Glanbia plc
2023 Full Year Results

Preliminary Statement of Results
for the year ended 30 December 2023

28 February 2024

Delivering better nutrition.

Glanbia Full Year 2023 results

Strong performance with adjusted EPS[1] growth of 20.5% constant currency

28 February 2024 - Glanbia plc ("Glanbia", the "Group", the "Company", the "plc"), the 'Better Nutrition company', announces its preliminary results for the 2023 financial year ended 30 December 2023 ("2023" or "FY23").

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.

Summary:

- Group Financial Performance:
    - Adjusted earnings per share ("EPS")[1] of 131.37 $cent (2022: 109.57 $cent) representing growth of 20.5% constant currency (up 19.9% reported);
    - Group revenues of $5.4 billion (2022: $5.9 billion) representing a decline of 8.7%, constant and reported currency;
    - Group EBITA pre-exceptional $424.0 million (2022: $365.7 million), an increase of 16.4% constant currency (up 15.9% reported);
    - Basic EPS of 129.21 $cent (2022: 98.40 $cent);
    - Operating Cash Flow ("OCF") conversion of 90.4% (2022: 85.7%) and year end net debt to adjusted EBITDA ratio of 0.5 times (2022: 1.13 times);
- Glanbia Performance Nutrition ("GPN"):
    - Like-for-like ("LFL") branded revenue growth of 5.1% with pricing +5.4% and volume -0.3%;
    - Optimum Nutrition ("ON") brand delivered LFL revenue growth of 17.0% with both volume and price growth; US consumption growth[2] of 13.7% for the 52 week period;
    - Increased brand and marketing investment, prioritising the protein growth brands of Optimum Nutrition, Isopure and think!;
    - EBITA margin of 14.2% (2022: 11.2%), an increase of 300bps;
- Glanbia Nutritionals ("GN") - Nutritional Solutions ("GN NS"):
    - LFL revenue decrease of 12.3% with pricing -9.0% and volume -3.3%;
    - Volume trends continued to improve through the second half of FY23 with volume growth in Q3 and Q4;
    - EBITA margin of 12.5% (2022: 11.4%), an increase of 110bps;
- Capital allocation:
    - Recommended final dividend per share of 21.21 €cent; representing a total 2023 dividend of 35.43 €cent; a 10% increase on prior year, representing a payout ratio of 29.2%;
    - Returned €100 million to shareholders in the year via share buybacks. Reflecting the Group's strong cash flow and financial position, the Group is today announcing its intention to return a further €100 million via share buybacks in FY 2024, starting initially with a €50m buyback programme;
- 2024 Outlook:
    - Glanbia expects to deliver adjusted EPS growth of 5% to 8% constant currency in FY 2024.

Commenting today Hugh McGuire, Chief Executive Officer, said:

"On behalf of the Glanbia team, I am pleased to report that the Group delivered an excellent performance in 2023 with adjusted EPS[1] growing by 20.5% to 131.37c. This was driven by strong global consumer demand, with Optimum Nutrition continuing its growth momentum, delivering volume and price growth in the period. In our Nutritional Solutions business, overall volume trends continued to improve through the year, with a sequential improvement in volume growth in the fourth quarter.

Our strong operational and financial performance continued to generate excellent cash flow, with 90.4% cash conversion in the year. We continued to evolve our portfolio with the acquisition of a bioactive ingredients business and the sale of our share of Glanbia Cheese joint ventures. We increased the dividend by 10% and returned €100 million to shareholders via our share buyback programme.

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[1] Adjusted earnings per share ("EPS") for continuing operations.
[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 52 week period to 31 December 2023.

Glanbia is a company with very strong fundamentals – a clear strategy, a portfolio of great brands and ingredients playing into strong underlying consumer health and wellness trends with a team of talented people. Looking ahead, we will focus on driving growth and shareholder value by stepping up awareness and distribution of our great brands, with a robust innovation pipeline across both our growth platforms. In 2024, we expect adjusted EPS growth of 5% to 8% constant currency, which will be driven by a strong operating performance across both GPN and GN NS."

Summary financials[1] – continuing operations

FY23 results $'m	2023	2022	Reported Change	Constant Currency Change[2]
Wholly-owned business (pre-exceptional)				
Revenue	5,425.4	5,943.7	(8.7%)	(8.7%)
EBITA[3]	424.0	365.7	15.9%	16.4%
EBITA margin	7.8%	6.2%		
Joint Ventures				
Share of profit after tax (pre-exceptional)	12.5	16.3		
Profit after tax	298.1	248.0		
Adjusted earnings per share	131.37c	109.57c	19.9%	20.5%
Basic earnings per share	130.41c	76.55c		

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 35 to 43.
2. 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 2023 was $1 = €0.9247 (2022: $1 = €0.9493). Reported and constant currency movements are on a pre-exceptional basis.
3. EBITA (pre-exceptional) is defined as earnings before interest, tax and amortisation.

FY23 results summary

Revenue progression	2023 versus 2022					
	Constant Currency Movement					Reported Movement
	Volume	Price	Like-for-like	Acquisition / (Disposals)	Total Constant Currency	Total Reported
Glanbia Performance Nutrition	(0.6%)	5.4%	4.8%	-	4.8%	4.9%
Glanbia Nutritionals	(0.4%)	(13.0%)	(13.4%)	(0.8%)	(14.2%)	(14.2%)
Nutritional Solutions	*(3.3%)*	*(9.0%)*	*(12.3%)*	*(2.6%)*	*(14.9%)*	*(15.0%)*
US Cheese	*0.7%*	*(14.6%)*	*(13.9%)*	-	*(13.9%)*	*(13.9%)*
Total wholly-owned businesses	**(0.5%)**	**(7.7%)**	**(8.2%)**	**(0.5%)**	**(8.7%)**	**(8.7%)**

Revenue, EBITA and Margin	2023			2022		
$'m	Revenue	EBITA	Margin %	Revenue	EBITA	Margin %
Glanbia Performance Nutrition	**1,795.6**	**255.4**	**14.2%**	**1,712.5**	**191.9**	**11.2%**
Glanbia Nutritionals	**3,629.8**	**168.6**	**4.6%**	**4,231.2**	**173.8**	**4.1%**
Nutritional Solutions	*1,008.5*	*126.2*	*12.5%*	*1,186.8*	*135.0*	*11.4%*
US Cheese	*2,621.3*	*42.4*	*1.6%*	*3,044.4*	*38.8*	*1.3%*
Total wholly-owned businesses	**5,425.4**	**424.0**	**7.8%**	**5,943.7**	**365.7**	**6.2%**

2023 full year overview

Glanbia delivered a strong financial and operating performance in 2023. Group revenue was $5,425.4 million (2022: $5,943.7 million), down 8.7% constant and reported currency, primarily driven by dairy pricing. Group EBITA (before exceptional items) was $424.0 million (2022: $365.7 million), up 16.4% constant currency (up 15.9% reported). Group pre-exceptional profit after tax for continuing operations was $298.1 million (2022: $248.0 million), up 21.1% constant currency (up 20.2% reported).

Adjusted earnings per share ("EPS") was 131.37 $cent (2022: 109.57 $cent), up 20.5% constant currency (up 19.9% reported).

Balance sheet and financing

The Group's continued focus on cash management delivered a strong performance with an Operating Cash Flow of $445.9 million (2022: $374.3 million), which represents an OCF conversion of 90.4% (2022: 85.7%). At year end, the Group had a net debt position of $248.7 million (2022: $490.0 million) with the decrease driven by strong cash generation, the sale of the Group's interest in the Glanbia Cheese UK and EU joint ventures and a disciplined approach to capital allocation. Net debt to adjusted EBITDA was 0.5 times (2022: 1.13 times). At year end, the Group had committed debt facilities of $1.3 billion (2022: $1.3 billion) with a weighted average maturity of 4.7 years (2022: 5.8 years).

Capital investment

Glanbia's total investment in capital expenditure (tangible and intangible assets) was $74.2 million in 2023 (2022: $72.5 million). Strategic investment totalled $51.7 million and included ongoing capacity enhancement, business integrations, and IT investments to drive further efficiencies in operations. Total capital expenditure for 2024 is expected to be $75 million to $85 million. Glanbia's ability to generate cash and its available debt facilities ensure the Group has considerable capacity to finance future investments.

Dividend per share

The Board is recommending a final dividend of 21.21 €cent per share which brings the total dividend for the year to 35.43 €cent per share, a 10% increase on prior year. This total dividend represents a payout ratio of 29.2% of 2023 adjusted EPS, which is within the Company's target payout ratio of 25% to 35%. The final dividend will be paid on 3 May 2024 to shareholders on the share register on 22 March 2024. Irish withholding tax will be deducted at the standard rate where appropriate. The Company's primary dividend payment currency remains euro.

Share buyback

During 2023 Glanbia purchased and cancelled 7,215,827 million ordinary shares, representing 2.7% of total issued ordinary shares at the beginning of 2023, at a total cost of €100 million (2022: €173.5 million). The Company's Board has approved a further €100 million share buyback authority in 2024 as part of its capital allocation policy. Today, the Group will launch an initial €50 million share buyback programme under this authority. Further details on the share buyback programme will be provided in a separate announcement today.

Sustainability

The Group remains on track to meet its commitment to reduce Scope 1 and 2 carbon emissions by 50% by 2030 from a 2018 base, delivering a 15.9% reduction of Scope 1 and 2 carbon emissions in 2023 versus the previous year. In addition, the Group demonstrated continued progress across our other environmental commitments relating to climate, water, waste and consumer packaging.

Strategy

During 2023 the Group continued to sharpen its focus on its core better nutrition growth platforms and simplify it's reporting structure. This included the following initiatives:

- Portfolio evolution:
    - Q1 2023 - divested Aseptic Solutions.
    - Q2 2023 - divested Glanbia Cheese UK and EU joint ventures.
    - Q4 2023 - acquired a bioactive nutritional ingredients business.
- Simplification of reporting:
    - Q1 2023 - announced change of presentation currency to US dollar.
    - Q3 2023 - announced amendment of commercial arrangements associated with US joint ventures.

The Group remains confident in delivering the financial ambition outlined at the Capital Markets event in November 2022, which was as follows:

2023-2025 financial ambition	Ambition	2023 result
Group metrics*		
Adjusted Earnings Per Share growth (on a constant currency basis)	5-10%	20.5%
Operating Cash Flow conversion %	80%+	90.4%
Return on Capital Employed ("ROCE")	10-13%	12.2%

* All Group metrics are average annual metrics for the three years 2023-2025 and include M&A activity.

Change in commercial arrangements associated with US joint venture and change to EBITDA in 2024

As announced on 16 August 2023, the Group has amended the commercial arrangements associated with its US joint venture effective 1 January 2024. Under the new commercial terms, in accordance with IFRS 15 Glanbia will recognise commissions earned on the sale of joint venture products, whereas previously Glanbia recorded the gross value of revenues and corresponding cost of sales on joint venture products sold. The change in commercial terms will impact the recognition and presentation of revenues and cost of sales from 2024 onwards only.

The Group has also decided to adopt EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) as a key performance measure from 2024. This aligns with industry standards.

The table below re-presents the pro-forma revenue for 2023 and 2022 to reflect the change in the Group's commercial arrangements associated with its US joint venture as if the terms were effective from the beginning of 2022. The impact is to decrease revenue; there is no change to EBITDA. The table also provides EBITDA by segment, in line with future reporting.

Pro-forma Revenue, EBITDA and Margin (pre-exceptional)						
	2023			**2022**		
$'m	**Reported**	**Pro-forma Adjustment**	**Pro-forma**	**Reported**	**Pro-forma Adjustment**	**Pro-forma**
Revenue						
Glanbia Performance Nutrition	1,795.6	-	1,795.6	1,712.5	-	1,712.5
Glanbia Nutritionals	3,629.8	(1,795.6)	1,834.2	4,231.2	(2,123.3)	2,107.9
Nutritional Solutions	*1,008.5*	*(123.1)*	*885.4*	*1,186.8*	*(183.1)*	*1,003.7*
US Cheese	*2,621.3*	*(1,672.5)*	*948.8*	*3,044.4*	*(1,940.2)*	*1,104.2*
Group Revenue	**5,425.4**	**(1,795.6)**	**3,629.8**	**5,943.7**	**(2,123.3)**	**3,820.4**
EBITDA						
Glanbia Performance Nutrition	282.3	-	282.3	216.0	-	216.0
Glanbia Nutritionals	211.1	-	211.1	220.8	-	220.8
Nutritional Solutions	*157.3*	-	*157.3*	*171.2*	-	*171.2*
US Cheese	*53.8*	-	*53.8*	*49.6*	-	*49.6*
Group EBITDA	**493.4**	**-**	**493.4**	**436.8**	**-**	**436.8**
EBITDA Margin						
Glanbia Performance Nutrition	15.7%	-	15.7%	12.6%	-	12.6%
Glanbia Nutritionals	5.8%	+570bps	11.5%	5.2%	+530bps	10.5%
Nutritional Solutions	*15.6%*	*+220bps*	*17.8%*	*14.4%*	*+270bps*	*17.1%*
US Cheese	*2.1%*	*+360bps*	*5.7%*	*1.6%*	*+290bps*	*4.5%*
Group EBITDA Margin	**9.1%**	**+450bps**	**13.6%**	**7.3%**	**+410bps**	**11.4%**

Board changes

The following Board changes have taken place at the Company since the beginning of 2023.

Siobhán Talbot stepped down from her position as Group Managing Director of the Company and Executive Director on the Glanbia Board on 31 December 2023 and retired from the Group in January 2024. Hugh McGuire, was appointed Chief Executive Officer of the Company and joined the Glanbia Board as an Executive Director on 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 Company's annual general meeting ("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 Gabriella Parisse to its Board as an Independent Non-Executive Director effective 1 June 2023.

Róisín Brennan succeeded Dan O'Connor as Senior Independent Director of the Company on 30 December 2023. Dan O'Connor succeeded Donard Gaynor as Chair of the Environmental, Social and Governance ("ESG") Committee on 30 December 2023. Mr O'Connor has informed the Board that it is his intention to retire from the Board at the Company's AGM in 2025.

Mark Garvey, Chief Financial Officer and Executive Director of the Company, was appointed a member of the ESG Committee on 30 December 2023.

The Glanbia Board is comprised of 13 members: the Chairman, two Executive Directors, ten Non-Executive Directors including three representatives from Tirlán Co-operative Society Limited.

2024 Outlook

The Group's strong performance in 2023, despite the challenging global environment, highlights the strength of its consumer focused Better Nutrition portfolio, which is expected to drive growth in 2024 and beyond.

Based on the current market environment and expectations for the remainder of the year the Group outlines the following guidance for FY 2024:

- GPN expects to deliver 4% to 7% revenue growth*.
- GN NS expects to deliver 3% to 5% volume growth.
- EBITDA margins for GPN and GN NS to be sustained at least at the same level as 2023.
- The Group is targeting an operating cash flow conversion rate of 80%+.

Glanbia expects to deliver adjusted EPS growth of 5% to 8% constant currency in 2024.

* on a constant currency basis and includes the impact of the 53rd week in 2024.

2023 operations review

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

Glanbia Performance Nutrition

$'m	2023	2022	Reported Change	Constant Currency Change
Revenue	1,795.6	1,712.5	+4.9%	+4.8%
EBITA	255.4	191.9	+33.1%	+33.7%
EBITA margin	14.2%	11.2%	+300bps	

- Like-for-like ("LFL") branded revenue growth of +5.1% with volume -0.3% and pricing +5.4%.
- Optimum Nutrition, the number 1 global brand in the sports nutrition sector, delivered LFL revenue growth of 17.0% with both volume and price growth.
- EBITA margin of 14.2%, an increase of 300bps versus 2022.

GPN revenue increased by 4.8% in 2023. This was driven by price increases of 5.4% partly offset by a volume decline of 0.6%. Pricing was positive following the execution of price increases in 2022. The price increases implemented to offset inflation 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, which represents 9% of GPN revenue, with the previously highlighted challenges in the diet category impacting the brand's performance. ON, which represents 62% of GPN revenue, delivered both volume and price growth in the period as the strength of the brand continues to drive global distribution and velocities, supported by increased marketing activation and brand investment.

GPN EBITA increased by 33.7% versus prior year to $255.4 million and EBITA margin increased by 300 basis points to 14.2%. This was driven by continued focus on revenue growth management initiatives, operating efficiencies and margin optimisation. The positive phasing of input costs in the second half of 2023 supported both further brand investment and margin improvement.

Americas

GPN Americas grew LFL revenue by 0.9% in 2023, with strong growth in the ON and Isopure brands offset by anticipated declines in the SlimFast brand.

The ON brand continues to strengthen its strong consumer position and delivered US consumption growth of 13.7%[1] in 2023, building on a strong comparative period. This was driven by strong growth in the club and online channels and was supported by the successful activation of the 'More of You in You' brand campaign. Trends in the healthy lifestyle portfolio remained robust, with US consumption growth of 11.2%[1] 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.

International

GPN International, which represents 35% of GPN global revenue portfolio, grew LFL revenue by 12.8% in 2023. Growth across the region was broad based and driven by both volume and price growth of the ON brand, which was supported by increased brand investment and expanded distribution.

Glanbia Nutritionals

	2023			2022		
$'m	**Revenue**	**EBITA**	**Margin %**	**Revenue**	**EBITA**	**Margin %**
Nutritional Solutions	1,008.5	126.2	12.5%	1,186.8	135.0	11.4%
US Cheese	2,621.3	42.4	1.6%	3,044.4	38.8	1.3%
Total Glanbia Nutritionals	**3,629.8**	**168.6**	**4.6%**	**4,231.2**	**173.8**	**4.1%**

[1] 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 52 week period to 31 December 2023.

Nutritional Solutions

$'m	2023	2022	Reported Change	Constant Currency Change
Revenue	1,008.5	1,186.8	(15.0%)	(14.9%)
EBITA	126.2	135.0	(6.5%)	(6.2%)
EBITA margin	12.5%	11.4%	+110bps	

- LFL revenue decline of 12.3% with volumes -3.3% and pricing -9.0%.
- EBITA margin of 12.5%, an increase of 110 basis points versus 2022.
- Sequential volume improvement as the period progressed, with positive volumes in Q3 and Q4.

GN NS revenue decreased by 14.9% in 2023. This was driven by a 3.3% decrease in volume, 9.0% 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 customer supply chain rebalancing in the custom premix solutions business in the first half of the year, which sequentially improved as the year progressed. Volumes in the protein business were positive and underpinned by good demand for protein. The price decline was driven by the decline in dairy market pricing, with positive pricing in the custom premix solutions business.

GN NS continues to support customers across a broad range of categories, ultimately seeking to address growing consumer health and wellness trends. While 2023 saw a period of customer inventory rebalancing in the custom premix business, the demand at a consumer level remains fundamentally unchanged.

As announced on 1 November 2023, Glanbia acquired a B2B bioactive nutritional ingredients business. This is an exciting addition to our portfolio of nutritional ingredients, building out our dairy bioactive platform in colostrum-enriched nutraceuticals that support gut health and immunity.

GN NS EBITA was $126.2 million, a 6.2% decline versus prior year, primarily as a result of the volume decline in the first half of 2023. EBITA margins increased by 110 basis points versus prior year to 12.5% as a result of both operating efficiencies and the mathematical impact of lower dairy pricing.

US Cheese

$'m	2023	2022	Reported Change	Constant Currency Change
Revenue	2,621.3	3,044.4	(13.9%)	(13.9%)
EBITA	42.4	38.8	+9.3%	+9.6%
EBITA margin	1.6%	1.3%	+30bps	

US Cheese revenue declined by 13.9% in 2023. This was driven by a 0.7% increase in volume and a 14.6% decline in price, with the pricing decline aligned to the lower year-on-year cheese market pricing.

US Cheese EBITA increased by 9.6% to $42.4 million as a result of strong operating efficiencies and some procurement benefits. US Cheese operates a pass-through pricing model which broadly protects earnings from changes in market pricing.

Joint Ventures (Glanbia share) – continuing operations

$'m	2023	2022	Reported Change
Share of joint ventures' profit after tax	12.5	16.3	(3.8)

The Group's share of joint ventures' profit after tax pre-exceptional items decreased by $3.8 million to $12.5 million, largely driven by the sale of its shareholdings in the Glanbia Cheese Limited and Glanbia Cheese EU Limited 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 that date.

FULL 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.

2023 Group income statement

	2023			2022		
$'m	**Pre-exceptional**	**Exceptional**	**Total**	**Pre-exceptional**	**Exceptional**	**Total**
Revenue – continuing operations	**5,425.4**	**-**	**5,425.4**	5,943.7	-	5,943.7
Earnings before interest, tax and amortisation (EBITA)	**424.0**	**47.8**	**471.8**	365.7	(23.1)	342.6
EBITA margin	**7.8%**	**-**	**8.7%**	6.2%	-	5.8%
Intangible asset amortisation and impairment	**(79.6)**	**-**	**(79.6)**	(79.1)	(27.9)	(107.0)
Operating profit	**344.4**	**47.8**	**392.2**	286.6	(51.0)	235.6
Finance income	**9.8**	**-**	**9.8**	1.9	7.7	9.6
Finance costs	**(22.1)**	**-**	**(22.1)**	(23.7)	(0.6)	(24.3)
Share of results of joint ventures	**12.5**	**-**	**12.5**	16.3	0.2	16.5
Profit before taxation	**344.6**	**47.8**	**392.4**	281.1	(43.7)	237.4
Income taxes	**(46.5)**	**1.8**	**(44.7)**	(33.1)	6.0	(27.1)
Profit after tax from continuing operations	**298.1**	**49.6**	**347.7**	248.0	(37.7)	210.3
Discontinued operations						
(Loss)/profit after tax from discontinued operations	**-**	**(3.2)**	**(3.2)**	-	60.3	60.3
Profit for the year	**298.1**	**46.4**	**344.5**	248.0	22.6	270.6

Revenue

Revenue decreased in 2023 by 8.7% versus prior year (constant and reported currency basis) to $5.4 billion. Like-for-like wholly-owned revenue decreased by 8.2%, driven by volume and pricing declines of 0.5% and 7.7% respectively. Detailed analysis of revenue is set out within the operations review.

EBITA (pre-exceptional)

EBITA before exceptional items increased 16.4% constant currency (+15.9% reported) to $424.0 million (2022: $365.7 million) with strong EBITA delivery in GPN and with GN marginally down primarily due to supply chain destocking. EBITA margin in FY 2023 was 7.8%, compared to 6.2% in 2022, representing an increase of 160 basis points.

GPN pre-exceptional EBITA increased by 33.7% constant currency to $255.4 million (2022: $191.9 million), an increase of 33.1% on a reported basis. GPN pre-exceptional EBITA margin at 14.2% was 300 basis points higher than prior year (2022: 11.2%).

GN pre-exceptional EBITA declined 2.7% constant currency to $168.6 million (2022: $173.8 million), a decrease of 3.0% on a reported basis. GN pre-exceptional EBITA margin was 4.6%, an increase of 50 basis points from 2022 (2022: 4.1%).

Net finance costs (pre-exceptional)

Net finance costs (pre-exceptional items) decreased by $9.5 million to $12.3 million (2022: $21.8 million). The decrease was primarily driven by a reduction in the Group's average net financial indebtedness during 2023 compared to 2022, as well as strong returns on gross cash balances as variable interest rates rose in the period. The Group's average interest rate was 2.0% (2022: 2.3%). Glanbia operates a policy of fixing a significant amount of its interest exposure, with 95% of projected 2024 debt currently contracted at fixed rates.

Share of results of joint ventures (all continuing operations)

The Group's share of results of joint ventures is stated after tax and before exceptional items. The Group's share of joint venture profits from continuing operations decreased by $3.8 million to $12.5 million (2022: $16.3 million), primarily as a result of disposals in the year (see below), somewhat offset by an improvement in the performance of the retained US joint venture operations.

Following the agreement reached to sell the Group's share of its investments 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.

Income taxes

The 2023 pre-exceptional tax charge increased by $13.4 million to $46.5 million (2022: $33.1 million). This represents an effective tax rate, excluding joint ventures, of 14.0% (2022: 12.5%). The tax credit related to exceptional items is $1.8 million (2022: $6.0 million). The Group currently expects that its effective tax rate for 2024 will increase as a result of global tax legislation changes in the jurisdictions in which the Group operates.

Exceptional items

$'m – continuing operations	**2023**	**2022**
Net exceptional gain on disposal/exit of operations (note 1)	**56.3**	-
Pension related costs (note 2)	**(2.5)**	(1.8)
Portfolio related re-organisation costs (note 3)	**(6.0)**	(3.1)
Changes in fair value of contingent consideration (note 4)	**-**	7.1
Non-core assets held-for-sale (note 5)	**-**	(46.1)
Wholly-owned exceptional gain/(charge) before tax	**47.8**	(43.9)
Share of results of joint ventures (note 2)	**-**	0.2
Exceptional tax credit	**1.8**	6.0
Exceptional gain/(charge) after tax	**49.6**	(37.7)

$'m – discontinued operations	**2023**	2022
Exceptional (charge)/gain from discontinued operations (note 6)	**(3.2)**	60.3
Exceptional (charge)/gain after tax – discontinued operations	**(3.2)**	60.3
Total exceptional gain in the year	**46.4**	22.6

Details of the exceptional items are as follows:

1. **Net exceptional gain on disposal/exit of operations** primarily relates to the net gains on disposal of the UK and EU Glanbia Cheese joint venture operations and a small US bottling facility (Aseptic Solutions) which was designated as held-for-sale at 31 December 2022 (note 5 below). Both transactions concluded during 2023 and the net gain represents the difference between proceeds received, 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 buyout and wind up of these schemes and a further simplification of schemes that remain. Costs incurred relate to the estimated 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 from risk reduction activities. The restructuring effort involved the careful navigation of external market factors, with final wind up of schemes anticipated in 2024.
3. **Portfolio related re-organisation costs** relate to indirect one off costs as a result of recent portfolio changes. Following these 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 strategic multi-year programme continues in 2024. 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 **non-core assets held-for-sale** relate to fair value adjustments to reduce the carrying value of certain assets to recoverable value. The assets relate to the Aseptic Solutions business which was successfully divested during 2023 (see note 1 above).
6. **Exceptional (charge)/gain from discontinued operations** relates to the divestment of Tirlán Limited (formerly known as Glanbia Ireland DAC) ("Tirlán"). The prior year gain represents the initial gain on disposal of the Group's interest in this entity. The current year charge relates to the crystallisation of certain contingent costs associated with the divestment transaction following the conclusion of negotiations on separation of the common infrastructure of both organisations.

Profit after tax

Profit after tax for the year was $344.5 million compared to $270.6 million in 2022, comprising continuing operations of $347.7 million (2022: $210.3 million) and a loss on discontinued operations of $3.2 million (2022: profit of $60.3 million). Profit after tax from continuing operations comprises pre-exceptional profit of $298.1 million (2022: $248.0 million) and a net exceptional gain of $49.6 million (2022: charge of $37.7 million). The $50.1 million increase in pre-exceptional profit after tax from continuing operations is driven by the continued growth in profitability of wholly-owned businesses net of reduced profitability of joint ventures following the disposal of the UK and EU cheese joint venture operations in April 2023.

Profit after tax from discontinued operations relates entirely to the divestment of the Group's interest in Tirlán which completed in April 2022, with further costs associated with the transaction crystallising in 2023.

Earnings Per Share (EPS)

	2023	2022	Reported Change	Constant Currency Change
Basic EPS	**129.21c**	**98.40c**	**+31.3%**	**+31.3%**
– continuing operations	130.41c	76.55c	+70.4%	+71.7%
– discontinued operations	(1.2c)	21.85c	(105.5%)	(105.3%)
Adjusted EPS	**131.37c**	**109.57c**	**+19.9%**	**+20.5%**
– continuing operations	131.37c	109.57c	+19.9%	+20.5%
– discontinued operations	nil	nil	nil	nil

Basic EPS increased by 31.3% reported versus prior year, driven by a year-on-year increase in pre-exceptional profitability and the exceptional one off gains on portfolio related adjustments.

Adjusted EPS is a Key Performance Indicator ("KPI") of the Group, a key metric guided to the market and a key element of Executive Director and senior management remuneration. Adjusted EPS increased by 20.5% constant currency (19.9% reported) in the year, all from continuing operations.

Cash flow

The principal cash flow KPIs of the Group and Business Units 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 year 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 Executive Director and senior management remuneration. OCF and FCF results for the Group are outlined below.

$'m	2023	2022
EBITDA pre-exceptional	**493.4**	436.8
Movement in working capital (pre-exceptional)	**(25.0)**	(42.1)
Business-sustaining capital expenditure	**(22.5)**	(20.4)
Operating cash flow	**445.9**	374.3
Net interest and tax paid	**(51.8)**	(85.7)
Dividends from joint ventures	**32.0**	15.3
Payment of lease liabilities	**(19.9)**	(17.4)
Other inflows/(outflows)	**(16.4)**	(3.5)
Free cash flow	**389.8**	283.0
Strategic capital expenditure	**(51.7)**	(52.1)
Dividends paid to Company shareholders	**(97.2)**	(88.9)
Share buyback (purchase of own shares)	**(108.7)**	(182.8)
Payment for acquisition of businesses/subsidiaries	**(72.2)**	(60.3)
Exceptional costs paid	**(13.5)**	(22.4)
Proceeds from sale of property, plant and equipment	**-**	3.6
Loans/investment in joint ventures	**67.8**	(19.2)
Proceeds on disposal of non-core businesses	**132.0**	339.3
Net cash flow	**246.3**	200.2
Exchange translation	**(5.5)**	(8.6)
Cash/(debt) acquired on acquisition	**0.5**	1.0
Net debt movement	**241.3**	192.6
Opening net debt	**(490.0)**	(682.6)
Closing net debt	**(248.7)**	(490.0)

OCF was $445.9 million in the year (2022: $374.3 million) and represents a strong cash conversion on EBITDA of 90.4% (2022: 85.7%). The OCF conversion target for the year was 80%. The increase in OCF since prior year was due primarily to the increased profitability across the business, combined with a reduced investment in working capital as pricing and inventory volumes returned to more normalised levels following a level of significant inflation supply chain disruption throughout 2022.

FCF was $389.8 million versus $283.0 million in 2023, with the movement since prior year primarily as a result of movements in OCF (outlined above), as well as reduction in net interest cost and increased dividend returns from joint venture operations.

Capital allocated for the benefit of shareholders includes regular dividend payments of $97.2 million (2022: $88.9 million) and the execution of a share buyback programme of €100 million (2022: €173.5 million). The Board continues to review buyback programmes as part of the Group's capital allocation strategy as they provide an opportunity to allocate capital to the benefit of shareholders.

Acquisition spend relates primarily to the acquisition of the B2B bioactive ingredients business of PanTheryx, for an initial consideration of $45.1 million and the final contingent payment in respect of the 2022 Sterling Technology acquisition of $26.8 million. Divestment proceeds relate primarily to the disposal of the Group's interest in Glanbia Cheese UK and EU joint ventures in April 2023.

Loans to/equity in joint ventures during 2023 includes the full repayment of outstanding loans to Glanbia Cheese EU, in advance of completing the disposal of the UK and EU cheese businesses in April 2023.

Group financing

Financing Key Performance Indicators	2023	2022
Net debt ($'m)	248.7	490.0
Net debt: adjusted EBITDA	0.5 times	1.13 times
Adjusted EBIT: adjusted net finance cost	38.1 times	17.0 times

The Group's financial position continues to be strong. At year-end 2023, net debt was $248.7 million (2022: $490.0 million), a decrease of $241.3 million from prior year and the Group had committed debt facilities of $1.3 billion (2022: $1.3 billion) with a weighted average maturity of 4.7 years (2022: 5.8 years). Glanbia's ability to generate cash, as well as its available debt facilities ensures the Group has considerable capacity to finance future investments. Net debt to adjusted EBITDA was 0.5 times (2022: 1.13 times) and interest cover was 38.1 times (2022: 17.0 times), both metrics remaining well within financing covenants.

Use of capital

Capital expenditure

Cash outflow relating to capital expenditure for the year amounted to $74.2 million (2022: $72.5 million) including $22.5 million of business-sustaining capital expenditure and $51.7 million of strategic capital expenditure. Key strategic projects completed in 2023 include ongoing capacity enhancement, business integrations, and IT investments to drive further efficiencies in operations.

Investments in Joint Ventures

During 2023, a further $3.5 million was advanced to the Glanbia Cheese EU operations which were subsequently divested along with the Glanbia Cheese UK operations. In advance of the divestment of UK and EU joint venture operations, which completed in April 2023, outstanding loans of $71.3 million were repaid in full.

Return on Capital Employed ("ROCE")

	2023	2022	Change
Return on Capital Employed	**12.2%**	**10.7%**	**+150bps**
- continuing operations	12.2%	10.7%	+150bps
- discontinued operations	-	-	-

Return on Capital Employed increased in 2023 by 150 basis points to 12.2%. This increase was primarily due to the continued growth in profitability of the wholly-owned business, as well as the successful execution of strategy through pricing and efficiency improvements to improve margin and drive sustainable long term returns. Acquisitions remain a key part of the growth strategy of the Group with investments assessed against a target benchmark of 12% return after tax by the end of year three.

Dividends

The Board is recommending a final dividend of 21.21 €cent per share which brings the total dividend for the year to 35.43 €cent per share, a 10% increase over 2022. This total dividend represents a return of €93.9 million to shareholders from 2023 earnings and a payout ratio of 29.2% of 2023 adjusted Earnings Per Share which is in line with the Board's target dividend payout ratio of 25% to 35%. The final dividend will be paid on 3 May 2024 to shareholders on the share register on 22 March 2024.

Total Shareholder Return

Total Shareholder Return (TSR) for 2023 was +28.04%. The STOXX Europe 600 Food & Beverage Index (F&B Index), a benchmark for the Group, decreased by 0.73% in 2023. The three-year period 2021 to 2023 Glanbia TSR was +54.16% versus the F&B Index which increased by 8.03%. The five-year Glanbia TSR to 2023 was +2.28% versus the F&B Index of +31.79%. Glanbia's share price at the end of the financial year was €14.91 compared to €11.92 at the 2022 year end, representing an increase of 25.1%.

Impact of new and amended accounting standards

Adoption of new standards and amendments to existing standards during the year did not have a material impact on the Group.

Pension

The Group's net pension position under IAS 19 (revised) 'Employee Benefits', before deferred tax, improved by $5.5 million since 2022, resulting in a net pension asset of $7.2 million at 30 December 2023 (2022: asset of $1.7 million). The defined benefit pension position is calculated by discounting the estimated future cash outflows using appropriate corporate bond rates. During 2023, the Company progressed the restructuring of UK pension schemes, successfully completing the "buy-out" of two legacy schemes and further reducing the Group's exposure to liabilities on these schemes. It is anticipated that these UK schemes will ultimately be wound up in 2024.

Foreign exchange

Glanbia generates the majority of its earnings in US dollar currency and has significant assets and liabilities denominated in US dollars. As a result, from 2023 Glanbia 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 consolidated financial statements. Commentary continues to be provided on a constant currency basis to provide a better reflection of the underlying operating results in the year, removing 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 average and year-end rates were as follows: Average and year end euro to US dollar rates were as follows:

	Average		Year end	
	2023	**2022**	**2023**	**2022**
1 US dollar converted to euro	**0.9247**	0.9493	**0.9050**	0.9376
1 US dollar converted to pound sterling	**0.8043**	0.8095	**0.7865**	0.8315

Investor relations

Glanbia has a proactive approach to shareholder engagement with the Annual General Meeting ("AGM") being a key event annually. In 2023, an in person AGM was held on 4 May at the Lyrath Hotel in Kilkenny. All details relating to the AGM were published on the Company's website: www.glanbia.com/agm.

The Group Chairman consulted directly with a number of shareholders during the year. In addition, the Chair of the Remuneration Committee consulted with shareholders on the Company's Remuneration Policy. Feedback from these engagements was shared with and discussed with the Board.

In 2023, Glanbia attended 11 international equities investor conferences. In May 2023, the Group held an analyst event in London, UK, providing a deep dive on the GPN business, its strategy and key growth drivers.

In addition to full year and half year results, Glanbia publishes interim management statements after the first and third quarters to provide investors with a regular update on performance and expectations throughout the year. All releases, reports and presentations are made available immediately on publication on the Group's investor relations website.

Looking ahead

From 2024, the Group is adopting new commercial terms associated with our US joint venture operations, changing the recognition and presentation of revenues and cost of sales, without any material impact on profits. In addition, the Group will move to presentation of Earnings Before Interest, Tax, Depreciation and Amortisation ("EBITDA"). These presentational changes will continue the Group's ambition to simplify reporting to be more in line with our peers. Further pro-forma detail on the impact of these changes is provided earlier in the release.

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 Directors of Glanbia have carried out a robust assessment of the Group's principal risks, including those that may threaten Glanbia's business model, future performance, solvency or liquidity. The risk categorisation recognises the external risks associated with the operating environment, which are typically considered and managed through strategic processes, and the mainly internal risks associated with people, processes and systems which are managed through Glanbia's internal controls. Emerging risks with the potential to impact longer term success are also considered to ensure appropriate plans are in place to respond to them over time.

The Group's principal risks and uncertainties are summarised in the risk profile table below. The principal risk Economic, Industry and Political risk, reported in 2022, has been split into two principal risks with the political narrative now captured within a new Geopolitical principal risk and the Economic and industry risk remaining as a standalone risk. No new emerging principal risks were identified in 2023 while some fluctuation in the principal risk trends did arise including:

- Geopolitical risk: As geopolitical tensions escalated and became more widespread globally, the Directors have determined that this risk area now warrants a standalone principal risk. The market consequences of the war in Ukraine and tensions in the Middle East continue to create volatility.
- Economic and industry: the macroeconomic environment continues to show volatility with recessionary conditions which impacted some countries in 2023 looking set to continue in 2024.
- Market disruption risk continues to trend upwards. Adverse changes in economic conditions, persistent inflation, energy and interest rate pressures have continued to increase the cost of living and could result in reduced consumer spending which may disrupt demand and further increase operational and financial costs.
- Climate change risk continues to trend upwards due to the evolving climate landscape, expected future developments in ESG regulations, and the increasing stakeholder reporting expectations.
- Cyber security and data protection risks continue to trend upwards due to rapidly accelerating technological changes in areas such as Artificial Intelligence ("AI") and growing global cybersecurity control threats.
- Supply chain and Talent management risks have stabilised as supply chain risk mitigation measures have been successfully deployed, and labour market conditions continue to normalise.

There may be other risks and uncertainties that are not yet considered material or not yet known to Glanbia and this list will change if these risks assume greater importance in the future. Likewise, some of the current risks will drop off the key risks schedule as management actions are implemented or changes in the operating environment occur.

	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	• Geopolitical • Economic and industry • Market disruption • Climate change	•	• Cyber security and data protection	•

Key risk factors and uncertainties with the potential to impact on the Group's financial performance in 2024 include:

- Geopolitical risk – geopolitical tensions in the regions where we operate, may pose potential challenges that could adversely affect our pursuit of growth objectives. The Board is closely monitoring tensions in key trading regions, particularly between China and Taiwan, where any potential conflict, economic sanctions or trade rulings could impact Glanbia's growth objectives. The upcoming US presidential election also has the potential to create short-term uncertainty.
- Economic and industry risk – the macroeconomic environment continued to be uncertain as some markets entered recession in 2023. There is continuing pressure from high interest rates, monetary tightening by central banks, and currency fluctuations which the Group continues to navigate and mitigate where possible.
- Market disruption risk – while energy prices have shown signs of stabilising, food prices remain elevated and further shocks from geopolitical tensions may contribute to further inflationary pressures. The Group will continue to monitor this and any other adverse changes in economic conditions, such as the heightened cost of living and increased interest rates that could result in reduced consumer spending and a slowdown in consumer demand.

- Supply chain risk – Glanbia is actively monitoring a number of supply chain and inflationary pressures including:
  - The overall impact on margins of movements in dairy pricing, particularly in whey markets. The impact of any potential future price increases will continue to be assessed for price elasticity effects and will be managed against the Group's ambition to continue to drive revenue growth;
  - The ability of governments and medical agencies to suppress the spread of global pandemics. This is important in preventing unexpected supply chain disruptions which could result in restrictions on the importation of key raw materials and/or negative impacts on the Group's international sales channels; and
  - The Group is holding appropriate safety stocks of core raw materials however the potential prolonged impact from a geopolitical event in a key trading region, a material shift in the ESG regulatory landscape or heightened inflationary impacts to supply chains 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, 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 pandemic which build on the existing strong controls across the Group.

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

Cautionary statement

This announcement contains forward-looking statements. These statements have been made by the Directors in good faith based on the information available to them up to the time of their approval of this report. Due to the inherent uncertainties, including both economic and business risk factors underlying such forward-looking information, actual results may differ materially from those expressed or implied by these forward-looking statements. The Directors undertake no obligation to update any forward-looking statements contained in this announcement, whether as a result of new information, future events, or otherwise.

On behalf of the Board

Hugh McGuire	Mark Garvey
Chief Executive Officer	Chief Financial Officer
27 February 2024	

Annual General Meeting (AGM)

Glanbia plc's AGM will be held on Wednesday 1 May 2024, in the Newpark Hotel, Kilkenny, Ireland.

Results webcast and dial-in details:

There will be a webcast and presentation to accompany this results announcement at 8.30 a.m. GMT 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
All other locations	+44 (0) 203 936 2999

The access code for all participants is: 513573
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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Group income statement
for the financial year ended 30 December 2023

	Notes	2023 Pre-exceptional $m	2023 Exceptional $m (note 4)	2023 Total $m	Restated* 2022 Pre-exceptional $m	Restated* 2022 Exceptional $m (note 4)	Restated* 2022 Total $m
Continuing operations							
Revenue	2/3	**5,425.4**	**–**	**5,425.4**	5,943.7	–	5,943.7
Operating profit before intangible asset amortisation and impairment (earnings before interest, tax and amortisation (EBITA))	3	**424.0**	**47.8**	**471.8**	365.7	(23.1)	342.6
Intangible asset amortisation and impairment	3	**(79.6)**	**–**	**(79.6)**	(79.1)	(27.9)	(107.0)
Operating profit	3	**344.4**	**47.8**	**392.2**	286.6	(51.0)	235.6
Finance income	5	**9.8**	**–**	**9.8**	1.9	7.7	9.6
Finance costs	5	**(22.1)**	**–**	**(22.1)**	(23.7)	(0.6)	(24.3)
Share of results of joint ventures accounted for using the equity method		**12.5**	**–**	**12.5**	16.3	0.2	16.5
Profit before taxation		**344.6**	**47.8**	**392.4**	281.1	(43.7)	237.4
Income taxes	6	**(46.5)**	**1.8**	**(44.7)**	(33.1)	6.0	(27.1)
Profit from continuing operations		**298.1**	**49.6**	**347.7**	248.0	(37.7)	210.3
Discontinued operations							
(Loss)/profit after tax from discontinued operations	13	**–**	**(3.2)**	**(3.2)**	–	60.3	60.3
Profit for the year		**298.1**	**46.4**	**344.5**	248.0	22.6	270.6
Attributable to:							
Equity holders of the Company	11			**344.4**			271.4
Non-controlling interests				**0.1**			(0.8)
				344.5			270.6
Earnings Per Share from continuing operations attributable to the equity holders of the Company							
Basic Earnings Per Share (cent)	7			**130.41**			76.55
Diluted Earnings Per Share (cent)	7			**128.67**			75.59
Earnings Per Share attributable to the equity holders of the Company							
Basic Earnings Per Share (cent)	7			**129.21**			98.40
Diluted Earnings Per Share (cent)	7			**127.50**			97.18

* Restated throughout for presentation in US dollar. See note 1 for further details.

Group statement of comprehensive income
for the financial year ended 30 December 2023

	Notes	2023 $m	Restated* 2022 $m
Profit for the year		**344.5**	270.6
Other comprehensive income			
Items that will not be reclassified subsequently to the Group income statement:			
Remeasurements on defined benefit plans, net of deferred tax		**1.5**	12.7
Revaluation of equity investments at FVOCI, net of deferred tax	10	**0.2**	0.5
Share of other comprehensive income of joint ventures accounted for using the equity method, net of deferred tax	11	**0.1**	0.5
Items that may be reclassified subsequently to the Group income statement:			
Currency translation differences	10	**4.4**	(32.5)
Currency translation difference arising on net investment hedge	10	**3.5**	(5.7)
Movement in cash flow hedges, net of deferred tax		**(2.9)**	2.8
Share of other comprehensive income of joint ventures accounted for using the equity method, net of deferred tax		**(2.5)**	17.2
Other comprehensive income for the year, net of tax		**4.3**	(4.5)
Total comprehensive income for the year		**348.8**	266.1
Attributable to:			
Equity holders of the Company		**348.7**	266.9
Non-controlling interests		**0.1**	(0.8)
Total comprehensive income for the year		**348.8**	266.1

* Restated throughout for presentation in US dollar. See note 1 for further details.

Group balance sheet
as at 30 December 2023

	Notes	**30 December 2023 $m**	Restated* 31 December 2022 $m	Restated* 2 January 2022 $m
ASSETS				
Non-current assets				
Property, plant and equipment		**515.1**	510.8	549.6
Right-of-use assets		**88.3**	100.7	113.2
Intangible assets		**1,537.3**	1,548.8	1,557.7
Interests in joint ventures		**159.3**	225.3	209.3
Other financial assets		**2.6**	2.3	2.2
Loans to joint ventures		**–**	65.6	48.1
Deferred tax assets		**5.2**	5.0	5.4
Other receivables		**–**	0.3	0.9
Derivative financial instruments		**–**	–	0.6
Retirement benefit assets		**8.2**	3.2	3.3
		2,316.0	2,462.0	2,490.3
Current assets				
Inventories		**550.2**	750.5	672.3
Trade and other receivables		**501.8**	404.8	407.0
Current tax receivable		**17.4**	13.7	10.0
Derivative financial instruments		**–**	3.1	2.5
Cash and cash equivalents (excluding bank overdrafts)	9	**413.7**	467.9	261.7
		1,483.1	1,640.0	1,353.5
Assets held for sale	13	**–**	15.2	265.0
		1,483.1	1,655.2	1,618.5
Total assets		**3,799.1**	4,117.2	4,108.8
EQUITY				
Issued capital and reserves attributable to equity holders of the Company				
Share capital and share premium		**129.7**	130.2	131.1
Other reserves	10	**172.1**	167.9	161.8
Retained earnings	11	**1,830.8**	1,686.2	1,669.0
		2,132.6	1,984.3	1,961.9
Non-controlling interests		**–**	8.4	9.2
Total equity		**2,132.6**	1,992.7	1,971.1
LIABILITIES				
Non-current liabilities				
Borrowings	9	**553.5**	682.5	789.7
Lease liabilities		**89.3**	103.5	119.0
Other payables		**–**	–	36.9
Retirement benefit obligations		**1.0**	1.5	19.3
Deferred tax liabilities		**137.9**	138.3	163.6
Provisions		**4.3**	4.0	4.1
		786.0	929.8	1,132.6
Current liabilities				
Trade and other payables		**659.1**	826.5	758.1
Borrowings	9	**108.9**	275.4	154.6
Lease liabilities		**20.1**	19.0	16.4
Current tax liabilities		**67.3**	54.1	60.0
Derivative financial instruments		**2.0**	1.0	1.4
Provisions		**23.1**	12.0	14.6
		880.5	1,188.0	1,005.1
Liabilities held for sale	13	**–**	6.7	–
		880.5	1,194.7	1,005.1
Total liabilities		**1,666.5**	2,124.5	2,137.7
Total equity and liabilities		**3,799.1**	4,117.2	4,108.8

* Restated throughout for presentation in US dollar. See note 1 for further details.

Group statement of changes in equity
for the financial year ended 30 December 2023

	Attributable to equity holders of the Company					
2023	Share capital and share premium $m	Other reserves $m (note 10)	Retained earnings $m (note 11)	Total $m	Non-Controlling interests $m	Total $m
Balance at 1 January 2023	**130.2**	**167.9**	**1,686.2**	**1,984.3**	**8.4**	**1,992.7**
Profit for the year	**–**	**–**	**344.4**	**344.4**	**0.1**	**344.5**
Other comprehensive income	**–**	**2.7**	**1.6**	**4.3**	**–**	**4.3**
Total comprehensive income for the year	**–**	**2.7**	**346.0**	**348.7**	**0.1**	**348.8**
Dividends	**–**	**–**	**(97.2)**	**(97.2)**	**–**	**(97.2)**
Purchase of own shares	**–**	**(148.1)**	**–**	**(148.1)**	**–**	**(148.1)**
Cancellation of own shares	**(0.5)**	**109.2**	**(108.7)**	**–**	**–**	**–**
Cost of share-based payments	**–**	**24.5**	**–**	**24.5**	**–**	**24.5**
Transfer on exercise, vesting or expiry of share-based payments	**–**	**5.8**	**(5.8)**	**–**	**–**	**–**
Deferred tax on share-based payments	**–**	**–**	**2.1**	**2.1**	**–**	**2.1**
Acquisition of NCI	**–**	**–**	**8.2**	**8.2**	**(8.5)**	**(0.3)**
Transfer to Group income statement	**–**	**10.1**	**–**	**10.1**	**–**	**10.1**
Balance at 30 December 2023	**129.7**	**172.1**	**1,830.8**	**2,132.6**	**–**	**2,132.6**
Restated* **2022**						
Balance at 2 January 2022	131.1	161.8	1,669.0	1,961.9	9.2	1,971.1
Profit for the year	–	–	271.4	271.4	(0.8)	270.6
Other comprehensive income	–	(17.7)	13.2	(4.5)	–	(4.5)
Total comprehensive income for the year	–	(17.7)	284.6	266.9	(0.8)	266.1
Dividends	–	–	(88.9)	(88.9)	–	(88.9)
Purchase of own shares	–	(207.4)	–	(207.4)	–	(207.4)
Cancellation of own shares	(0.9)	183.7	(182.8)	–	–	–
Cost of share-based payments	–	19.8	–	19.8	–	19.8
Transfer on exercise, vesting or expiry of share-based payments	–	(2.0)	2.0	–	–	–
Deferred tax on share-based payments	–	–	0.5	0.5	–	0.5
Sale of shares held by a subsidiary	–	–	1.8	1.8	–	1.8
Remeasurement of put option liability	–	28.0	–	28.0	–	28.0
Transfer to Group income statement	–	1.7	–	1.7	–	1.7
Balance at 31 December 2022	130.2	167.9	1,686.2	1,984.3	8.4	1,992.7

* Restated throughout for presentation in US dollar. See note 1 for further details.

Group statement of cash flows
for the financial year ended 30 December 2023

	Notes	2023 $m	Restated* 2022 $m
Cash flows from operating activities			
Cash generated from operating activities before exceptional items	12	**491.4**	413.6
Cash outflow related to exceptional items		**(11.8)**	(13.6)
Interest received		**10.7**	1.6
Interest paid (including interest expense on lease liabilities)		**(22.0)**	(24.4)
Tax paid		**(40.5)**	(62.9)
Net cash inflow from operating activities		**427.8**	314.3
Cash flows from investing activities			
Payment for acquisition of subsidiaries		**(71.9)**	(60.3)
Purchase of property, plant and equipment		**(42.0)**	(33.4)
Purchase of intangible assets		**(32.2)**	(39.1)
Proceeds from sale of property, plant and equipment		**–**	3.6
Dividends received from related parties		**32.0**	15.3
Proceeds from disposal/redemption of FVOCI financial assets		**–**	0.4
Proceeds on sale of shares held by subsidiary		**–**	1.8
Proceeds from disposal of Glanbia Cheese** (exceptional)	13	**123.4**	–
Proceeds on repayment of loans advanced to Glanbia Cheese	13	**71.3**	–
Loans advanced to Glanbia Cheese		**(3.5)**	(49.5)
Proceeds from disposal of assets and liabilities held for sale (exceptional)		**8.6**	–
Net cash (outflow)/inflow from discontinued operations***		**(1.7)**	360.8
Net cash inflow from investing activities		**84.0**	199.6
Cash flows from financing activities			
Purchase of own shares	10	**(148.1)**	(207.4)
Drawdown of borrowings		**140.8**	707.5
Repayment of borrowings		**(271.6)**	(822.5)
Payment of lease liabilities		**(19.9)**	(17.4)
Acquisition of NCI		**(0.3)**	–
Dividends paid to Company shareholders	8	**(97.2)**	(88.9)
Net cash outflow from financing activities		**(396.3)**	(428.7)
Net increase in cash and cash equivalents		**115.5**	85.2
Cash and cash equivalents at the beginning of the year		**192.5**	107.1
Cash and cash equivalents acquired on acquisition	14	**0.5**	1.0
Effects of exchange rate changes on cash and cash equivalents		**(3.7)**	(0.8)
Cash and cash equivalents at the end of the year	9	**304.8**	192.5

* Restated throughout for presentation in US Dollar. See note 1 for further details.

** Comprised Glanbia Cheese Limited and Glanbia Cheese EU Limited (collectively referred to as "Glanbia Cheese") which are now named Leprino Foods Limited and Leprino Foods EU Limited respectively (collectively referred to as "Leprino Foods").

*** Related to disposal of Tirlán Limited (formerly known as Glanbia Ireland DAC). $1.7 million related to reimbursement of rebranding costs to Tirlán Limited (note 13) (exceptional). $360.8 million in the prior year comprised proceeds from disposal of $339.3 million (exceptional), proceeds on repayment of loans of $30.3 million and cash outflow related to exceptional items of $8.8 million.

Notes to the financial statements
for the financial year ended 30 December 2023

1. Accounting policies

The financial information set out in this document does not constitute full statutory financial statements but has been derived from the Group financial statements for the year ended 30 December 2023 (referred to as the 2023 financial statements). The Group financial statements have been prepared in accordance with EU adopted International Financial Reporting Standards ("IFRS"), IFRIC interpretations and those parts of the Companies Act 2014, applicable to companies reporting under IFRS. The 2023 financial statements have been audited and have received an unqualified audit report. Amounts are stated in US Dollar millions ($m) unless otherwise stated. These financial statements are prepared for the 52-week period ended 30 December 2023. Comparatives are for the 52-week period ended 31 December 2022. The balance sheets for 2023 and 2022 have been drawn up as at 30 December 2023 and 31 December 2022 respectively.

The financial statements have been prepared under the historical cost convention as modified by use of fair values for certain other financial assets, contingent consideration, put option liability, and derivative financial instruments.

All notes to the financial statements include amounts for continuing operations, unless indicated otherwise.

The Group's accounting policies which will be included in the 2023 financial statements are consistent with those as set out in the 2022 financial statements other than the change of presentation currency as detailed below.

There are no new IFRS standards or amendments effective for the Group in 2023 which had a material impact on the financial statements.
The financial statements were approved and authorised for issue by the Board of Directors on 27 February 2024 and signed on its behalf by D Gaynor, H McGuire, and M Garvey.

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 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 financial information for the year ended 31 December 2022 and Group balance sheet as at 1 January 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		Closing Rates		
1 US Dollar =	**2023**	2022	**30 December 2023**	31 December 2022	1 January 2022
euro	**0.9247**	0.9493	**0.9050**	0.9376	0.8829
Pound sterling	**0.8043**	0.8095	**0.7865**	0.8315	0.7419

Going concern

After making appropriate enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of the financial statements. The Group therefore considers it appropriate to adopt the going concern basis in preparing its financial statements.

Adoption of new and amended standards

The following changes to IFRS became effective for the Group during the financial year but did not result in material changes to the Group's financial statements:

- 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
- International Tax Reform – Pillar Two Model Rules – Amendments to IAS 12

New and amended standards that are not yet effective

The Group has not applied new standards and amendments to existing standards that have been issued but are not yet effective. The Group intends to adopt these amended standards, if applicable, when they become effective.

Classification of Liabilities as Current or Non-current – Amendments to IAS 1 (EU effective date: on or after 1 January 2024)
The amendments clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). The amendments also clarify what IAS 1 means when it refers to the 'settlement' of a liability. The Group is currently evaluating the impact of the amendments on future periods.

Other changes to IFRS have been issued but are not yet effective for the Group. However, they are either not expected to have a material impact on the Group or they are not currently relevant for the Group.

2. Segment information

In accordance with IFRS 8 'Operating Segments', the Group has identified Glanbia Performance Nutrition and Glanbia Nutritionals as reportable segments as at 30 December 2023. Glanbia Performance Nutrition manufactures and sells sports nutrition and lifestyle nutrition products through a variety of channels including specialty retail, online, Food, Drug, Mass, Club (FDMC), and gyms in a variety of formats, including powders, Ready-to-Eat (bars and snacking foods) and Ready-to-Drink beverages. Glanbia Nutritionals manufactures and sells cheese, dairy and non-dairy nutritional and functional ingredients, and vitamin and mineral premixes targeting the increased market focus on health and nutrition.

Following the disposal of Tirlán Limited in the prior year (note 13), it was no longer reported as a segment.

All other segments and unallocated include both the results of joint ventures who manufacture and sell cheese and dairy ingredients and unallocated corporate costs. These investees did not meet the quantitative thresholds for reportable segments in 2023 or 2022. Amounts stated for joint ventures represents the Group's share.

These segments align with the Group's internal financial reporting system and the way in which the CODM assesses performance and allocates the Group's resources. Each segment is reviewed in its totality by the CODM. The CODM assesses the trading performance of operating segments based on a measure of earnings before interest, tax, amortisation and exceptional items. Given that net finance costs and income tax are managed on a centralised basis, these items are not allocated between operating segments for the purposes of the information presented to the CODM and are accordingly omitted from the detailed segmental analysis below.

	2023				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	**1,795.7**	**3,717.4**	**–**	**5,513.1**	1,712.6	4,343.3	–	6,055.9
Inter-segment revenue	**(0.1)**	**(87.6)**	**–**	**(87.7)**	(0.1)	(112.1)	–	(112.2)
Revenue	**1,795.6**	**3,629.8**	**–**	**5,425.4**	1,712.5	4,231.2	–	5,943.7
Operating profit before intangible asset amortisation and impairment (EBITA)	**255.4**	**168.6**	**–**	**424.0**	191.9	173.8	–	365.7
Share of results of joint ventures accounted for using the equity method	**–**	**–**	**12.5**	**12.5**	–	–	16.3	16.3
Segment assets and liabilities								
Segment assets	**1,859.6**	**1,285.1**	**654.4**	**3,799.1**	1,939.3	1,348.5	829.4	4,117.2
Segment liabilities	**394.7**	**403.5**	**868.3**	**1,666.5**	461.9	503.3	1,159.3	2,124.5
Other segment information (pre-exceptional)								
Depreciation of PP&E and ROU assets	**26.9**	**42.5**	**–**	**69.4**	24.1	47.0	–	71.1
Amortisation of intangible assets	**56.8**	**22.8**	**–**	**79.6**	55.9	23.2	–	79.1
Capital expenditure – additions	**16.1**	**48.9**	**12.6**	**77.6**	21.4	46.7	17.0	85.1
Capital expenditure – business combinations	**–**	**41.8**	**–**	**41.8**	–	78.1	–	78.1

Inter-segment transfers or transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties. Revenue of approximately $966.2 million (2022: $1,133.8 million) and $771.3 million (2022: $873.7 million) is derived from two external customers respectively within the Glanbia Nutritionals segment.

Pre-exceptional segment operating profit before intangible asset amortisation and impairment (EBITA) is 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 on the following page.

Revenue from external customers in the table below and in the disaggregation of revenue by primary geographical markets table below 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.

	2023		2022	
	Revenue $m	**Non-current assets $m**	Revenue $m	Non-current assets $m
Ireland (country of domicile)	**18.0**	**821.4**	11.6	818.2
US	**4,296.7**	**1,281.5**	4,859.8	1,316.8
Other				
– North America (excluding US)	**106.6**	**6.3**	101.5	6.4
– Europe (excluding Ireland)	**473.0**	**178.7**	455.7	232.6
– Asia Pacific	**379.3**	**12.0**	394.5	11.9
– LATAM	**95.0**	**0.1**	72.9	–
– Rest of World	**56.8**	**–**	47.7	–
	5,425.4	**2,300.0**	5,943.7	2,385.9

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.

	2023			2022		
	Glanbia Performance Nutrition $m	**Glanbia Nutritionals $m**	**Total $m**	Glanbia Performance Nutrition $m	Glanbia Nutritionals $m	Total $m
Internal reporting structures						
Nutritional Solutions	**–**	**1,008.5**	**1,008.5**	–	1,186.8	1,186.8
US Cheese	**–**	**2,621.3**	**2,621.3**	–	3,044.4	3,044.4
GPN Americas	**1,166.7**	**–**	**1,166.7**	1,156.6	–	1,156.6
GPN International (including Direct-to-Consumer)	**628.9**	**–**	**628.9**	555.9	–	555.9
	1,795.6	**3,629.8**	**5,425.4**	1,712.5	4,231.2	5,943.7
Primary geographical markets						
North America	**1,185.5**	**3,217.8**	**4,403.3**	1,159.6	3,801.7	4,961.3
Europe	**361.1**	**129.9**	**491.0**	334.8	132.5	467.3
Asia Pacific	**196.6**	**182.7**	**379.3**	170.3	224.2	394.5
LATAM	**13.6**	**81.4**	**95.0**	14.5	58.4	72.9
Rest of World	**38.8**	**18.0**	**56.8**	33.3	14.4	47.7
	1,795.6	**3,629.8**	**5,425.4**	1,712.5	4,231.2	5,943.7
Timing of revenue recognition						
Products transferred at point in time	**1,795.6**	**3,629.8**	**5,425.4**	1,712.5	4,231.2	5,943.7
Products transferred over time	**–**	**–**	**–**	–	–	–
	1,795.6	**3,629.8**	**5,425.4**	1,712.5	4,231.2	5,943.7

Channel mix for Glanbia Performance Nutrition	**2023 $m**	2022 $m
Distributor	**369.3**	386.6
Food, Drug, Mass, Club (FDMC)	**630.3**	606.3
Online	**576.3**	508.1
Specialty	**219.7**	211.5
	1,795.6	1,712.5

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

3. Operating profit

	Notes	2023 Pre-exceptional $m	2023 Exceptional $m	2023 Total $m	2022 Pre-exceptional $m	2022 Exceptional $m	2022 Total $m
Revenue		**5,425.4**	**–**	**5,425.4**	5,943.7	–	5,943.7
Cost of goods sold		**(4,301.3)**	**–**	**(4,301.3)**	(4,920.7)	(17.5)	(4,938.2)
Gross profit		**1,124.1**	**–**	**1,124.1**	1,023.0	(17.5)	1,005.5
Selling and distribution expenses		**(474.6)**	**(0.4)**	**(475.0)**	(437.5)	(0.1)	(437.6)
Administration expenses		**(228.1)**	**48.2**	**(179.9)**	(219.3)	(5.0)	(224.3)
Net impairment gain/(loss) on financial assets		**2.6**	**–**	**2.6**	(0.5)	(0.5)	(1.0)
Operating profit before intangible asset amortisation and impairment (EBITA)		**424.0**	**47.8**	**471.8**	365.7	(23.1)	342.6
Intangible asset amortisation and impairment	12	**(79.6)**	**–**	**(79.6)**	(79.1)	(27.9)	(107.0)
Operating profit		**344.4**	**47.8**	**392.2**	286.6	(51.0)	235.6

4. Exceptional items

The nature of the total exceptional items is as follows:

	Notes	2023 $m	2022 $m
Net exceptional gain on disposal/exit of operations	(a)	**(56.3)**	–
Pension related costs	(b)	**2.5**	1.8
Portfolio related reorganisation costs	(c)	**6.0**	3.1
Remeasurements of contingent consideration	(d)	**–**	(7.1)
Non-core assets held for sale	(e)	**–**	46.1
Total		**(47.8)**	43.9
Share of results of joint ventures	(b)	**–**	(0.2)
Tax credit on exceptional items	6	**(1.8)**	(6.0)
Total exceptional (gain)/charge from continuing operations		**(49.6)**	37.7
Exceptional charge/(gain) after tax from discontinued operations	(f)	**3.2**	(60.3)
Total exceptional gain after tax for the year	12	**(46.4)**	(22.6)

Details of the exceptional items are as follows:

(a) **Net exceptional gain on disposal/exit of operations** primarily relates to the net gains on disposal of the UK and EU Glanbia Cheese joint venture operations and a small US bottling facility (Aseptic Solutions) which was designated as held for sale at 31 December 2022 (note (e) below). Both transactions concluded during 2023 and the net gain represents the difference between proceeds received, 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 schemes that remain. Costs incurred relate to the estimated 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 from risk reduction activities. The restructuring effort involved the careful navigation of external market factors, with final wind up of the schemes anticipated in 2024.

(c) **Portfolio related reorganisation costs** relate to indirect 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 strategic multi-year programme continues in 2024. Costs incurred to date relate to advisory fees and people-related costs.

(d) Prior year **remeasurements 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 **non-core assets held for sale** relate to fair value adjustments to reduce the carrying value of certain assets to recoverable value. The assets relate to the Aseptic Solutions business which was successfully divested during 2023 (see note (a) above).

(f) **Exceptional charge/(gain) after tax from discontinued operations** relates to the divestment of Tirlán Limited (formerly known as Glanbia Ireland DAC) ("Tirlán"). The prior year gain represented the initial gain on disposal of the Group's interest in this entity. The current year charge relates to the crystallisation of certain contingent costs associated with the divestment transaction following the conclusion of negotiations on separation of the common infrastructure of both organisations.

5. Finance income and costs

	2023 $m	2022 $m
Finance income		
Interest income on loans to joint ventures	**1.0**	1.2
Interest income on cash and deposits	**4.6**	0.4
Interest income on swaps	**4.0**	0.2
Remeasurements of call option	**–**	0.1
Remeasurements of contingent consideration	**0.2**	7.7
Total finance income	**9.8**	9.6
Finance costs		
Bank borrowing costs	**(6.4)**	(7.4)
Facility fees	**(2.9)**	(1.8)
Finance cost of private placement debt	**(10.1)**	(10.2)
Interest expense on lease liabilities	**(2.7)**	(2.7)
Remeasurements of call option	**–**	(0.6)
Remeasurements of contingent consideration	**–**	(1.6)
Total finance costs	**(22.1)**	(24.3)
Net finance costs	**(12.3)**	(14.7)

6. Income taxes

	2023 $m	2022 $m
Current tax		
Irish current tax charge	**5.3**	20.9
Adjustments in respect of prior years	**(2.3)**	(1.3)
Irish current tax for the year	**3.0**	19.6
Foreign current tax charge	**47.0**	29.9
Adjustments in respect of prior years	**(5.8)**	2.1
Foreign current tax for the year	**41.2**	32.0
Total current tax	**44.2**	51.6
Deferred tax		
Deferred tax – current year	**(5.2)**	(25.0)
Adjustments in respect of prior years	**5.7**	0.5
Total deferred tax	**0.5**	(24.5)
Tax charge	**44.7**	27.1

The tax credit on exceptional items included in the above amounts is as follows:

	Notes	2023 $m	2022 $m
Current tax credit on exceptional items		**(1.8)**	(0.6)
Deferred tax credit on exceptional items		**–**	(5.4)
Total tax credit on exceptional items for the year	4	**(1.8)**	(6.0)

The tax credit on exceptional items has been disclosed separately above as it relates to costs and income which have been presented as exceptional.

The tax on the Group's profit before tax differs from the theoretical amount that would arise applying the corporation tax rate in Ireland, as follows:

	2023 $m	2022 $m
Profit before tax	**392.4**	237.4
Income tax calculated at Irish rate of 12.5% (2022: 12.5%)	**49.1**	29.7
Earnings at non-standard Irish tax rate	**0.9**	1.4
Difference due to overseas tax rates (capital and trading)	**(4.8)**	0.2
Adjustment to tax charge in respect of previous periods	**(2.3)**	1.4
Tax on share of results of joint ventures accounted for using the equity method included in profit before tax	**(1.6)**	(2.1)
Other reconciling items	**3.4**	(3.5)
Total tax charge	**44.7**	27.1

7. 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 year, excluding ordinary shares purchased by the Group and held as own shares (note 10). The weighted average number of ordinary shares in issue used in the calculation of Basic Earnings Per Share is 266,548,048 (2022: 275,760,676).

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.

	2023			2022		
	Continuing operations	**Discontinued operations**	**Total**	Continuing operations	Discontinued operations	Total
Profit after tax attributable to equity holders of the Company ($m)	**347.6**	**(3.2)**	**344.4**	211.1	60.3	271.4
Basic Earnings Per Share (cent)	**130.41**	**(1.20)**	**129.21**	76.55	21.85	98.40
Diluted Earnings Per Share (cent)	**128.67**	**(1.17)**	**127.50**	75.59	21.59	97.18

	2023	2022
Weighted average number of ordinary shares in issue	**266,548,048**	275,760,676
Shares deemed to be issued for no consideration in respect of share awards	**3,594,033**	3,505,766
Weighted average number of shares used in the calculation of Diluted Earnings Per Share	**270,142,081**	279,266,442

8. Dividends

The dividends paid and recommended on ordinary share capital are as follows:

	Notes	**2023 $m**	2022 $m
Equity dividends to shareholders			
Final – paid EUR 19.28c per ordinary share (2022: EUR 17.53c)		**57.6**	51.7
Interim – paid EUR 14.22c per ordinary share (2022: EUR 12.93c)		**39.9**	37.3
Total		**97.5**	89.0
Reconciliation to Group statement of cash flows and Group statement of changes in equity			
Dividends to shareholders		**97.5**	89.0
Waived dividends in relation to own shares		**(0.3)**	(0.1)
Total dividends paid to equity holders of the Company	11	**97.2**	88.9
Equity dividends recommended			
Final 2023 – proposed EUR 21.21c per ordinary share (2022: EUR 19.28c)	15	**62.1**	56.0

The amount of dividends recommended is based on the number of issued shares at year end. The actual amount will be based on the number of issued shares on the record date (note 15).

9. Net debt

	2023 $m	2022 $m
Non-current		
Bank borrowings	**178.5**	307.5
Private placement debt	**375.0**	375.0
	553.5	682.5
Current		
Bank overdrafts	**108.9**	275.4
Total borrowings	**662.4**	957.9

Net debt is a non-IFRS measure which we provide to investors as we believe they find it useful. It is also used to calculate leverage under the Group's financing arrangements, as defined within covenants. Refer to the Financing Key Performance Indicators section in the Glossary for more details. Net debt comprises the following:

	2023 $m	2022 $m
Private placement debt	**375.0**	375.0
Bank borrowings	**169.0**	169.0
Not subject to interest rate changes*	**544.0**	544.0
Bank borrowings	**9.5**	138.5
Cash and cash equivalents net of bank overdrafts	**(304.8)**	(192.5)
Subject to interest rate changes*	**(295.3)**	(54.0)
Net debt	**248.7**	490.0

* Taking into account contractual repricing dates at the reporting date.

	2023 $m	2022 $m
Cash at bank and in hand	**404.5**	461.3
Short term bank deposits	**9.2**	6.6
Cash and cash equivalents in the Group balance sheet	**413.7**	467.9
Bank overdrafts used for cash management purposes	**(108.9)**	(275.4)
Cash and cash equivalents in the Group statement of cash flows	**304.8**	192.5

10. Other reserves

	Capital and merger reserve $m	Currency reserve $m	Hedging reserve $m	Own shares $m	Share-based payment reserve $m	Other $m	Total $m
Balance at 1 January 2023	**136.2**	**12.6**	**9.7**	**(22.0)**	**31.4**	**–**	**167.9**
Currency translation differences	**–**	**4.4**	**–**	**–**	**–**	**–**	**4.4**
Net investment hedge	**–**	**3.5**	**–**	**–**	**–**	**–**	**3.5**
Revaluation – gross	**–**	**–**	**(6.5)**	**–**	**–**	**0.3**	**(6.2)**
Reclassification to profit or loss – gross	**–**	**–**	**(0.3)**	**–**	**–**	**–**	**(0.3)**
Deferred tax	**–**	**–**	**1.4**	**–**	**–**	**(0.1)**	**1.3**
Net change in OCI	**–**	**7.9**	**(5.4)**	**–**	**–**	**0.2**	**2.7**
Purchase of own shares	**–**	**–**	**–**	**(148.1)**	**–**	**–**	**(148.1)**
Cancellation of own shares	**0.5**	**–**	**–**	**108.7**	**–**	**–**	**109.2**
Cost of share-based payments	**–**	**–**	**–**	**–**	**24.5**	**–**	**24.5**
Transfer on exercise, vesting or expiry of share-based payments	**–**	**–**	**–**	**23.9**	**(18.1)**	**–**	**5.8**
Transfer to Group income statement*	**–**	**9.9**	**0.2**	**–**	**–**	**–**	**10.1**
Balance at 30 December 2023	**136.7**	**30.4**	**4.5**	**(37.5)**	**37.8**	**0.2**	**172.1**
Balance at 2 January 2022	135.3	50.8	(12.0)	(7.0)	23.2	(28.5)	161.8
Currency translation differences	–	(32.5)	–	–	–	–	(32.5)
Net investment hedge	–	(5.7)	–	–	–	–	(5.7)
Revaluation – gross	–	–	29.8	–	–	0.7	30.5
Reclassification to profit or loss – gross	–	–	(3.4)	–	–	–	(3.4)
Deferred tax	–	–	(6.4)	–	–	(0.2)	(6.6)
Net change in OCI	–	(38.2)	20.0	–	–	0.5	(17.7)
Purchase of own shares	–	–	–	(207.4)	–	–	(207.4)
Cancellation of own shares	0.9	–	–	182.8	–	–	183.7
Cost of share-based payments	–	–	–	–	19.8	–	19.8
Transfer on exercise, vesting or expiry of share-based payments	–	–	–	9.6	(11.6)	–	(2.0)
Remeasurement of put option liability	–	–	–	–	–	28.0	28.0
Transfer to Group income statement*	–	–	1.7	–	–	–	1.7
Balance at 31 December 2022	136.2	12.6	9.7	(22.0)	31.4	–	167.9

* On disposal of foreign operations in the current year (2022: discontinued operation).

11. Retained earnings

	Notes	2023 $m	2022 $m
At the beginning of the year		**1,686.2**	1,669.0
Profit for the year attributable to equity holders of the Company		**344.4**	271.4
Other comprehensive income			
– Remeasurements on defined benefit plans		**1.7**	14.4
– Deferred tax on remeasurements on defined benefit plans		**(0.2)**	(1.7)
– Share of remeasurements on defined benefit plans from joint ventures, net of deferred tax		**0.1**	0.5
		1.6	13.2
Dividends	8	**(97.2)**	(88.9)
Cancellation of own shares	10	**(108.7)**	(182.8)
Transfer on exercise, vesting or expiry of share-based payments	10	**(5.8)**	2.0
Deferred tax on share-based payments		**2.1**	0.5
Sale of shares held by a subsidiary		**–**	1.8
Derecognition of NCI		**8.2**	–
At the end of the year		**1,830.8**	1,686.2

12. Cash generated from operating activities

	Notes	**2023 $m**	2022 $m
Profit for the year		**344.5**	270.6
Exceptional items	4	**(46.4)**	(22.6)
Income taxes		**46.5**	33.1
Profit before taxation		**344.6**	281.1
Share of results of joint ventures accounted for using the equity method		**(12.5)**	(16.3)
Finance costs		**22.1**	23.7
Finance income		**(9.8)**	(1.9)
Amortisation of intangible assets	3	**79.6**	79.1
Depreciation of property, plant and equipment		**49.7**	51.3
Depreciation of right-of-use assets		**19.7**	19.8
Cost of share-based payments		**24.5**	19.8
Difference between pension charge and cash contributions		**(2.7)**	(0.5)
Net write down of inventories		**18.4**	14.3
Non-cash movement in/on:			
– provisions		**7.4**	1.0
– allowance for impairment of receivables		**(3.8)**	0.4
– cross currency swaps		**0.7**	2.7
– disposal of leases		**–**	(0.4)
Loss on disposal of property, plant and equipment		**1.2**	0.4
Operating cash flows before movement in working capital		**539.1**	474.5
Decrease/(increase) in inventories		**191.2**	(105.5)
(Increase)/decrease in short-term receivables		**(91.1)**	8.6
(Decrease)/increase in short-term liabilities		**(144.4)**	39.7
Decrease in provisions		**(3.4)**	(3.7)
Cash generated from operating activities before exceptional items		**491.4**	413.6

13. Assets and liabilities held for sale, and discontinued operations

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. 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. The gain of $60.3 million on disposal of Glanbia Cheese (included in net exceptional gain on disposal/exit of operations (note 4)) 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, costs of $2.8 million, and associated cumulative debit amounts recognised in other comprehensive income of $8.1 million 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). 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/exit of operations (note 4)) is based on $11.2 million consideration, 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.

Assets and liabilities held for sale at 31 December 2022 relate to:

	2022 $m
Property, plant and equipment	10.1
Right-of-use assets	2.7
Inventories	2.4
Assets held for sale	**15.2**
Lease liabilities	(6.7)
Liabilities held for sale	(6.7)

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.

Discontinued operations

The profit from discontinued operations in the prior year relates to the disposal of Tirlán Limited on 1 April 2022. The gain of $60.3 million (note 4) is based on the $339.3 million received, less the carrying amount of the asset held for sale of $265.0 million and costs associated with the transaction of $14.0 million. As part of the terms of the disposal, the Company paid Tirlán Limited a contribution of $8.8 million in 2022 related to pension obligations, separation and rebranding costs and an additional $1.7 million in the current year for the re-imbursement of rebranding costs. The charge in the current year of $3.2 million (note 4) relates to the crystallisation of certain contingent costs associated with the divestment transaction following the conclusion of negotiations on separation of the common infrastructure of both organisations.

14. Business combinations

On 2 October 2023 Glanbia acquired the B2B bioactive ingredients business of PanTheryx, Inc. ("PanTheryx"), a US based health and nutrition business*. The acquisition builds on Glanbia Nutritionals' strategic capabilities and will complement the existing ingredient technology portfolio of Nutritional Solutions providing a wider breadth of technical capabilities to support its customers. The provisional amount of unallocated goodwill relates to the acquired workforce, the expectation that the business will give rise to synergies across the Glanbia Nutritionals segment, will generate future sales beyond the existing customer base, as well as the opportunity to expand the business into new markets, where there are no existing customers, and further builds on our offering in bioactive solutions in Nutritional Solutions. Goodwill of $11.4 million is expected to be deductible for tax purposes.

Details of the net assets acquired and goodwill arising from the acquisition are as follows:

	Total $m
Cash consideration	**45.1**
Less: fair value of net assets acquired	**(33.7)**
Goodwill	**11.4**

* Glanbia acquired a group of assets and liabilities which constituted a business. Accordingly, the transaction is accounted for using acquisition accounting.

The fair value of assets and liabilities arising from the acquisition are as follows:

Property, plant and equipment	**11.4**
Right-of-use assets	**1.2**
Intangible assets – customer relationships	**4.5**
Intangible assets – recipes and know-how	**10.0**
Intangible assets – trade names	**3.3**
Inventories	**5.6**
Trade and other receivables	**2.4**
Cash and cash equivalents	**0.5**
Trade and other payables	**(4.1)**
Lease liabilities	**(1.1)**
Fair value of net assets acquired	**33.7**

Due to the proximity of the date of the acquisition to the reporting date, completion accounts have not been formally agreed between the purchaser and seller at the date of approving the financial statements. Accordingly, the initial assignment of fair values to identifiable net assets acquired has been performed on a provisional basis. In addition, management will need to finalise the valuation exercise undertaken by the Group's external valuation specialist relating to the acquisition. It is therefore possible the final amounts for the assets and liabilities may differ from the provisional values. Any amendments to these fair values within the 12 month timeframe from the date of acquisition will be disclosed in the 2024 interim financial statements.

The fair value of PanTheryx's trade and other receivables at the acquisition date amounted to $2.4 million. The gross contractual amount for receivables due is $2.2 million, of which $0.2 million is expected to be uncollectible. Acquisition-related costs of $1.0 million incurred primarily on professional fees are included in administrative expenses.

PanTheryx contributed $4.0 million of revenues and $(0.2) million of profit before taxation and exceptional items for the period from the date of acquisition to the reporting date. If the acquisition of PanTheryx had occurred on 1 January 2023, pro-forma Group revenue and Group profit before taxation and exceptional items for the year ended 30 December 2023 would have been $5,442.5 million and $346.8 million respectively.

In 2022, the Group acquired Sterling Technology, LLC ("Sterling"). Refer to 2022 Annual Report for details of the Sterling acquisition. During the year, the Group paid the former owners of Sterling an earnout of $26.8 million.

15. Events after the reporting period

See note 8 for the final dividend, recommended by the Directors. Subject to shareholder approval, this dividend will be paid on 3 May 2024 to shareholders on the register of members on 22 March 2024, the record date.

16. Statutory financial statements

The financial information in this preliminary announcement does not constitute the full statutory financial statements of Glanbia plc (the 'Company'), a copy of which is required to be annexed to the Company's annual return filed with the Companies Registration Office and will be published on www.glanbia.com. A copy of the full statutory financial statements in respect of the financial year ended 30 December 2023 will be annexed to the Company's annual return for 2024. The auditors of the Company have made a report, without any qualification, on their audit of the financial statements of the Group and Company in respect of the financial year ended 30 December 2023, which were approved by the Directors on 27 February 2024. A copy of the financial statements of the Group in respect of the year ended 31 December 2022 has been annexed to the Company's annual return for 2023 and filed with the Companies Registration Office and is available on www.glanbia.com

Glossary of non-IFRS performance measures

The Group reports certain performance measures including key performance indicators 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 more 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 defined below with a reconciliation of these measures to IFRS measures where applicable. Please note where referenced “GIS” refers to Group income statement, “GBS” refers to Group balance sheet, and “GSCF” refers to Group statement of cash flows. EBITA and EBITDA references throughout the annual report are on a pre-exceptional basis unless otherwise indicated.

The sequencing of the non-IFRS performance measures has been changed in the current year such that related measures are grouped together. 2022 financial information has been restated throughout for presentation in US Dollar. See note 1 of the financial statements for further details.

G 1. Revenue

Revenue comprises sales of goods and services to external customers net of value added tax, rebates and discounts.

	Reference	**2023 Reported $m**	2022 Reported $m	2022 Constant currency $m	**Constant currency revenue growth (G 2) %**	**Like-for-like revenue growth (G 3) %**
Nutritional Solutions	Note 2	**1,008.5**	1,186.8	1,185.5	**(14.9%)**	**(12.3%)**
US Cheese	Note 2	**2,621.3**	3,044.4	3,044.4	**(13.9%)**	**(13.9%)**
Glanbia Nutritionals	Note 2	**3,629.8**	4,231.2	4,229.9	**(14.2%)**	**(13.4%)**
GPN Americas	Note 2	**1,166.7**	1,156.6	1,156.0	**0.9%**	**0.9%**
GPN International (including Direct-to-Consumer)	Note 2	**628.9**	555.9	557.4	**12.8%**	**12.8%**
Glanbia Performance Nutrition	Note 2	**1,795.6**	1,712.5	1,713.4	**4.8%**	**4.8%**
Revenue	Note 3	**5,425.4**	5,943.7	5,943.3	**(8.7%)**	**(8.2%)**

G 2. Volume and pricing increase/(decrease)

Volume increase/(decrease) represents the impact of sales volumes within the revenue movement year-on-year, excluding volume from acquisitions and disposals and the impact of a 53rd week (when applicable), on a constant currency basis.

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

Reconciliation of volume and pricing increase/(decrease) to constant currency revenue growth:

	Volume increase/ (decrease)	**Price increase/ (decrease)**	**Acquisitions / (disposals)**	**Constant currency revenue growth (G 1)**
Nutritional Solutions	(3.3%)	(9.0%)	(2.6%)	(14.9%)
US Cheese	0.7%	(14.6%)	–	(13.9%)
Glanbia Nutritionals	(0.4%)	(13.0%)	(0.8%)	(14.2%)
Glanbia Performance Nutrition	(0.6%)	5.4%	–	4.8%
2023 decrease % - revenue	**(0.5%)**	**(7.7%)**	**(0.5%)**	**(8.7%)**

G 3. Like-for-like revenue increase/(decrease)

GN and GPN like-for-like total revenue represents the sales increase/(decrease) year-on-year, excluding the incremental revenue contributions from current year and prior year 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) year-on-year on branded sales, excluding the incremental revenue contributions from current year and prior year 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 4. EBITDA (pre-exceptional)

EBITDA (pre-exceptional) is defined as earnings before interest, tax, depreciation (net of grant amortisation) and amortisation.

	Reference	**2023 $m**	2022 $m
EBITA (pre-exceptional)	G 5	**424.0**	365.7
Depreciation*	Note 2	**69.4**	71.1
EBITDA (pre-exceptional)	G 9.2, G 13	**493.4**	436.8

* Includes depreciation of property, plant and equipment of $49.7 million (2022: $51.3 million) and depreciation of right-of-use assets of $19.7 million (2022: $19.8 million).

G 5. EBITA (pre-exceptional)

EBITA (pre-exceptional) is defined as earnings before interest, tax and amortisation. Business Segment EBITA growth on a constant currency basis is one of the performance conditions in Glanbia's Annual Incentive Plan for Senior Management. Refer to note 3 of the financial statements for the reconciliation of EBITA (pre-exceptional) to IFRS measures.

	Reference	**2023 Reported $m**	2022 Reported $m	2022 Constant currency $m	**Constant currency growth %**
Nutritional Solutions		**126.2**	135.0	134.5	**(6.2%)**
US Cheese		**42.4**	38.8	38.7	**9.6%**
Glanbia Nutritionals	Note 2	**168.6**	173.8	173.2	**(2.7%)**
Glanbia Performance Nutrition	Note 2	**255.4**	191.9	191.0	**33.7%**
EBITA (pre-exceptional)	Note 3	**424.0**	365.7	364.2	**16.4%**

G 6. EBITA margin % (pre-exceptional)

EBITA margin % (pre-exceptional) is defined as EBITA (pre-exceptional) as a percentage of revenue. Refer to G 1 and G 5 for revenue and EBITA (pre-exceptional) respectively.

G 7. Constant Currency Basic and Adjusted Earnings Per Share ("EPS")

G 7.1 Constant Currency Basic EPS

Basic EPS is an IFRS measure and defined in note 7 of the financial statements. Basic EPS has also been calculated on a continuing basis in line with the presentation of continuing and discontinued operations in the GIS. (Loss)/profit after tax in this performance measure refers to the amount attributable to equity holders of the Company.

	Reference	**2023 Reported $m**	2022 Reported $m	2022 Constant currency $m
Profit after tax	GIS	**344.4**	271.4	271.4
Loss/(profit) after tax – discontinued operations	GIS	**3.2**	(60.3)	(61.9)
Profit after tax – continuing operations	G 7.2	**347.6**	211.1	209.5
Weighted average number of ordinary shares in issue (thousands)	Note 7	**266,548**	275,761	275,761
Basic EPS (cent) – continuing operations	Note 7	**130.41**	76.55	75.95
Basic EPS (cent)	Note 7	**129.21**	98.40	98.39
Constant currency change – continuing operations		**71.7%**		
Constant currency change		**31.3%**		

G 7.2 Constant Currency Adjusted EPS

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 year, excluding ordinary shares purchased by the Group and held as own shares (see note 10). 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 EPS has also been calculated on a continuing basis in line with the presentation of continuing and discontinued operations in the GIS.

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	**2023 Reported $m**	2022 Reported $m	2022 Constant currency $m
Profit after tax from continuing operations	G 7.1	**347.6**	211.1	209.5
Exceptional (gain)/charge – continuing operations	GIS	**(49.6)**	37.7	37.6
Profit after tax from continuing operations (pre-exceptional)		**298.0**	248.8	247.1
Amortisation and impairment of intangible assets (excluding software amortisation) net of related tax of $7.8 million (2022: $8.4 million, 2022 constant currency: $8.5 million) – continuing operations		**52.1**	53.4	53.4
Adjusted net income – continuing operations		**350.1**	302.2	300.5
(Loss)/profit after tax from discontinued operations	GIS	**(3.2)**	60.3	61.9
Exceptional charge/(credit) – discontinued operations	GIS	**3.2**	(60.3)	(61.9)
Profit from discontinued operations (pre-exceptional)	GIS	**–**	–	–
Adjusted net income		**350.1**	302.2	300.5
Weighted average number of ordinary shares in issue (thousands)	Note 7	**266,548**	275,761	275,761
Adjusted EPS (cent) – continuing operations		**131.37**	109.57	108.98
Adjusted EPS (cent)	G 16	**131.37**	109.57	108.98
Constant currency growth – continuing operations		**20.5%**		
Constant currency growth		**20.5%**		

G 8. 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 9. Financing Key Performance Indicators

G 9.1 Net debt

Net debt is calculated as current and non-current borrowings less cash and cash equivalents. Refer to note 9 of the financial statements for net debt at the end of the reporting period.

G 9.2 Net debt: adjusted EBITDA

Net debt: adjusted EBITDA is calculated as net debt at the end of the period divided by adjusted EBITDA. Adjusted EBITDA is calculated in accordance with lenders' facility agreements definitions which adjust EBITDA for items such as exceptional items, dividends received from related parties, 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	**2023 $m**	2022 $m
Net debt	Note 9	**248.7**	490.0
EBITDA	G 4	**493.4**	436.8
Adjustments in line with lenders' facility agreements		**6.8**	(2.7)
Adjusted EBITDA		**500.2**	434.1
Net debt: adjusted EBITDA		**0.50 times**	1.13 times

G 9.3 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 related parties divided by adjusted net finance cost. Adjusted net finance cost comprises finance costs plus borrowing costs capitalised into assets less adjustments including finance income/costs on remeasurements 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).

	Reference	**2023 $m**	2022 $m
Operating profit	GIS	**392.2**	235.6
Exceptional (credit)/charge	GIS	**(47.8)**	51.0
Operating profit (pre-exceptional)	GIS	**344.4**	286.6
Dividends received from related parties	GSCF	**32.0**	15.3
IFRS 16 adjustment – interest expense on lease liabilities	Note 5	**(2.7)**	(2.7)
Adjusted EBIT		**373.7**	299.2
Net finance costs	Note 5	**12.3**	14.7
Adjustments		**(2.5)**	2.9
Adjusted net finance cost		**9.8**	17.6
Adjusted EBIT: adjusted net finance cost		**38.1 times**	17.0 times

G 10. Average interest rate

The average interest rate is defined as the annualised net finance costs (excluding capitalised borrowing costs, finance income/costs on remeasurements of call option and contingent consideration and interest expense on lease liabilities) divided by the average net debt during the reporting period.

G 11. Return on capital employed ("ROCE")

ROCE is defined as the Group's earnings before interest, and amortisation (net of related tax) plus the Group's share of the results of joint ventures after interest and tax divided by capital employed. Capital employed comprises the sum of the Group's total assets plus cumulative intangible asset amortisation and impairment less current liabilities and deferred tax liabilities excluding all borrowings and lease liabilities, retirement benefit assets, cash and acquisition related contingent consideration and contract options. It is calculated by taking the average of the relevant opening and closing balance sheet amounts. ROCE has also been calculated on a continuing basis in line with the presentation of continuing and discontinued operations in the GIS.

ROCE is one of the performance conditions in Glanbia's Long-term Incentive Plan.

	Reference	**2023 $m**	2022 $m
Operating profit (pre-exceptional)	G 9.3	**344.4**	286.6
Tax on operating profit		**(48.2)**	(35.8)
Amortisation and impairment of intangible assets net of related tax of $12.7m (2022: $12.2m) (pre-exceptional)		**66.9**	66.9
Share of results of joint ventures accounted for using the equity method (pre-exceptional)	GIS	**12.5**	16.3
Return – continuing operations		**375.6**	334.0
(Loss)/profit after tax from discontinued operations	GIS	**(3.2)**	60.3
Exceptional charge/(credit) – discontinued operations	GIS	**3.2**	(60.3)
Profit after tax from discontinued operations (pre-exceptional)	GIS	**–**	–
Return		**375.6**	334.0
Capital employed before adjustments	(a)	**3,068.2**	3,188.8
Adjustment for acquisitions	(b)	**(23.4)**	52.7
Adjustment for joint venture held for sale	(b)	**(65.4)**	(265.0)
Adjustment for disposal of assets held for sale	(b)	**(9.8)**	–
Capital employed after adjustments		**2,969.6**	2,976.5
Average capital employed – continuing operations		**3,079.2**	3,133.3
Average capital employed		**3,079.2**	3,133.3
Return on capital employed – continuing operations		**12.2%**	10.7%
Return on capital employed		**12.2%**	10.7%

(a) Capital employed before adjustments

	Reference	**2023 $m**	2022 $m
Total assets	GBS	**3,799.1**	4,117.2
Current liabilities	GBS	**(880.5)**	(1,188.0)
Deferred tax liabilities	GBS	**(137.9)**	(138.3)
Less: cash and cash equivalents	GBS	**(413.7)**	(467.9)
Less: current financial liabilities (borrowings)	GBS	**108.9**	275.4
Less: acquisition related liabilities		**–**	27.0
Less: short term lease liabilities	GBS	**20.1**	19.0
Less: retirement benefit assets	GBS	**(8.2)**	(3.2)
Plus: accumulated amortisation and impairment		**580.4**	547.6
Capital employed before adjustments		**3,068.2**	3,188.8

(b) Adjustment for acquisitions, joint ventures and assets held for sale

In years where the Group makes significant acquisitions or disposals, the ROCE calculation is adjusted appropriately, to ensure the acquisition or disposal are equally time apportioned in the numerator and the denominator. For information on acquisitions and assets held for sale, refer to notes 14 and 13 respectively.

G 12. Cash flow Key Performance Indicators

G 12.1 Operating cash flow

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

Reconciliation of operating cash flow to cash generated from operating activities before exceptional items:

	Reference	2023 $m	2022 $m
Cash generated from operating activities before exceptional items	GSCF	**491.4**	413.6
Less: business sustaining capital expenditure	G 20(b)	**(22.5)**	(20.4)
Non-cash items not adjusted in computing operating cash flow:			
– Cost of share-based payments	Note 12	**(24.5)**	(19.8)
– Difference between pension charge and cash contributions	Note 12	**2.7**	0.5
– Other items		**(1.2)**	0.4
Operating cash flow	G 13	**445.9**	374.3

G 12.2 Free cash flow

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 related parties, exceptional costs paid, payment for acquisition of subsidiaries, proceeds received on disposals, purchase of own shares under share buyback. Refer to G 12.1 and G 13 for the reconciliation of free cash flow to GSCF.

G 13. Summary cash flow

The summary cash flow is prepared on a different basis to the Group statement of cash flows and as such the reconciling items between EBITDA and net debt movement may differ from amounts presented in the Group statement of cash flows. The summary cash flow details movements in net debt while the Group statement of cash flow details movements in cash and cash equivalents. The reconciliations of various reconciling items in the summary cash flow to IFRS information are presented separately in G 20 for a clear presentation of information.

	Reference	2023 $m	2022 $m
EBITDA (pre-exceptional)	G 4	**493.4**	436.8
Movement in working capital (pre-exceptional)	G 20(a)	**(25.0)**	(42.1)
Business sustaining capital expenditure	G 20(b)	**(22.5)**	(20.4)
Operating cash flow	G 12.1	**445.9**	374.3
Net interest and tax paid	G 20(c)	**(51.8)**	(85.7)
Dividends received from related parties	GSCF	**32.0**	15.3
Payments of lease liabilities	GSCF	**(19.9)**	(17.4)
Other outflows	G 20(d)	**(16.4)**	(3.5)
Free cash flow		**389.8**	283.0
Strategic capital expenditure	G 20(b)	**(51.7)**	(52.1)
Dividends paid to Company shareholders	GSCF	**(97.2)**	(88.9)
Loans/investments in related parties	G 20(e)	**67.8**	(19.2)
Purchase of own shares under share buyback	G 20(f)	**(108.7)**	(182.8)
Exceptional cash paid	G 20(g)	**(13.5)**	(22.4)
Proceeds from sale of property, plant and equipment	GSCF	**–**	3.6
Acquisitions/disposals	G 20(h)	**59.8**	279.0
Net cash flow		**246.3**	200.2
Exchange translation		**(5.5)**	(8.6)
Cash acquired on acquisition		**0.5**	1.0
Net debt movement		**241.3**	192.6
Opening net debt		**(490.0)**	(682.6)
Closing net debt	Note 9	**(248.7)**	(490.0)

G 14. Operating cash conversion

Operating cash conversion is defined as Operating Cash Flow divided by EBITDA (pre-exceptional). Cash conversion is a measure of the Group's ability to convert adjusted trading profits into cash and is an important metric in the Group's working capital management programme. The measure is a key element of Executive Director and senior management remuneration.

G 15. 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	2023 $m	2022 $m
Profit before tax – continuing operations	GIS	**392.4**	237.4
Exceptional (credit)/charge	GIS	**(47.8)**	43.7
Profit before tax (pre-exceptional) – continuing operations	GIS	**344.6**	281.1
Less share of results of joint ventures (pre-exceptional)	GIS	**(12.5)**	(16.3)
		332.1	264.8
Income tax	GIS	**44.7**	27.1
Exceptional tax credit	GIS	**1.8**	6.0
Income tax (pre-exceptional)	GIS	**46.5**	33.1
Effective tax rate		**14.0%**	12.5%

G 16. Dividend payout ratio

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

	Reference	2023	2022
Adjusted EPS	G 7.2	**$ 131.37c**	$ 109.57c
Dividend recommended/paid per ordinary share in Euro		**€ 35.43c**	€ 32.21c
Equivalent US Dollar dividend translated at average rate for the year		**$ 38.32c**	$ 33.93c
Dividend payout ratio		**29.2%**	31.0%

G 17. Total shareholder return ("TSR")

TSR represents the change in the capital value of a listed quoted company over a period, plus dividends reinvested, expressed as a plus or minus percentage of the opening value. TSR is one of the performance conditions in Glanbia's Long-term Incentive Plan.

G 18. Exceptional items

The definition of exceptional items and the analysis of exceptional items is disclosed in note 2 of the published financial statements and note 4 of the financial statements respectively.

G 19. 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 year-on-year change, the results for the prior year are retranslated using the average exchange rates for the current year and compared to the current year reported numbers. The principal average exchange rates used to translate results for 2023 and 2022 are outlined in note 1 of the financial statements.

G 20. Cash flow items

This section presents reconciliations of various reconciling items in the summary cash flow (G 13) to IFRS information.

(a) Movement in working capital

	Reference	**2023 $m**	2022 $m
Movement in working capital		**(47.7)**	(60.9)
Net write down of inventories (pre-exceptional)	Note 12	**18.4**	14.3
Non-cash movement in allowance for impairment of receivables	Note 12	**(3.8)**	0.4
Non-cash movement in provisions	Note 12	**7.4**	1.0
Non-cash movement on cross currency swaps	Note 12	**0.7**	2.7
Other reconciling items		**–**	0.4
Movement in working capital (pre-exceptional)	G 13	**(25.0)**	(42.1)

(b) Capital expenditure

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.

	Reference	**2023 $m**	2022 $m
Business sustaining capital expenditure	G 13	**(22.5)**	(20.4)
Strategic capital expenditure	G 13	**(51.7)**	(52.1)
Total capital expenditure		**(74.2)**	(72.5)

Reconciliation of capital expenditure to GSCF:

	Reference	**2023 $m**	2022 $m
Purchase of property, plant and equipment	GSCF	**(42.0)**	(33.4)
Purchase of intangible assets	GSCF	**(32.2)**	(39.1)
Total capital expenditure per the GSCF		**(74.2)**	(72.5)

(c) Net interest and tax paid

	Reference	**2023 $m**	2022 $m
Interest received	GSCF	**10.7**	1.6
Interest paid (including interest expense on lease liabilities)	GSCF	**(22.0)**	(24.4)
Tax paid	GSCF	**(40.5)**	(62.9)
Net interest and tax paid	G 13	**(51.8)**	(85.7)

(d) Other inflows/(outflows)

	Reference	**2023 $m**	2022 $m
Cost of share-based payments	Note 12	**24.5**	19.8
Difference between pension charge and cash contributions	Note 12	**(2.7)**	(0.5)
Loss on disposal of property, plant and equipment	Note 12	**1.2**	0.4
Purchase of own shares by Employee Share (Scheme) Trust		**(39.4)**	(24.6)
Proceeds from disposals/redemption of FVOCI financial assets	GSCF	**–**	0.4
Proceeds on sale of shares held by subsidiary	GSCF	**–**	1.8
Non-cash movement on disposal of leases	Note 12	**–**	(0.4)
Other reconciling items		**–**	(0.4)
Total other outflows	G 13	**(16.4)**	(3.5)

(e) Loans/investments in related parties

	Reference	2023 $m	2022 $m
Loans advanced to Glanbia Cheese*	GSCF	**(3.5)**	(49.5)
Proceeds on repayment of loans advanced to Glanbia Cheese	GSCF	**71.3**	–
Proceeds on repayments of loans advanced to Tirlán Ltd	GSCF	**–**	30.3
Total loans/investments in related parties	G 13	**67.8**	(19.2)

* Comprised Glanbia Cheese Limited and Glanbia Cheese EU Limited (collectively referred to as "Glanbia Cheese") which are now named Leprino Foods Limited and Leprino Foods EU Limited respectively (collectively referred to as "Leprino Foods").

(f) Purchase of own shares

	Reference	2023 $m	2022 $m
Purchase of own shares under share buyback	G 13	**(108.7)**	(182.8)
Purchase of own shares by Employee Share (Scheme) Trust	G 20(d)	**(39.4)**	(24.6)
Total purchase of own shares	GSCF	**(148.1)**	(207.4)

(g) Exceptional cash paid

	Reference	2023 $m	2022 $m
Cash outflow related to exceptional items – operating activities	GSCF	**(11.8)**	(13.6)
Cash outflow related to exceptional items – investing activities	GSCF	**(1.7)**	(8.8)
Total exceptional cash paid	G 13	**(13.5)**	(22.4)

(h) Acquisitions/disposals

	Reference	2023 $m	2022 $m
Proceeds from disposal of Glanbia Cheese (exceptional)	GSCF	**123.4**	–
Proceeds from disposal of assets and liabilities held for sale (exceptional)	GSCF	**8.6**	–
Proceeds from disposal of Tirlán Ltd	GSCF	**–**	339.3
Payment for acquisition of subsidiaries	GSCF	**(71.9)**	(60.3)
Payment for acquisition of NCI	GSCF	**(0.3)**	–
Total acquisitions/disposals	G 13	**59.8**	279.0