Half year 2023			Half year 2022		
	Continuing operations	**Discontinued operations**	**Total**	Continuing operations	Discontinued operations	Total
Profit after tax attributable to equity holders of the Company ($m)	**193.6**	**-**	**193.6**	140.7	61.1	201.8
Basic Earnings Per Share (cent)	**71.90**	**-**	**71.90**	50.40	21.89	72.29
Diluted Earnings Per Share (cent)	**70.91**	**-**	**70.91**	49.90	21.67	71.57

	Half year 2023	Half year 2022
Weighted average number of ordinary shares in issue	**269,254,932**	279,154,299
Shares deemed to be issued for no consideration in respect of share awards	**3,761,216**	2,822,926
Weighted average number of shares used in the calculation of diluted Earnings Per Share	**273,016,148**	281,977,225

13. Property, plant and equipment, right-of-use assets and intangible assets

Property, plant and equipment

During the six month period to 1 July 2023, there was an increase of property, plant and equipment arising from additions of $21.0 million (HY 2022: $14.4 million). Exchange differences gain of $1.4 million (HY 2022: $5.6 million loss) and depreciation charges of $23.8 million (HY 2022: $25.7 million) were also recognised in the period.

Right-of-use assets

During the six month period to 1 July 2023, there was an increase of right-of-use assets arising from additions of $2.4 million (HY 2022: $6.8 million), and remeasurements of $1.0 million (HY 2022: nil). The increase was offset by depreciation charges of $9.8 million (HY 2022: $9.6 million) and disposals of $0.1 million (HY 2022: $2.0 million). Exchange differences gain of $0.2 million (HY 2022: $1.2 million loss) were also recognised in the period.

Intangible assets

During the six month period to 1 July 2023, there was an increase of intangible assets arising from additions of $18.5 million (HY 2022: $17.8 million). Exchange differences gain of $3.4 million (HY 2022: $7.9 million loss) and amortisation charges of $40.0 million (HY 2022: $39.5 million) were also recognised in the period.

14. Interests in joint ventures

	1 July 2023 $m	31 December 2022 $m
At the beginning of the period	**225.3**	209.3
Share of profit after tax (post-exceptional)	**6.5**	16.5
Share of OCI – remeasurements on defined benefit plans, net of deferred tax	**0.1**	0.5
Share of OCI – fair value movement on cash flow hedges, net of deferred tax	**0.1**	17.1
Dividends received	**(19.5)**	(15.3)
Income tax movement	-	2.9
Transferred to held for sale*	**(51.0)**	-
Exchange differences	**0.8**	(5.7)
At the end of the period	**162.3**	225.3

* Relates to the carrying amount of Glanbia Cheese which was translated using the exchange rate on 14 February 2023 when it was reclassified as held for sale. The carrying amount of $52.2 million in note 3 is based on the exchange rate on 28 April 2023 when the sale transaction of Glanbia Cheese was completed.

15. Borrowings

	1 July 2023 $m	31 December 2022 $m
Non-current		
Bank borrowings	**203.9**	307.5
Private placement debt	**375.0**	375.0
	578.9	682.5
Current		
Bank overdrafts	**122.9**	275.4
Total borrowings	**701.8**	957.9

Bank borrowings decreased due to repayments of borrowings during the current period.

The maturity profile of borrowings, and undrawn committed and uncommitted facilities is as follows:

	1 July 2023			31 December 2022		
	Borrowings $m	**Undrawn committed facilities $m**	**Undrawn uncommitted facilities $m**	Borrowings $m	Undrawn committed facilities $m	Undrawn uncommitted facilities $m
12 months or less	**122.9**	**-**	**16.9**	275.4	-	16.4
Between 1 and 2 years	**-**	**-**	**-**	-	-	-
Between 2 and 5 years	**303.9**	**730.0**	**-**	307.5	613.8	-
More than 5 years	**275.0**	**-**	**-**	375.0	-	-
	701.8	**730.0**	**16.9**	957.9	613.8	16.4

Net debt is a non-IFRS measure which we provide to investors as we believe they find it useful. Net debt comprises the following:

	1 July 2023 $m	2 July 2022 $m
Bank borrowings and private placement debt	**578.9**	820.8
Cash and cash equivalents net of bank overdrafts	**(128.1)**	(145.2)
	450.8	675.6

Net debt reconciliation is as follows:

	1 July 2023 $m	2 July 2022 $m
Net debt at the beginning of the period	**490.0**	682.6
Drawdown of borrowings	**140.8**	464.1
Repayment of borrowings	**(245.6)**	(424.6)
Exchange translation adjustment on net debt	**5.0**	(4.9)
Net decrease/(increase) in cash and cash equivalents	**60.6**	(40.6)
Cash and cash equivalents acquired on acquisition	**-**	(1.0)
Net debt at the end of the period	**450.8**	675.6

16. Fair value of financial instruments

There have been no changes to the risk management procedures or policies since 31 December 2022. Refer to note 30 of the 2022 Annual Report for details on these risk management procedures and policies.

Except as detailed in the following table, the Group deemed that the carrying amounts of financial instruments measured at amortised cost in the interim financial statements approximate their fair value due to their short-term nature:

	1 July 2023		31 December 2022	
	Carrying amount $m	**Fair value $m**	Carrying amount $m	Fair value $m
Non-current borrowings payable	**(578.9)**	**(508.6)**	(682.5)	(605.0)
Non-current loans receivable from joint ventures	**-**	**-**	65.6	65.6

Fair value is estimated by discounting future contractual cash flows using current market interest rates from observable interest rates at the end of the reporting period that are available to the Group for similar financial instruments (classified as level 2 in the fair value hierarchy).

The following table shows the fair values of financial instruments measured at fair value:

	Fair value hierarchy	**1 July 2023 $m**	31 December 2022 $m
Assets			
Equity instrument designated at FVOCI – BDO Development Capital Fund	Level 2	**1.5**	1.4
Foreign exchange contracts – cash flow hedges	Level 2	**0.3**	0.1
Interest rate swaps – cash flow hedges	Level 2	**1.7**	3.0
Contingent consideration receivable – Glanbia Cheese	Level 3	**-**	-
Liabilities			
Foreign exchange contracts – cash flow hedges	Level 2	**(0.2)**	(0.3)
Cross currency swaps – fair value through income statement	Level 2	**(0.2)**	(0.7)
Contingent consideration payable – Sterling Technology, LLC	Level 3	**(27.5)**	(27.0)

The movement in carrying amounts associated with Level 3 financial instruments are as follows:

	Contingent consideration payable $m
At 1 January 2023	**(27.0)**
Remeasurements	**(0.5)**
At 1 July 2023	**(27.5)**

Refer to note 29 of the 2022 Annual Report for details of the valuation process of the financial assets and liabilities other than contingent consideration receivable – Glanbia Cheese which is described herein.

As described in note 3, the contingent consideration arrangement relating to the disposal of Glanbia Cheese requires Leprino Foods Company to pay the Group amounts over the next three years if pre-defined earnings thresholds are met. The total of undiscounted future payments receivable by the Group over the three years ranges from nil to $27.2 million (€25.0 million translated at period end exchange rate). The fair value of the contingent consideration was estimated by calculating the present value of the future expected payments and was nil at period end. The main significant unobservable input in the calculation is the forecast EBITDA of the disposed businesses over the relevant period. A 10% increase/decrease in the forecast EBITDA would not have a material effect on the fair value of the contingent consideration.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
FOR THE HALF YEAR ENDED 1 JULY 2023

17. Provisions

	Property and lease commitments $m	Legal and operational $m	Total $m
At 1 January 2023 – non-current	**4.0**	**-**	**4.0**
At 1 January 2023 – current	**2.7**	**9.3**	**12.0**
Amount provided for in the period	**0.1**	**2.4**	**2.5**
Utilised in the period	**(0.2)**	**-**	**(0.2)**
Unused amounts reversed in the period	**-**	**(0.7)**	**(0.7)**
Exchange differences	**0.2**	**0.2**	**0.4**
At 1 July 2023	**6.8**	**11.2**	**18.0**
Non-current	**4.2**	**-**	**4.2**
Current	**2.6**	**11.2**	**13.8**
	6.8	**11.2**	**18.0**

18. Share capital and share premium

	Number of shares (thousands)	Ordinary shares $m	Share premium $m	Total $m
At 1 January 2023	**272,287**	**20.3**	**109.9**	**130.2**
Cancellation of own shares	**(4,637)**	**(0.3)**	**-**	**(0.3)**
At 1 July 2023	**267,650**	**20.0**	**109.9**	**129.9**
At 2 January 2022	287,169	21.2	109.9	131.1
Cancellation of own shares	(10,831)	(0.7)	-	(0.7)
At 2 July 2022	276,338	20.5	109.9	130.4

The total authorised number of ordinary shares in the current and prior period is 350 million shares with a par value of €0.06 per share. All issued shares are fully paid, and carry one vote per share and a right to dividends.

During the half year ended 1 July 2023, 4.6 million ordinary shares (HY 2022: 10.8 million) were cancelled through the share buyback programme. The amount paid to repurchase these shares was initially recognised in the own shares reserve and was transferred to retained earnings on cancellation.

19. Other reserves and retained earnings

19.1 Other reserves

Half year 2023	Capital and merger reserve $m	Currency reserve $m	Hedging reserve $m	Put option liability reserve $'m	Own shares $m	Share based payment reserve $m	Other $m	Total $m
Balance at 1 January 2023	**136.3**	**12.7**	**9.7**	**-**	**(22.1)**	**31.4**	**-**	**168.0**
Currency translation differences	-	2.4	-	-	-	-	-	2.4
Net investment hedge	-	1.8	-	-	-	-	-	1.8
Revaluation – gross	-	-	(1.3)	-	-	-	0.1	(1.2)
Reclassification to profit or loss – gross	-	-	(0.9)	-	-	-	-	(0.9)
Deferred tax	-	-	0.3	-	-	-	-	0.3
	-	4.2	(1.9)	-	-	-	0.1	2.4
Purchase of own shares	-	-	-	-	(82.7)	-	-	(82.7)
Cancellation of own shares	0.3	-	-	-	68.1	-	-	68.4
Cost of share-based payments	-	-	-	-	-	10.0	-	10.0
Transfer on exercise, vesting or expiry of share-based payments	-	-	-	-	22.9	(17.0)	-	5.9
Transfer to Group income statement (note 3)	-	7.9	0.2	-	-	-	-	8.1
Balance at 1 July 2023	**136.6**	**24.8**	**8.0**	**-**	**(13.8)**	**24.4**	**0.1**	**180.1**

Half year 2022	Capital and merger reserve $m	Currency reserve $m	Hedging reserve $m	Put option liability reserve $'m	Own shares $m	Share based payment reserve $m	Other $m	Total $m
Balance at 2 January 2022	135.3	50.8	(12.0)	(28.0)	(7.0)	23.2	(0.5)	161.8
Currency translation differences	-	(14.0)	-	-	-	-	-	(14.0)
Net investment hedge	-	(8.2)	-	-	-	-	-	(8.2)
Revaluation – gross	-	-	17.8	-	-	-	0.4	18.2
Reclassification to profit or loss – gross	-	-	(0.7)	-	-	-	-	(0.7)
Deferred tax	-	-	(4.1)	-	-	-	(0.1)	(4.2)
	-	(22.2)	13.0	-	-	-	0.3	(8.9)
Purchase of own shares	-	-	-	-	(149.3)	-	-	(149.3)
Cancellation of own shares	0.7	-	-	-	137.9	-	-	138.6
Cost of share-based payments	-	-	-	-	-	8.3	-	8.3
Transfer on exercise, vesting or expiry of share-based payments	-	-	-	-	7.9	(10.3)	-	(2.4)
Changes in fair value of put option liability	-	-	-	6.8	-	-	-	6.8
Transfer to Group income statement	-	-	1.7	-	-	-	-	1.7
Balance at 2 July 2022	136.0	28.6	2.7	(21.2)	(10.5)	21.2	(0.2)	156.6

Refer to note 23 of the 2022 Annual Report for a description of the components of other reserves.

19.2 Retained earnings

	Notes	Half year 2023 $m	Half year 2022 $m
At the beginning of the period		**1,686.2**	1,669.0
Profit for the period attributable to equity holders of the Company		**193.6**	201.8
Other comprehensive income			
– Remeasurements on defined benefit plans	8	**2.6**	16.9
– Deferred tax on remeasurements on defined benefit plans		**(0.3)**	(1.9)
– Share of remeasurements on defined benefit plans from joint ventures, net of deferred tax		**0.1**	0.7
		2.4	15.7
Dividends		**(57.3)**	(53.5)
Cancellation of own shares	19.1	**(68.1)**	(137.9)
Transfer on exercise, vesting or expiry of share-based payments	19.1	**(5.9)**	2.4
Deferred tax on share-based payments		**0.8**	1.0
At the end of the period		**1,751.7**	1,698.5

20. Related party transactions

Refer to note 3 for the disposal of Glanbia Cheese, which were joint ventures of the Group up to 28 April 2023. Accordingly transactions with Glanbia Cheese before the disposal are included within “Transactions with joint ventures”. Transactions that occurred with related parties during the period ended 1 July 2023 include:

	Half year 2023 $m	Half year 2022 $m
Transactions with joint ventures		
Dividend received*	**19.5**	2.9
Sales of services	**9.6**	15.9
Purchases of goods	**957.0**	1,146.9
Repayment of loans by Glanbia Cheese (HY 2022: Tirlán Limited)**	**71.3**	31.5
Loans advanced to Glanbia Cheese**	**3.5**	3.9
Transactions with Tirlán Co-operative group		
Dividends paid	**16.0**	16.8
Sales of services	**15.4**	9.5
Sales of goods	**0.3**	-
Purchases of goods	**27.2**	18.0
Purchases of services	**0.8**	-

* $4.5 million (HY 2022: $2.9 million) relates to Glanbia Cheese

** There were $65.6 million of loans receivable from Glanbia Cheese as at 31 December 2022. The balance decreased to nil due to a loan repayment of $71.3 million which was offset by loan advanced of $3.5 million and exchange differences gain of $2.2 million during the current period.

21. Net cash flows from operating activities before exceptional items

	Notes	**Half year 2023 $m**	Half year 2022 $m
Profit for the period		**193.4**	201.5
Exceptional items	7	**(56.5)**	(68.7)
Income taxes		**21.2**	17.2
Profit before taxation		**158.1**	150.0
Share of results of joint ventures accounted for using the equity method	4	**(6.5)**	(12.5)
Finance costs		**12.7**	11.1
Finance income		**(5.7)**	(0.5)
Amortisation of intangible assets	13	**40.0**	39.5
Depreciation of property, plant and equipment	13	**23.8**	25.7
Depreciation of right-of-use assets	13	**9.8**	9.6
Net movement in allowance for impairment of receivables		**(1.3)**	2.3
Cost of share-based payments	19.1	**10.0**	8.3
Net write down of inventories		**8.1**	6.1
Other		**(3.8)**	1.5
Operating cash flows before movement in working capital		**245.2**	241.1
Movement in working capital		**(186.0)**	(256.4)
Net cash flows from operating activities before exceptional items		**59.2**	(15.3)

22. Contingent liabilities and commitments

Contingent liabilities

Guarantees provided by financial institutions amounting to $8.4 million (FY 2022: $8.3 million) are outstanding at 1 July 2023. The Group does not expect any material loss to arise from these guarantees. The Group has contingent liabilities in respect of legal claims arising in the ordinary course of business. It is not anticipated that any material liability will arise from these contingent liabilities other than those provided for.

Commitments

At 1 July 2023 the Group had entered into contractual commitments for the acquisition of property, plant and equipment amounting to $9.3 million (FY 2022: $9.0 million) and software of $0.7 million (FY 2022: $0.8 million). Following the disposal of Glanbia Cheese (note 3), the Group is no longer committed to invest in Glanbia Cheese EU Limited or provide a loan facility to the former joint venture.

23. Events after the reporting period

See note 11 for the interim dividend, recommended by the Directors, to be paid on 6 October 2023. Subsequent to the period end, the Group took control of the remaining 40% shareholdings in LevlUp GmbH with no material impact on the Group financial statements.

Other than as described above, there have been no material events subsequent to the end of the interim period ended 1 July 2023 which require disclosure in this report.

24. Information

The interim financial statements are considered non-statutory financial statements for the purposes of the Companies Act 2014 and in compliance with section 340(4) of that Act we state that:

- the interim financial statements have been prepared to meet our obligation under the Transparency (Directive 2004/109/EC) Regulations 2007 as amended (Statutory Instrument No. 277 of 2007);
- the interim financial statements do not constitute the statutory financial statements of the Group and are unaudited;
- the statutory financial statements as at, and for the financial year ended 31 December 2022 will be annexed to the 2023 annual return and filed with the Companies Registration Office;
- the statutory auditor of the Group have made a report under section 391 in the form required by section 336 Companies Act 2014 in respect of the statutory financial statements of the Group; and
- the matters referred to in the statutory auditor's report were unqualified, and did not include a reference to any matters to which the statutory auditor drew attention by way of emphasis without qualifying the report.

Copies of this half yearly financial report are available for download from the Group's website at www.glanbia.com.

GLOSSARY
KEY PERFORMANCE INDICATORS AND NON-IFRS PERFORMANCE MEASURES

NON-IFRS PERFORMANCE MEASURES

The Group reports certain performance measures that are not defined under IFRS but which represent additional measures used by the Board of Directors and the Glanbia Operating Executive in assessing performance and for reporting both internally and to shareholders and other external users. The Group believes that the presentation of these non-IFRS performance measures provides useful supplemental information which, when viewed in conjunction with our IFRS financial information, provides readers with a meaningful understanding of the underlying financial and operating performance of the Group.

These non-IFRS performance measures may not be uniformly defined by all companies and accordingly they may not be directly comparable with similarly titled measures and disclosures by other companies. None of these non-IFRS performance measures should be considered as an alternative to financial measures drawn up in accordance with IFRS.

The principal non-IFRS performance measures used by the Group are:

	Relevant for Half year 2023	Relevant for Year 2022
G 1. Constant currency	√	√
G 2. Revenue	√	√
G 3. EBITA (pre-exceptional)	√	√
G 4. EBITA margin % (pre-exceptional)	√	√
G 5. EBITDA	√	√
G 6. Constant Currency Basic and Adjusted Earnings Per Share (“EPS”)	√	√
G 7. Net debt	√	√
G 8. Financing Key Performance Indicators	√	√
G 9. Volume and pricing increase/(decrease)	√	√
G 10. Like-for-like revenue increase/(decrease)	√	√
G 11. Effective tax rate	√	√
G 12. Average interest rate	√	√
G 13. Operating cash conversion	√	√
G 14. Operating cash flow and free cash flow	√	√
G 15. Dividend payout ratio	√	√
G 16. Compound annual growth rate (“CAGR”)	√	√
G 17. Exceptional items	√	√
Total shareholder return		√
Return on capital employed		√

The principal non-IFRS performance measures relevant to the interim period are defined below with a reconciliation of these measures to IFRS measures where applicable.

Total shareholder return and return on capital employed are not considered relevant by the Group for the interim period as they are performance measures considered on an annual basis only as part of the performance conditions in Glanbia’s Long-term Incentive Plan.

Half year 2022 results have been restated throughout for presentation in US Dollar. See note 2 of the interim financial statements for further details.

G 1. CONSTANT CURRENCY

While the Group reports its results in US Dollar, it generates a proportion of its earnings in currencies other than US Dollar, in particular Euro. Constant currency reporting is used by the Group to eliminate the translational effect of foreign exchange on the Group's results. To arrive at the constant currency period-on-period change, the results for the prior period are retranslated using the average exchange rates for the current period and compared to the current period reported numbers.

The principal average exchange rates used to translate results as at the reporting dates are set out below:

1 US Dollar =	**Half year 2023**	Half year 2022	Year 2022
euro	**0.9253**	0.9151	0.9493
Pound sterling	**0.8110**	0.7707	0.8095

GLOSSARY
KEY PERFORMANCE INDICATORS AND NON-IFRS PERFORMANCE MEASURES

G 2. REVENUE

Revenue comprises sales of goods and services to external customers net of value added tax, rebates and discounts. Revenue is one of the Group's Key Performance Indicators and is an IFRS performance measure.

G 2.1 REVENUE

	Reference to the interim financial statements/glossary	**Half year 2023 Reported $m**	Half year 2022 Reported $m	Half year 2022 Constant currency $'m	Constant currency growth (G 9.1) %	Like-for-like growth (G 10) %
Nutritional Solutions	Note 4	**525.5**	643.4	639.6	(17.8%)	(15.2%)
US Cheese	Note 4	**1,357.0**	1,580.1	1,580.1	(14.1%)	(14.1%)
Glanbia Nutritionals	Note 4	**1,882.5**	2,223.5	2,219.7	(15.2%)	(14.5%)
Americas	Note 4	**585.5**	588.7	588.0	(0.4%)	(0.4%)
International (including Direct-to-Consumer)	Note 4	**303.4**	279.1	271.9	11.6%	11.6%
Glanbia Performance Nutrition	Note 4	**888.9**	867.8	859.9	3.4%	3.4%
Revenue	Note 6	**2,771.4**	3,091.3	3,079.6	(10.0%)	(9.5%)

G 3. EBITA (PRE-EXCEPTIONAL)

EBITA (pre-exceptional) is defined as earnings before interest, tax and amortisation. EBITA references throughout the half year results are on a pre-exceptional basis unless otherwise indicated. EBITA (pre-exceptional) is one of the Group's Key Performance Indicators. Business Segment EBITA (pre-exceptional) growth on a constant currency basis is one of the performance conditions in Glanbia's Annual Incentive Plan for Senior Management. Refer to note 6 of the interim financial statements for the reconciliation of EBITA (pre-exceptional).

G 3.1 EBITA (PRE-EXCEPTIONAL)

	Reference to the interim financial statements/glossary	**Half year 2023 Reported $m**	Half year 2022 Reported $'m	Half year 2022 Constant currency $m	Constant currency growth %
Nutritional Solutions		**67.8**	78.4	78.2	(13.3%)
US Cheese		**23.0**	19.3	19.4	18.6%
Glanbia Nutritionals	Note 4	**90.8**	97.7	97.6	(7.0%)
Glanbia Performance Nutrition	Note 4	**107.8**	89.9	89.5	20.4%
EBITA (pre-exceptional)	Note 6	**198.6**	187.6	187.1	6.1%

G 4. EBITA MARGIN % (PRE-EXCEPTIONAL)

EBITA margin % (pre-exceptional) is defined as EBITA (pre-exceptional) as a percentage of revenue. Refer to G 2.1 and G 3.1 for revenue and EBITA (pre-exceptional) respectively. EBITA references throughout the half year results are on a pre-exceptional basis unless otherwise indicated.

G 5. EBITDA

EBITDA is defined as earnings before interest, tax, depreciation (net of grant amortisation) and amortisation. EBITDA references throughout the half year results are on a pre-exceptional basis unless otherwise indicated.

	Reference to the interim financial statements/glossary	**Half year 2023 $m**	Half year 2022 $m
EBITA (pre-exceptional)	G 3.1	**198.6**	187.6
Depreciation*		**33.6**	35.3
EBITDA (pre-exceptional)	G 14	**232.2**	222.9

*Includes depreciation of property, plant and equipment of $23.8 million (HY 2022: $25.7 million) and depreciation of right-of-use assets of $9.8 million (HY 2022: $9.6 million).

GLOSSARY
KEY PERFORMANCE INDICATORS AND NON-IFRS PERFORMANCE MEASURES

G 6. CONSTANT CURRENCY BASIC AND ADJUSTED EARNINGS PER SHARE ("EPS")

G 6.1 CONSTANT CURRENCY BASIC EARNINGS PER SHARE

Basic EPS is calculated by dividing the profit after tax attributable to the equity holders of the Company by the weighted average number of ordinary shares in issue during the period, excluding ordinary shares purchased by the Group and held as own shares (see note 12). Basic EPS has also been calculated on a continuing basis (excluding Tirlán Limited (formerly known as Glanbia Ireland DAC)) in line with the presentation of continuing and discontinued operations in the Group income statement.

	Reference to the interim financial statements/glossary	**Half year 2023 Reported $m**	Half year 2022 Reported $m	Half year 2022 Constant currency $m	Year 2022 Reported $m
Profit after tax attributable to equity holders of the Company	Condensed Group income statement	**193.6**	201.8	200.6	271.4
Less Profit after tax attributable to equity holders of the Company – discontinued operations	Condensed Group income statement	**-**	61.1	60.4	60.3
Profit after tax attributable to equity holders of the Company – continuing operations	Note 12	**193.6**	140.7	140.2	211.1
Weighted average number of ordinary shares in issue (thousands)	Note 12	**269,255**	279,154	279,154	275,761
Basic Earnings Per Share (cent) – continuing operations	Note 12	**71.90**	50.40	50.23	76.55
Basic Earnings Per Share (cent)	Note 12	**71.90**	72.29	71.88	98.40
Constant currency change – continuing operations		**43.1%**			
Constant currency change		**0.0%**			

G 6.2 CONSTANT CURRENCY ADJUSTED EARNINGS PER SHARE

Adjusted EPS is defined as the profit after tax attributable to the equity holders of the Company, before exceptional items and intangible asset amortisation and impairment (excluding software amortisation), net of related tax, divided by the weighted average number of ordinary shares in issue during the period, excluding ordinary shares purchased by the group and held as own shares (see note 12). The Group believes that adjusted EPS provides useful information of underlying performance as it excludes exceptional items (net of related tax) that are not related to ongoing operational performance and intangible asset amortisation, which allows for comparability of companies that grow by acquisition to those that grow organically. Adjusted Earnings Per Share has also been calculated on a continuing basis (excluding Tirlán Limited (formerly known as Glanbia Ireland DAC)) in line with the presentation of continuing and discontinued operations in the Group consolidated income statement.

Adjusted EPS is one of the Group's Key Performance Indicators. Adjusted EPS growth on a constant currency basis is one of the performance conditions in Glanbia's Annual Incentive Plan and in Glanbia's Long-term Incentive Plan.

	Reference to the interim financial statements/glossary	**Half year 2023 Reported $m**	Half year 2022 Reported $m	Half year 2022 Constant currency $m	Year 2022 Reported $m
Profit after tax from continuing operations	Condensed Group income statement	**193.4**	140.4	139.8	210.3
Exceptional (credit)/charge – continuing operations	Condensed Group income statement	**(56.5)**	(7.6)	(7.5)	37.7
Profit after tax from continuing operations (pre-exceptional)	Condensed Group income statement	**136.9**	132.8	132.3	248.0
Non-controlling interests	Condensed Group income statement	**0.2**	0.3	0.3	0.8
Amortisation and impairment of intangible assets (excluding software amortisation) net of related tax of $4.0 million (HY 2022: $4.2 million, HY 2022 retranslated $4.2 million, FY 2022: $8.4 million) – continuing operations		**26.6**	26.5	26.5	53.4
Adjusted net income – continuing operations		**163.7**	159.6	159.1	302.2
Profit after tax from discontinued operations	Condensed Group income statement	**-**	61.1	60.4	60.3
Exceptional (credit) - discontinued operations	Condensed Group income statement	**-**	(61.1)	(60.4)	(60.3)
Profit from discontinued operations (pre-exceptional)	Condensed Group income statement	**-**	-	-	-
Adjusted net income		**163.7**	159.6	159.1	302.2
Weighted average number of ordinary shares in issue (thousands)	Note 12	**269,255**	279,154	279,154	275,761
Adjusted Earnings Per Share (cent) – continuing operations		**60.78**	57.17	57.01	109.57
Adjusted Earnings Per Share (cent)		**60.78**	57.17	57.01	109.57
Constant currency change– continuing operations		**6.6%**			
Constant currency change		**6.6%**			

G 7. NET DEBT

Net debt is calculated as current and non-current borrowings less cash and cash equivalents.

	Reference to the interim financial statements/glossary	**Half year 2023 $m**	Half year 2022 $m	Year 2022 $m
Cash and cash equivalents	Condensed Group balance sheet	**(251.0)**	(241.9)	(467.9)
Current borrowings	Condensed Group balance sheet	**122.9**	96.7	275.4
Non-current borrowings	Condensed Group balance sheet	**578.9**	820.8	682.5
Net debt	Note 15, G 14	**450.8**	675.6	490.0

GLOSSARY
KEY PERFORMANCE INDICATORS AND NON-IFRS PERFORMANCE MEASURES

G 8. FINANCING KEY PERFORMANCE INDICATORS

The following are the financing key performance indicators defined as per the Group's financing agreements.

G 8.1 NET DEBT: ADJUSTED EBITDA

Net debt: adjusted EBITDA is calculated as net debt at the end of the period divided by adjusted EBITDA. Net debt is calculated as current and non-current borrowings less cash and cash equivalents. Adjusted EBITDA is calculated in accordance with lenders' facility agreements definitions which adjust EBITDA for items such as exceptional items, dividends received from joint ventures, acquisitions or disposals and to reverse the net impact on EBITDA as a result of adopting IFRS 16 "Leases". Adjusted EBITDA is a rolling 12 month measure (a period of 12 consecutive months determined on a rolling basis with a new 12 month period beginning on the first day of each month).

	Reference to the interim financial statements/glossary	**Half year 2023 $m**	Half year 2022 $m	Year 2022 $m
Net debt	Note 15, G 7	**450.8**	675.6	490.0
Rolling EBITDA		**446.0**	378.5	436.7
Adjustments in line with lenders' facility agreements		**9.1**	8.2	(2.7)
Rolling adjusted EBITDA		**455.1**	386.7	434.0
Net debt: adjusted EBITDA		**0.99 times**	1.75 times	1.13 times

G 8.2 ADJUSTED EBIT: ADJUSTED NET FINANCE COST

Adjusted EBIT: adjusted net finance cost is calculated as earnings before interest and tax adjusted for the IFRS 16 "Leases" impact on operating profit plus dividends received from joint ventures divided by adjusted net finance cost. Adjusted net finance cost comprises finance costs plus borrowing costs capitalised into assets less finance income/costs on changes in fair value of call options and contingent consideration and interest expense on lease liabilities. Adjusted EBIT and adjusted net finance cost are rolling 12 month measures (a period of 12 consecutive months determined on a rolling basis with a new 12 month period beginning on the first day of each month).

	Half year 2023 $m	Half year 2022 $m	Year 2022 $m
Rolling operating profit	**302.6**	226.9	235.6
Rolling exceptional (credit)/charge	**(5.5)**	5.1	51.0
Rolling operating profit (pre-exceptional)	**297.1**	232.0	286.6
Rolling dividends received from related parties	**31.9**	20.9	15.3
Rolling IFRS 16 adjustment – interest	**(2.7)**	(2.7)	(2.7)
Rolling adjusted EBIT	**326.3**	250.2	299.2
Rolling net finance cost	**14.1**	15.6	17.6
Adjusted EBIT: net finance cost	**23.1 times**	16.0 times	17.0 times

G 9. VOLUME AND PRICING INCREASE/(DECREASE)

Volume increase/(decrease) represents the impact of sales volumes within the revenue movement period-on-period, excluding volume from acquisitions and disposals, on a constant currency basis.

Pricing increase/(decrease) represents the impact of sales pricing (including trade spend) within revenue movement period-on-period, excluding acquisitions and disposals, on a constant currency basis.

G 9.1 RECONCILIATION OF VOLUME AND PRICING INCREASE/(DECREASE) TO CONSTANT CURRENCY REVENUE GROWTH

	Reference to the interim financial statements/glossary	**Volume increase/ (decrease)**	**Price increase/ (decrease)**	**Acquisitions/ (disposals)**	**Revenue increase/ (decrease)**
Nutritional Solutions	G 2.1	**(10.4%)**	**(4.8%)**	**(2.6%)**	**(17.8%)**
US Cheese	G 2.1	**0.4%**	**(14.5%)**	**-**	**(14.1%)**
Glanbia Nutritionals	G 2.1	**(2.8%)**	**(11.7%)**	**(0.7%)**	**(15.2%)**
Glanbia Performance Nutrition	G 2.1	**(7.5%)**	**10.9%**	**-**	**3.4%**
HY 2023 decrease % - revenue	G 2.1	**(4.1%)**	**(5.4%)**	**(0.5%)**	**(10.0%)**

GLOSSARY
KEY PERFORMANCE INDICATORS AND NON-IFRS PERFORMANCE MEASURES

G 10. LIKE-FOR-LIKE REVENUE INCREASE/(DECREASE)

G 10.1 GLANBIA PERFORMANCE NUTRITION ("GPN") LIKE-FOR-LIKE REVENUE

GPN like-for-like revenue represents the sales increase/(decrease) period-on-period, excluding the incremental revenue contributions from current period and prior period acquisitions and disposals and the impact of a 53rd week (when applicable), on a constant currency basis.

GPN like-for-like branded revenue represents the sales increase/(decrease) period-on-period on branded sales, excluding the incremental revenue contributions from current period and prior period acquisitions and disposals and the impact of a 53rd week (when applicable), on a constant currency basis. Like-for-like branded revenue increase/(decrease) is one of the GPN segment's Key Performance Indicators. Like-for-like branded revenue increase/(decrease) is one of the performance conditions in Glanbia's Annual Incentive Plan for GPN Senior Management.

G 10.2 GLANBIA NUTRITIONALS LIKE-FOR-LIKE REVENUE

This represents the sales increase/(decrease) period-on-period, excluding the incremental revenue contributions from current period and prior period acquisitions and disposals and the impact of a 53rd week (when applicable), on a constant currency basis.

G 11. EFFECTIVE TAX RATE

The effective tax rate is defined as the pre-exceptional income tax charge divided by the profit before tax less share of results of joint ventures.

	Reference to the interim financial statements/glossary	**Half year 2023 $m**	Half year 2022 $m
Profit before tax – continuing operations	Condensed Group income statement	**214.0**	157.6
Exceptional credit	Condensed Group income statement	**(55.9)**	(7.6)
Profit before tax (pre-exceptional)	Condensed Group income statement	**158.1**	150.0
Less share of results of joint ventures (pre-exceptional)	Condensed Group income statement	**(6.5)**	(12.5)
		151.6	137.5
Income tax	Condensed Group income statement	**20.6**	17.2
Exceptional tax credit	Condensed Group income statement	**0.6**	-
Income tax (pre–exceptional)	Condensed Group income statement	**21.2**	17.2
Effective tax rate		**14.0%**	12.5%

G 12. AVERAGE INTEREST RATE

The average interest rate is defined as the rolling 12 month adjusted net finance cost divided by average net debt.

Adjusted net finance cost comprises finance costs plus borrowing costs capitalised into assets less finance income, finance income/costs on changes in fair value of call options and contingent consideration and interest expense on lease liabilities. Average net debt and adjusted net finance cost are rolling 12 month measures (a period of 12 consecutive months determined on a rolling basis with a new 12 month period beginning on the first day of each month).

G 13. OPERATING CASH CONVERSION

Operating cash conversion is defined as Operating Cashflow ("OCF") divided by pre-exceptional EBITDA. Cash conversion is a measure of the Group's ability to convert trading profits into cash and is an important metric in the Group's working capital management programme.

GLOSSARY

KEY PERFORMANCE INDICATORS AND NON-IFRS PERFORMANCE MEASURES

G 14. OPERATING CASH FLOW AND FREE CASH FLOW

Operating cash flow is defined as pre-exceptional EBITDA net of business sustaining capital expenditure and working capital movements, excluding exceptional cash flows.

Operating cash flow is one of the Group's Key Performance Indicators and one of the performance conditions in Glanbia's Annual Incentive Plan.

Free cash flow is calculated as the net cash flow in the year before the following items: strategic capital expenditure, dividends paid to Company shareholders, loans/investments in joint ventures, exceptional costs paid, payment for acquisition of subsidiaries, proceeds received on disposals and purchase of own shares under share buyback.

	Reference to the interim financial statements/glossary	**Half year 2023 $m**	Half year 2022 $m
Earnings before interest, tax, depreciation and amortisation (pre-exceptional EBITDA)	G 5	**232.2**	222.9
Movement in working capital (pre-exceptional)	G 14.2	**(181.4)**	(246.2)
Business sustaining capital expenditure	G 14.4	**(9.5)**	(8.0)
Operating cash flow	G 14.1	**41.3**	(31.3)
Net interest and tax paid	G 14.3	**(37.0)**	(34.8)
Dividends received from joint ventures	Condensed Group statement of cash flows	**19.5**	2.9
Payments of lease liabilities	Condensed Group statement of cash flows	**(10.8)**	(8.1)
Other outflows	G 14.5	**(5.0)**	(2.1)
Free cash flow		**8.0**	(73.4)
Strategic capital expenditure	G 14.4	**(27.3)**	(24.0)
Dividends paid to Company shareholders	Condensed Group statement of cash flows	**(57.3)**	(53.5)
Purchase of own shares under share buyback	G 14.8	**(69.3)**	(138.9)
Loans/investments in joint ventures	G 14.6	**67.8**	27.6
Cash outflow related to exceptional items	G 14.7	**(8.5)**	(16.2)
Acquisitions/disposals	G 14.9	**130.8**	279.5
Net cash flow		**44.2**	1.1
Exchange translation	Note 15	**(5.0)**	4.9
Cash acquired on acquisition	Note 15	**-**	1.0
Net debt movement		**39.2**	7.0
Opening net debt		**(490.0)**	(682.6)
Closing net debt	G 7, Note 15	**(450.8)**	(675.6)

G 14.1 RECONCILIATION OF OPERATING CASH FLOW TO THE CONDENSED GROUP STATEMENT OF CASH FLOWS IN THE INTERIM FINANCIAL STATEMENTS

	Reference to the interim financial statements/glossary	**Half year 2023 $m**	Half year 2022 $m
Net cash flows from operating activities before exceptional items	Note 21	**59.2**	(15.3)
Less business sustaining capital expenditure	G 14.4	**(9.5)**	(8.0)
Non-cash items not adjusted in computing operating cash flow:			
Cost of share-based payments	Note 21	**(10.0)**	(8.3)
Other reconciling items		**1.6**	0.3
Operating cash flow	G 14	**41.3**	(31.3)

GLOSSARY
KEY PERFORMANCE INDICATORS AND NON-IFRS PERFORMANCE MEASURES

G 14.2 MOVEMENT IN WORKING CAPITAL

	Reference to the interim financial statements/glossary	**Half year 2023 $m**	Half year 2022 $m
Movement in working capital (pre-exceptional)	G 14	**(181.4)**	(246.2)
Net write down of inventories (pre-exceptional)	Note 21	**(8.1)**	(6.1)
Net movement in allowance for impairment of receivables	Note 21	**1.3**	(2.3)
Other reconciling items		**2.2**	(1.8)
Total change in net working capital	Note 21	**(186.0)**	(256.4)

G 14.3 NET INTEREST AND TAX PAID

	Reference to the interim financial statements/glossary	**Half year 2023 $m**	Half year 2022 $m
Interest received	Condensed Group statement of cash flows	**5.2**	1.1
Interest paid (including interest expense on lease liabilities)	Condensed Group statement of cash flows	**(13.5)**	(10.3)
Tax paid	Condensed Group statement of cash flows	**(28.7)**	(25.6)
Total net interest and tax paid	G 14	**(37.0)**	(34.8)

G 14.4 CAPITAL EXPENDITURE

	Reference to the interim financial statements/glossary	**Half year 2023 $m**	Half year 2022 $m
Business sustaining capital expenditure	G 14	**9.5**	8.0
Strategic capital expenditure	G 14	**27.3**	24.0
Total capital expenditure		**36.8**	32.0
Purchase of property, plant and equipment	Condensed Group statement of cash flows	**18.3**	13.9
Purchase of intangible assets	Condensed Group statement of cash flows	**18.5**	18.1
Total capital expenditure per the Condensed Group statement of cash flows		**36.8**	32.0

Business sustaining capital expenditure
The Group defines business sustaining capital expenditure as the expenditure required to maintain/replace existing assets with a high proportion of expired useful life. This expenditure does not attract new customers or create the capacity for a bigger business. It enables the Group to keep operating at current throughput rates but also keep pace with regulatory and environmental changes as well as complying with new requirements from existing customers.

Strategic capital expenditure
The Group defines strategic capital expenditure as the expenditure required to facilitate growth and generate additional returns for the Group. This is generally expansionary expenditure beyond what is necessary to maintain the Group's current competitive position.

G 14.5 OTHER OUTFLOWS

	Reference to the interim financial statements/glossary	**Half year 2023 $m**	Half year 2022 $m
Cost of share-based payments	Note 21	**10.0**	8.3
Proceeds from disposal/redemption from FVOCI financial assets	Condensed Group statement of cash flows	**-**	0.3
Purchase of own shares by Employee Share (Scheme) Trust	G 14.8	**(13.4)**	(10.4)
Other reconciling items		**(1.6)**	(0.3)
Total other outflows	G 14	**(5.0)**	(2.1)

G 14.6 LOANS/INVESTMENTS IN JOINT VENTURES

	Reference to the interim financial statements/glossary	**Half year 2023 $m**	Half year 2022 $m
Loans advanced to Glanbia Cheese	Condensed Group statement of cash flows	**(3.5)**	(3.9)
Proceeds on repayment of loans advanced to Glanbia Cheese	Condensed Group statement of cash flows	**71.3**	-
Proceeds on repayments of loans advanced to Tirlán Limited	Condensed Group statement of cash flows	**-**	31.5
Total loans/investments in joint ventures	G 14	**67.8**	27.6

GLOSSARY

KEY PERFORMANCE INDICATORS AND NON-IFRS PERFORMANCE MEASURES

G 14.7 EXCEPTIONAL CASH PAID

	Reference to the interim financial statements/glossary	**Half year 2023 $m**	Half year 2022 $m
Cash outflow related to exceptional items - operating activities	Condensed Group statement of cash flows	**(8.5)**	(7.4)
Cash outflow related to exceptional items - investing activities	Condensed Group statement of cash flows	**-**	(8.8)
Total exceptional cash paid	G 14	**(8.5)**	(16.2)

G 14.8 PURCHASE OF OWN SHARES

	Reference to the interim financial statements/glossary	**Half year 2023 $m**	Half year 2022 $m
Purchase of own shares under share buyback	G 14	**(69.3)**	(138.9)
Purchase of own shares by Employee Share (Scheme) Trust	G 14.5	**(13.4)**	(10.4)
Total purchase of own shares	Condensed Group statement of cash flows	**(82.7)**	(149.3)

G 14.9 ACQUISITIONS/DISPOSALS

	Reference to the interim financial statements/glossary	**Half year 2023 $m**	Half year 2022 $m
Proceeds from disposal of Glanbia Cheese (exceptional)	Condensed Group statement of cash flows	**123.4**	-
Proceeds from disposal of assets and liabilities held for sale (exceptional)	Condensed Group statement of cash flows	**7.4**	-
Proceeds from disposal of Tirlán Ltd (formerly known as Glanbia Ireland DAC)	Condensed Group statement of cash flows	**-**	339.3
Payment for acquisition of subsidiaries	Condensed Group statement of cash flows	**-**	(59.8)
Total acquisitions/disposals	G 14	**130.8**	279.5

G 15. DIVIDEND PAYOUT RATIO

Dividend payout ratio is defined as the US Dollar equivalent interim dividend per ordinary share divided by the Adjusted Earnings Per Share. US Dollar equivalent dividend is based on the actual dividend recommendation/payment in Euro, retranslated to US Dollar at the average exchange rate for the period. The dividend payout ratio provides an indication of the value returned to shareholders relative to the Group's total earnings.

	Reference to the interim financial statements/glossary	**Half year 2023**	Half year 2022
Adjusted Earnings Per Share	G 6.2	**$ 60.78c**	$ 57.17c
Dividend recommended/paid per ordinary share in Euro	Note 11	**€ 14.22c**	€ 12.93c
Equivalent US Dollar dividend translated at average exchange rate for the period		**$ 15.37c**	$ 14.13c
Dividend payout ratio		**25.3%**	24.7%

G 16. COMPOUND ANNUAL GROWTH RATE (“CAGR”)

The compound annual growth rate is the annual growth rate over a period of years. It is calculated on the basis that each year’s growth is compounded.

G 17. EXCEPTIONAL ITEMS

The Group considers that items of income or expense which are material by virtue of their scale and nature should be disclosed separately if the Group financial statements are to fairly present the financial performance and financial position of the Group. Determining which transactions are to be considered exceptional in nature is often a subjective matter. However, circumstances that the Group believes would give rise to exceptional items for separate disclosure are outlined in the accounting policy on exceptional items in note 2 to the 2022 financial statements. Exceptional items are included on the income statement line item to which they relate. In addition, for clarity, separate disclosure is made of all items in one column on the face of the Group income statement. Refer to note 7 for an analysis of exceptional items recognised in half year 2023.