Chief Executive Officer's Review

ROGER WHITE, CHIEF EXECUTIVE OFFICER

This has been a challenging year, characterised by volatile global and domestic economic conditions. Disappointingly, while we did not achieve our previously anticipated financial objectives, I am encouraged to report that we have made progress across the key operational areas we set out at the start of the year. Reflecting on my first 12 months in the business, I take great pride in the efforts and commitment of our employees across the organisation as we collectively navigated through an increasingly challenging macro-environment, where we have experienced a notable reduction in consumer discretionary spend in the hospitality sector. This difficult trading environment for our customers has meant that we have prioritised supporting them, by investing in market leading service, value and choice.

Our primary objective at the start of the year was to develop a business model that can deliver sustainable value and growth into the longer-term, achieved by:

- Building on our market leading positions and growing value in our core brands.
- Relaunching Magners and building innovation capability.
- Underpinning our position as the leading drinks distributor in the UK & Ireland through service, value and choice.
- Implementing our simplification and growth programme, focusing the Group on several material initiatives designed to simplify our operations and support growth.
- Investing in people, technology, and processes, equipping us to sustainably win in the market.

We have made progress across each of these objectives, particularly in our efforts to simplify the business and develop our industry leading service proposition. Consequently, we exited the financial year with more robust operating foundations, providing an increasingly stable platform from which we can more confidently execute our growth strategy and value creation plans.

Market Landscape

United Kingdom

Economic conditions remained challenging through the year. Ongoing cost inflation, a weakening employment market, a volatile global macro-economic position and the implications of the Chancellor's Autumn Statement impacted both consumer sentiment and the trading environment for our hospitality customers. Whilst On-Trade value spending on drinks was in growth year-on-year +2.7%, the number of GB On-Trade drink serves sold remains below previous years.

Within the Off-Trade, continued price competition remains a feature as volume growth proved difficult to achieve. Preparation across the industry is now underway in anticipation of a UK wide Deposit Return Scheme ('DRS') which is due to go live in October 2027.

Encouragingly, the beer and cider categories continued to grow across the UK On-Trade. Beer extended its value share once again, rising by an estimated one percentage point on a moving annual total ('MAT') basis, now representing roughly 45% of category value. Stout remains a standout contributor, delivering double-digit value growth versus the prior year.

Chief Executive Officer's Review continued

The growth of beer occurred alongside continued value share decline in wine and spirits. The decline in wine was driven partly by weaker performance in hotels, restaurants and casual dining, while spirits saw another year of contraction, with gin again leading category declines.

Ireland

In Ireland, whilst mirroring many of the UK headwinds, trading conditions were defined by resilient spending but growing caution, as households faced persistent cost pressures and heightened global uncertainty. While consumer spending remained robust, supported by strong employment and wage gains, confidence weakened sharply through the year amid concerns over US tariffs and geopolitical risks. Inflation closed the year at 2.8%, however the cost of essentials rose faster, notably food prices up 4%, squeezing day-to-day budgets. Larger supermarket chains responded with heightened promotional activity and targeted digital campaigns, intensifying competition across the Off-Trade channel.

In the On-Trade, the long-alcoholic drink ('LAD') market showed broad stability, as MAT volumes contracted slightly whilst value remained in growth, supported by rising price per litre and continued premiumisation. Lager volumes declined -1.4% in the year, while stout continues to underpin market resilience with modest growth. Cider volumes grew 1% with value growth of 3.3%.

Strategy

Our overarching aim remains the development of a resilient, high performing business capable of generating sustainable value. Much of my first year has been taken up by listening, learning, reviewing and assessing our future opportunities.

C&C has been formed via numerous acquisitions over many years, and we have multiple business models operating within the Group structure. Whilst there has been some integration over time, this is far from complete and has created a sub-optimal and complex operating structure which was characterised under the old 'One C&C' banner. It is clear however there are distinct differences between our operating models, as well as very different margin structures, core competencies and cost bases. We have already initiated the reorganisation of the Group corporate structures to make things clearer and simpler, playing to our strengths and supporting our distinct business models. Our aim over the past 12 months was to simplify where possible and, having achieved much of this, we are now seeking to unlock operating efficiencies across the Group in manufacturing, logistics, procurement and central costs.

Whilst we hold leading positions in our key markets, we continue to see growth potential in our brands and the potential to bolt-on additional brands such as Innis & Gunn. To realise this opportunity, we continue to invest in our customer experience, in refreshed innovation capability to support our brands, and to modernise our systems and technology, all of this underpinned by the capability and commitment of our people.

Business Performance – Branded

Branded revenues increased by 4% to €309.5m, reflecting positive sales growth for Tennent's and Bulmers, offset by declining cider volumes in GB where our brands experienced a period of disruption as we took the Magners brand back in-house. Operating profit[1] of €51.0m represents an 11% improvement, with operating margin[7] expansion of 110bps year-on-year, evidence of our focus on simplification and operational improvement and efficiency.

Tennent's achieved value growth in the year, in both On and Off-Trade channels. Consequently, the brand maintained its market leadership and once again grew share in the Scotland On-Trade lager category (Source: CGA OPM 28 w/e 21.02.26 – Total Lager Scotland). We have also invested further in innovation capability over the past 12 months, and we delivered the first tangible output from this investment from the launch of Tennent's Bavarian Pilsner, the first innovation from this brand in several years. This launch was aimed to showcase the quality of our beer and the ability of the Tennent's brand to achieve incremental sales in a competitive market. This is the first in a planned number of new product launches, which we see as a critical strategic lever in stimulating brand development and growth across a broader consumer base.

Bulmers delivered a robust performance in the year with volumes growing +2% and achieving net revenue expansion of 3%. From a market share perspective, Bulmers gained share in the On-Trade, growing 1.4ppts share on the previous year. (Source: CGA OPM, 52 w/e 24.01.26).

Magners and our GB cider portfolio underwent a period of transition in the year as we brought the brands back in-house following a long-term distribution arrangement with Budweiser Brewing Group ('BBG').

Following the transition, our initial priority was to ensure continuity of service to existing customers and establish sales stability, which was achieved towards the end of the year. We underscored our commitment to the Magners brand with an upweighted marketing programme in the year, which saw the return of the brand to TV for the first time in several years.

Chief Executive Officer's Review continued

Business Performance – Branded continued

We continue to see Magners as an important part of our brand portfolio and will continue to support its long-term revival. We anticipate momentum building on the brand across FY2027.

Encouragingly, we delivered further volume growth from our brands in our Premium portfolio. Menabrea, our Italian lager, achieved volume growth of 4% over the year as we launched a new partnership with TV chef James Martin, which saw the brand achieve high engagement across digital media. Following a successful launch of Outcider in Scotland, where the brand achieved nearly 300 On-Trade distribution points in its first year, we will now move to launch the brand in England and Wales to continue the growth momentum.

We continued to invest in our strategically important production sites in Wellpark, Scotland, and Clonmel, Ireland, to ensure we maximise productivity whilst maintaining available spare capacity, allowing us to mobilise quickly in the event of volume opportunities becoming immediately available. We believe local production capacity, coupled with owned physical route-to-market, will become increasingly valuable in the future, and allow us to avail of market opportunities on an agile basis.

Branded

€m (constant currency)	FY2026	FY2025	vs FY2025
Net revenue	**309.5**	**298.6**	**4%**
Price/mix impact			9%
Volume impact			(6%)
Operating profit(1)	**51.0**	**46.1**	**11%**
Operating margin(1)	16.5%	15.4%	1.1pts

1. Before exceptional items.

As our strategy develops further, we expect the following core priorities will endure:

Building Brands of Scale and Growth Potential

We continue to enhance our position with our two leading brands, Bulmers in Ireland and Tennent's in Scotland, where we see continued growth opportunities from their future development, including extensions and new product innovation. Across our wider brand portfolio, we renewed support in the Magners brand through its relaunch following the decision to bring the brand back in-house. We see compelling opportunity across our wider premium portfolio, particularly the development of Menabrea and Outcider brands which play in attractive growth segments of the market, alongside our wider portfolio of heritage and premium brands.

Creating a Strong Portfolio with Superior Service

We are the leading drinks distributor across the UK and Ireland, distinguished by breadth of choice, service, geographic coverage and operational scale, serving over 22,000 hospitality customers annually. We see material opportunities to grow in partnership with customers and suppliers across the hospitality spectrum, whilst unlocking efficiency gains that will underpin margin improvement over the long-term. We believe Matthew Clark Bibendum ('MCB') remains a critical asset in the wider hospitality infrastructure and an essential partner for beverage brands seeking access to the UK On-Trade market.

Simplification, Efficiency and Cost Focus

We remain steadfast in our conviction that a simpler, more efficient business will support growth across volume, value and margins. Our Group-wide change activities have been focused on supporting our business fundamentals, achieved through simplifying business processes, improving financial controls and deepening the business-wide understanding of our data and product portfolio.

Operation Simplification and Efficiency

During the course of the year, we undertook further optimisation of our logistics network, consolidating several smaller depots into larger regional hubs. This simplification has supported improved customer service and provides a scalable framework for future growth whilst simultaneously reducing miles travelled, supporting our sustainability drive.

Advancing Our Sustainability Commitments

Sustainability remains central to our strategy, and we delivered further progress across several key initiatives. At our Wellpark Brewery, the planned installation of an E-Boiler represents an important step in reducing the site's future energy intensity and operating costs. In addition, our investment in a new de-alcoholiser will enhance our capability to produce zero alcohol products, supporting both category growth and evolving consumer preferences. These actions reflect our commitment to long-term sustainability, operational efficiency, and responsible business.

Chief Executive Officer's Review continued

Distribution

FY2026 was a challenging year for many distribution and wholesale businesses. Across GB, where hospitality suffered cost and volume pressures, there was a pronounced impact on our MCB business, where overall market volume challenges were compounded by product mix headwinds, with the higher unit margin wines and spirits categories ceding share to long alcoholic drinks, diluting our margins. Performance in our Distribution segment also reflects the impact of the removal of BBG brand sales in Republic of Ireland Off-Trade which we exited at the same time as we regained control of our GB cider brands.

Our service levels in the year were encouraging, culminating in On Time In Full ('OTIF') metric of 96% over the festive period in our GB depots, which was widely commended by our customers. Volumes in our MCB business were marginally up versus the prior year, driven by the wider market shift towards more long alcoholic drink products. Whilst this was positive from a volume perspective, it translated into mix margin erosion due to the declines in higher unit margin wines and spirits volumes.

In Ireland, revenues were down 27%, materially impacted by the removal of the BBG portfolio from our Off-Trade sales channel. This was part of the reciprocal agreement where we took back the distribution of our cider portfolio in England and Wales from BBG. Both changes are now fully embedded in the organisation and base comparative financials will not be impacted by these changes in the new fiscal year.

Distribution

€m	FY2026	FY2025	vs FY2025
Net revenue	**1,260.3**	**1,366.9**	**(8%)**
Price/mix impact			1%
Volume impact			(9%)
Operating profit[1]	**19.5**	**31.0**	**(37%)**
Operating margin[1]	1.5%	2.3%	(0.8)pts

1. Before exceptional items.

Strengthening Engagement, Culture and Governance

We have invested in colleague engagement, communication and capability development. The rollout of our Elevate engagement platform, alongside the launch of the Learning Tap tool, has improved communication and provided colleagues with accessible learning pathways to support personal and professional development.

In parallel, we accelerated the rationalisation of our legal entity structure to reduce cost and complexity, while continuing to enhance our governance and controls environment. Targeted investment and a systematic improvement programme have further strengthened our risk management capabilities and operational disciplines. We also continued to bolster our financial control environment, increasing investment in risk mitigation resources and implementing new financial control software. This has delivered enhanced transparency, greater automation and strengthened oversight across the organisation.

Accelerating Digital and Commercial Capability

During the year, we enhanced our customer relationship management ('CRM') capabilities to enable more precise customer targeting and deeper insights. We also made progress in developing a new digital sales platform, designed to give customers greater flexibility in how they order and engage with us. These investments will improve market diagnostics, streamline sales processes and support increased productivity across our commercial teams.

Embedding a Stronger Health & Safety Culture

Health & Safety remains the top priority across the Group. Our intensified focus within the logistics network has driven significant improvements, contributing to a further reduction in our Reportable Injury Frequency Rate ('RIFR') reportable incidents during the year. The continued strengthening of our safety culture is central to our ambition of ensuring that everyone returns home safely every day.

Organisational Simplification

As part of the simplification programme initiated at the end of the 2026 financial year, we restructured our field sales territories and back-office operations. Enabled by investments in productivity enhancing systems, this reorganisation has streamlined operations, reduced complexity and resulted in a reduction of circa 4% in our employee base going forward and highlights the potential that exists to improve our cost base going forward.

Looking Ahead – A Refreshed Strategic Focus

Our strategic focus is now to work towards a Group with two distinct business models – C&C Brands, a brand focused, multi-channel business platformed on scale, manufacturing assets with leading route to market capabilities and a Brand portfolio capable of sustained volume growth. The second business model, Matthew Clark Bibendum holds a unique supply role in the hospitality environment providing customers with leading service, value and choice whilst providing Brand owners with unrivalled access and insight into the hospitality sector across the UK. We aim to build the specific required competences across our separate business models to maximise the potential of them as separate operations under one Group structure. At the same time, we anticipate consolidation to be a reality within our industry with potential outcomes both at a corporate level and at an operational level. Our objective in this dynamic environment is to build strategic optionality – by ensuring we are in the best possible position to benefit from any relevant consolidation.

The priority for the past year has been establishing stronger enterprise-wide foundations, allowing us to review the business with the aim of building from a position of strength. We exited from FY2026 with a refreshed Executive team and clearly identified opportunities for value growth across the business. Streamlining and simplifying the business has been necessary and we must now aim for enhanced execution agility and a clear set of business priorities which we believe will serve as a competitive advantage versus our competitors. Whilst the market remains challenging, we see ample opportunity to develop both our brands and distribution capability and recognise that our manufacturing assets and route to market strengths, represent a unique point of difference in the beverage space. We will further develop how we capitalise on these opportunities in the coming months but expect to continue to invest in the developments of our growing Branded portfolio and focus on margin expansion in our Distribution business.

Strengthening Core Brands

We continue to develop our core brands Tennent's, Bulmers and Magners. With our brand innovation engine now firmly established, we anticipate a series of brand developments, providing growth opportunities for our brands in the wider beer and cider category. This will be accompanied by a strong promotional programme across the key summer months, with a clear focus on the trading opportunity presented by the Men's Football World Cup in the summer of 2026.

Following an encouraging performance from Bulmers in FY2026, we will seek to capitalise further on existing high consumer awareness with further investment in Bulmers Zero, positioning the brand to benefit from the increasingly attractive no/low alcohol segment, as well as in a series of flavour innovations.

Growing our Branded Portfolio

We own a much wider portfolio of brands than is visible at first glance. We have not fully leveraged this wider portfolio in recent times, and this is something we now plan to focus upon. Our premium portfolio is developing well, and geographic growth is a natural next step, as we expand into wider distribution. As an example, Outcider, our cider brand aimed at a higher tempo occasion, has established itself as the number one On-Trade cider in Northern Ireland and continues to enjoy double-digit growth in the territory. In the year, we launched Outcider in Scotland, achieving an impressive 300 On-Trade venue listings in the first year. We see immense potential for the brand with the Gen Z cohort and will be capitalising upon the Scotland launch with the release of the brand in England and Wales in FY2027. We see strategic growth for the brand within the C&C cider portfolio, and it complements both Magners and Bulmers well.

Menabrea, our premium Italian lager, continued its positive performance in the year, delivering both volume and sales value growth. The premium quality of the brand has established it as a leading premium lager in the UK, and we will continue to selectively enhance the distribution footprint of the brand in appropriate market segments.

In March 2026, we acquired the Innis & Gunn brand in which we have been a long-term partner in both brewing and sales development. The integration of Innis & Gunn into our operating and commercial footprint was delivered seamlessly in the weeks following completion and serves to highlight the capacity and capability to integrate and create valuable synergies from the right opportunities. We expect to develop this premium craft ale and lager brand further across FY2027.

Advancing Our Distribution Leadership

With a unique national footprint, deep category capability, and strong trade relationships, we believe we have the opportunity to improve the distribution business over a period of time, centred around the following principles:

- Building operational focus and cost competitiveness.
- Reshaping our portfolio and reducing complexity.
- Developing renewed partnerships with brand owners who wish to utilise our unique route-to-market capability.
- Redefining our service proposition for our customers and clarifying our competitive position in the overall market.

Our focus is to develop an improved margin position within our MCB business. This will be delivered by a continued focus on cost, range, service and pricing. We expect to build the margin in MCB progressively in years to come.

Outlook

Trading performance since the period end has been in line with expectations. The important summer months trading period lies ahead, and the macro environment remains unstable meaning forecasting consumer behaviour and demand is challenging for all. Notwithstanding this uncertainty, the Group has strong plans in place across the business, and we currently expect to meet full-year financial objectives, alongside delivering substantial progress in the development and delivery of our refreshed strategic framework.

Roger White
Chief Executive Officer

Notes to the Chief Executive Officer's Review can be found on page 23.